# Sustainability at scale, accelerated by data

A methodical approach to ESG data management and reporting helps GPT blaze a trail in sustainability

How can your business optimize operations and cost whilst reducing waste and emissions? When one organization set out in pursuit of answers, it found that a methodical, data-driven approach is key. Learn how it delivered winning sustainability outcomes and better business resiliency.

From involvement in numerous industry technical working groups and development of reporting standards, Steve Ford, Head of Sustainability at
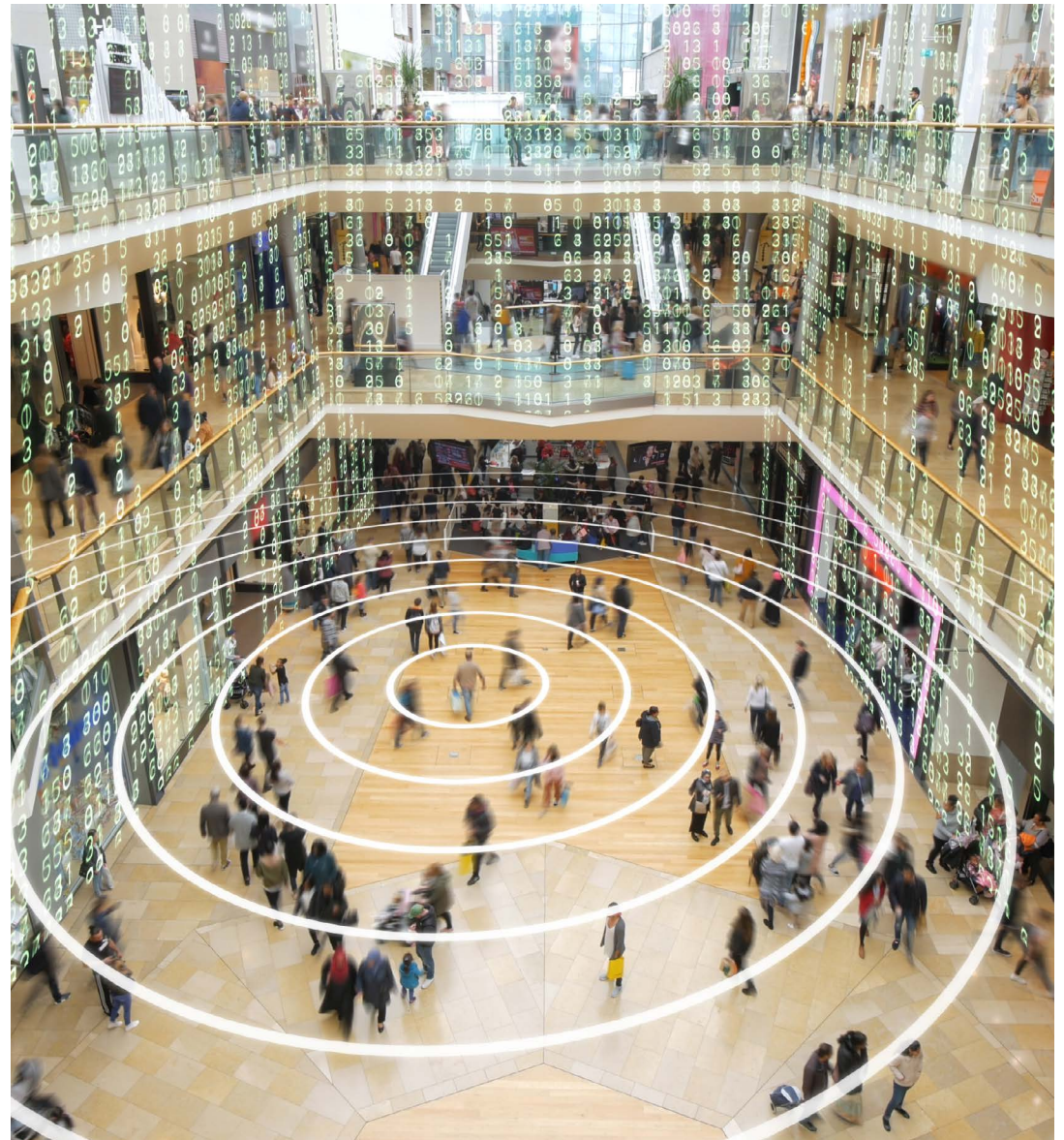
GPT Group, a diversified property group listed on the Australian Securities Exchange (ASX), has been surprised to see the broad range of environmental, social and governance (ESG) data management processes, where many companies continue to manage data through, "a bunch of spreadsheets, PDFs and unlinked documents."

This is in stark contrast to the highly automated mechanisms Ford and his team have deployed for ESG data management for over a decade now. Over that time, GPT has consistently topped the Dow Jones Sustainability World Index and each of GPT's wholesale funds has been recognized in the top quintile of the GRESB Real Estate Benchmark. In fact, GPT has more carbon neutral building certified floor space than any other Australian property owner (link resides outside of ibm.com) and is currently ranked first of 864 real estate companies in

the S&P Global Corporate Sustainability Assessment.

The driving force here is a formidable combination—an ingrained corporate culture of sustainability fused with a methodical approach to ESG data management.

But it wasn't always like this.

Just over a decade ago, GPT's Sustainability team faced a real challenge in accelerating their sustainability journey. The use of spreadsheets and manual tools to manage data related to energy, water, waste and emissions was becoming untenable. Standalone legacy systems stonewalled the reconciliation of non-financial sustainability data. ESG reporting was becoming onerous.

GPT's think tank could see where the future of corporate sustainability was.

"The end game has to be net zero or a carbon neutral outcome. And anyone who doesn't see that as the end game for energy- and climate-related environment impact is playing on the wrong planet," says Ford. And they realized early on that one way to get there faster was with solid data to measure, manage and report sustainability performance.

So in 2011, GPT deployed what is now known as the IBM® Envizi ESG Suite to streamline ESG data management across building assets and support compliance reporting such as The National Greenhouse and Energy Reporting scheme (NGERs). Over the last decade, this deployment has progressively grown to include additional products, including Interval Meter Analytics and Sustainability Program Tracking, to identify and manage opportunities to deliver sustainability improvements.

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Reduced energy intensity by

52%

across the portfolio

Annual savings of

USD 20 million

on energy and water costs

Data-driven decisions, profitable outcomes

Complete and accurate accounting of GPT's sustainability performance metrics was one of the biggest areas of impact of the IBM Envizi ESG Suite. "We had amassed over 10 different systems to manage and monitor water and energy. We were looking to consolidate and Envizi has helped with that. Envizi provides one system for reporting and monitoring—all in the one platform, with one login and one interface for our teams to learn. When it comes to major areas of impact we have on the environment, good information comes in the form of data and this informs good decisions," says Ford.

The IBM Envizi ESG Suite's powerful data capture, normalization and structuring capabilities were pivotal in seamlessly bringing multiple sources and formats of environmental data to the Sustainability team's fingertips. "Be it Envizi data feeding into our Environment Management Systems or the same data extracted into company-wide Management dashboards alongside financial and leasing data, it's been an important evolution. This meant that energy, water, materials and recycling data could now be considered as robust and accessible as financial and leasing data, which is core business for us," says Ford.

On why it's so critical to have environmental data that inspires confidence, Ford explains: "I have 120 assets to deal with and not enough time to go looking for things that are wrong. Most people might only know they have a gap in their data when something

goes wrong, whereas with Envizi I run a missing data report and I know exactly where the gaps are. And when we report to NGERS, GRI, NABERS or internal teams, Envizi's [data] tagging capabilities mean that one piece of data can be reported in multiple different ways. I don't have to reinvent the wheel every time."

In 2021, GPT delivered an 82% reduction in emissions on its 2005 baseline (link resides outside of ibm.com). But for GPT, finance-grade data hasn't just enabled smarter decisions in emissions reductions and energy efficiency, but also across related disciplines like procurement. "If I was chasing data all the time, I would not have time to be strategic in my procurement. A number of my counterparts have massive cost exposure because of that," Ford says.

In a bid to quantify these flow-on effects, Ford's team recently crunched some

numbers. "We found that if you took away our efficiency improvements and our procurement savings, it would amount to a nearly USD 50 million increase annually in our energy cost. This means we would be spending around three times as much for our energy, and energy is the second biggest cost to our business," says Ford.

With robust sustainability-linked data to fall back on, GPT has also been able to harness the power of ESG transparency. A stellar example of this is the GPT Environmental Dashboard—a public digital 'data pack' built on data captured and managed by IBM Envizi—that summarizes asset performance against GPT's 2005 baseline as well as current ratings and certifications. On this report, Ford notes, "We can stand behind any data point because we can track it back to support documents on Envizi."

Not just a platform, a partner in systematizing ESG

Today, the IBM Envizi ESG Suite is helping GPT advance its position as a leader in sustainability efforts by helping to maintain finance-grade ESG data, report with confidence, track efforts, brief senior executives, and support audit and assurance.

"We've worked with Envizi as not just a platform but a partner in systematizing our processes," says Ford, "I know I'm getting good decisions made every time because they're well informed. So I can react to things much more quickly, which means I can save more money."
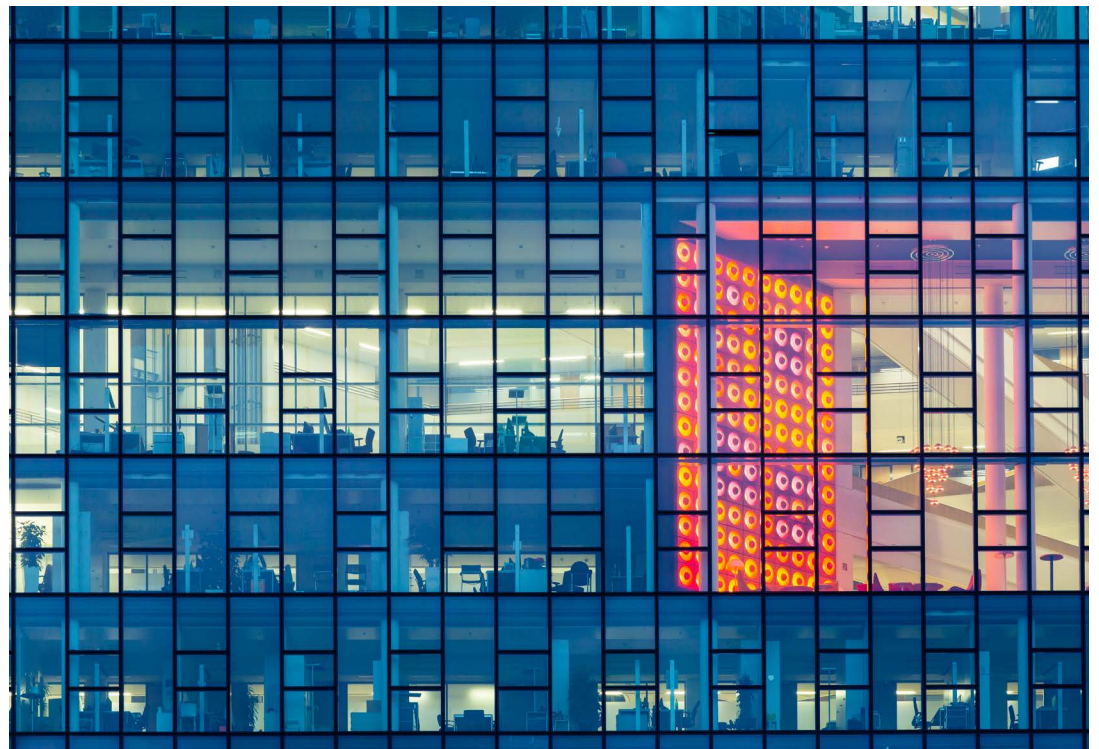
This is evidenced in the remarkable financial value and emissions reductions GPT has achieved. "Over the last 15 years, our investments have reduced their energy intensity by 52%, which translates to over USD 20 million in annual savings. And that's on our competitive contracted energy rates. Applied to current market rates of approaching USD 200 per megawatt hour in some jurisdictions, the value in annual savings is closer to the USD 50 million mark. Imagine if the average business could find a high-cost area and increase efficiency by 50%," says Ford, adding, "we couldn't have done it without good information, which is where Envizi has been on our side for a long time."

Preparing an array of environmental sustainability reports—for internal teams, stakeholders, regulators and auditors—is a big part of what Ford's team does. IBM Envizi has helped make this process efficient. "With Envizi we can easily switch from high-level utility account data to very granular sub-meter data. And we can attach support documents to evidence our data. If an auditor needs additional info, we simply give them an Envizi login to pull out documents themselves. This saves us weeks of work sampling and data gathering during times when we are under pressure to meet company deadlines," says Ford.

Of note is the positive feedback GPT earns by being systematic. "The systems in place are the best the assessors have seen in this space. GPT has rigorous data collection and analysis in place with extensive historical information dating back over a decade," Best Practice Certification noted while certifying GPT's Environmental Management System to ISO14001:2015 standards.

With a string of sustainability achievements to look back upon, Ford reflects on GPT's next data-led project that aims to systematize sustainability efforts through to the ground-level teams. "Captain Planet is a project that captures all our ongoing initiatives so we can model outcomes and track them on a quarterly basis for senior staff and on a day-to-day basis at the junior level. This will help us set clearer targets against our baseline. We've chosen Envizi to deliver our Captain Planet project during a market review exercise. Decisive factors were that our baseline data is on Envizi, but also because it's user-friendly, intuitive and has powerful data visualization and forecasting tools," says Ford.

GPT
The GPT Group

About The GPT Group

GPT (link resides outside of ibm.com) is a diversified property group that owns and manages an Australian office, logistics and retail assets portfolio valued at more than AUD 27.4 billion. The Group has been publicly listed in Australia since 1971. GPT is a leader in ESG which has been recently recognized by its first place ranking on the S&P Global Corporate Sustainability Assessment of 864 real estate companies around the world.

Solution component

- IBM® Envizi ESG Suite

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