

ESG Summit 2023 SPECIAL REPORT

Moving from world of competition to collaboration to achieve sustainability

The third ESG summit in Croke Park was focused on companies rather than regulations, showing how sustainability and governance have moved centre stage for business, writes **Quinton O'Reilly**

The third ESG summit highlighted the enthusiasm to make the world better and the importance of collaboration to achieve this.

With over 400 people filling the room in Croke Park, the third ESG Summit 2023 brought high expectations.

With over 20 speakers and 13 exhibitors on the floor on Tuesday, May 30, the scale of the day matched the interest in an area rapidly growing in importance among businesses.

Returning to chair the summit, Ivan Yates, entrepreneur and broadcaster, highlighted the difference between this year's event and the previous one: no political or regulator backgrounds. Instead, the focus is on companies.

"This is rapidly moving on to the phase of commercial adoption of ESG issues, be they environmental, social or governance," he said. "Therefore, you're going to get the best professional advice, and by the end of it there will be a large number of takeaway [points] of what you can do in your business."

The first discussion looked at making leaders sustainability champions, featuring JP Scally, chief executive of Lidl Ireland and Northern Ireland, and Tracy O'Rourke, founder and chief executive of tech firm Vivid Edge.

Scally said Lidl's efforts had started well before ESG became a popular term. He stressed that ESG was a part of the culture of the company and that it made financial sense. With packaging, it hit its target of reducing plastic use by 20 per cent a year ahead of schedule – but progress can't stop there.

"The next big target is to ensure all our plastic is recyclable... So every time we hit a milestone, we're looking at the next one," he said.

With regard to the built environment – retrofitting and newbuilds – O'Rourke stressed the importance of doing everything in one go, rather than taking a piece-by-piece approach.

"It's daring to do the right thing," she explained. "The CEO of an organisation plays an enormous role, and it goes back to being authentic."

"Are you viewing it as box-ticking or the right thing to do? It covers every aspect of running a business... if a board of management is doing that, it will spread across the whole organisation."

While these intentions are great, there still needs to be clarity with confusing acronyms and new terms to find your way around, not to mention bad faith actors using this to their advantage.

The next talk was pertinent to this, as Ifigenia Paliampelou, lecturer and researcher at the National College of Ireland, spoke about research she and her colleagues had conducted into the issue of greenwashing.

While much research is still to be done, Paliampelou highlighted how much confusion was caused by unfamiliar terms, with companies pledging to hit net zero when

they had been claiming carbon neutrality for years.

Her study grouped them into six categories, including mea culpa U-turn, silent U-turner, scope shifter, and net zero greenhusher. The most prominent one was the revising carbon neutral group which used definitions which were at odds with those used by institutions.

Before the first panel session of the day, Paul White, partner at A&L Goodbody, Corporate Advisory and M&A group, delved into what businesses need to know about mandatory corporate sustainability reporting.

Referencing Mairead McGuinness, the European Commissioner for Financial Stability, Financial Services, he quoted her recent statement that the key objective is to put sustainability reporting on the same footing as financial reporting.

"Clearly, there's lots to be done in terms of understanding, digesting and preparing for the EU new sustainability reporting," he said. "In this important and ambitious policy, [the] objectives are clear and the urgency can really be felt in the timeline."

"My hope is that success will ultimately come from a true spirit of empathy and accommodation to legislators, regulators and the business community along this important trend."

White joined the first panel group of the day, discussing the CRSD (Corporate Social Responsibility Directive). Alongside him was Orla Coyle, head of energy and sustainability at Savills, Peter Reilly, managing director of governance and ESG at FTI Consulting, and Tony Murphy, director and head of sustainable finance at AIB Corporate Banking.

Reilly highlighted the importance of proper reporting, stating that failing on this front would be like not filing your accounts, with similar consequences.

When asked about the pinch points for a supply chain, Murphy said it came back to Scope 3 (emissions coming from your supply chain) and doing the hard graft now.

"The baseline work is identifying how you thread that through your business. The pressure will come from supply chains as they start to report theirs."

"It's a continuation of the challenges that will flow down but will flow back up and equally then."

The importance of collaboration

With a good chunk of time in the coffee break to help digest the morning chats, the conversation then moved on to sustainability objectives, through three main talks.

The first was aligning access to investment with ESG by Aidan O'Mahony, head of ESG advisory at Goodbody. Of the many details he mentioned, one that caught the ear was that there was more money chasing green assets than there are green assets available.

With at least 57 per cent of the investment market in Europe be-



L-R: Paul White, partner, A&L Goodbody, Corporate Advisory and M&A Group; Amanda O'Sullivan, EA, Strategic Communications, FTI Consulting; Tony Murphy, director, head of Sustainable Finance, AIB Corporate Banking; Peter Reilly, managing director, Governance and ESG, FTI Consulting; Liam McEvoy, co-founder, Sustain IQ; Paul Murphy, Climate Action Solutions lead, Climeaction; Gavin Doyle, director, Acutrace; Brian O'Kennedy, chief executive, Clearstream Solutions; Aidan O'Mahony, head of ESG Advisory, Goodbody; Jonathan Neilan, senior managing director, FTI Consulting; Ivan Yates, ESG summit host; Hetal Kanji, director, Governance and ESG Advisory, FTI Consulting; Aurora Leyton Rossi, sustainability consultant, Antaris Consulting and Arnaud Cave, director, FTI Consulting

Pictures: Maura Hickey



Paul White, partner, A&L Goodbody, Corporate Advisory and M&A Group



Owen Keogh, head of sustainability, Musgrave Group



Conall Boland, senior consultant, Sustainability Team, RPS Consulting



Lucy Gaffney, Platform Development lead, Business for Biodiversity; Aidan O'Mahony, head of ESG Advisory, Goodbody and Lorna McAdoon, group director, Environment, Social & Governance and Northern Ireland lead, Version 1

ing ESG focused, if you don't have ESG as a core part of your strategy, you're missing out on significant investment.

"What ESG factors drive is better investment decisions and outcomes," he explained. "You have to engage with your investors to find out what's important to them, so that it's easier to deliver in that space."

Following up was a case study with Version 1 where Lorna McAdoon, its group director of ESG and NI lead, spoke about the efforts it made to ensure it wasn't just hitting goals but surpassing them.

"Our mission is very, very simple: using our influence with people we work with to drive positive change," she stated.

"We know we can't do it on our own. We are fast moving out of a

world of competition into a world of collaboration to do the right thing for our people and planet, hoping that ESG will drive that."

The final talk was by Lucy Gaffney, platform development lead for Business for Biodiversity, who spoke about biodiversity and natural capital, and bringing nature into the boardroom.

Speaking about terms like nature positive – the net zero equivalent for biodiversity – she said: "There is no net zero without nature positive; the two things cannot exist separately."

"Engaging in nature will help you achieve your net zero targets... What if we went beyond limiting damage and started thinking seriously about restoring and enhancing nature's ecosystem so we continue to live and operate?"

Because we can't continue a system where there's no restoration of natural capital."

Following this were two presentations based on the Scope 3 emissions reporting system: emissions coming from third parties in their supply chain.

The first was delivered by Conall Boland, senior consultant for the sustainability team at RPS Consulting, who said the key difference between the three scopes was the level of control you had over them.

Boland advised the audience that it would take time to scope out their requirements properly, and to take it step by step.

"Tenacity is the biggest skill set you need here," he said. "The other thing you realise is when you think about your strategy, you're

not talking about Scope 3 but about business strategy, your risks and opportunities, how to position your business to be successful and how to be ready for the difficult questions."

The second presentation was from Owen Keogh, head of sustainability at Musgrave Group, who spoke about its efforts in the retail market. He echoed the earlier sentiment about collaborating on all levels – locally, nationally and internationally – to help collect data, report properly and ultimately reduce emissions.

Before the break, there was one major panel session on delivering stakeholder value with a strong ESG strategy. A strong panel featured Caroline Keeling, chief executive of Keelings, Conor O'Sullivan, investment director at

Atlantic Bridge Ventures, Dr Matt Kennedy, director of sustainable development in Europe and global leader of climate strategy at Arup, and Joseph Quinn, head of investor relations at Mainstream Renewable Power.

When asked for one key piece of wisdom, Quinn said what was needed most was commitment to transparency, while Keeling and Dr Kennedy mentioned engaging all of your people and stakeholders respectively.

Turning it into an art

After lunch, attendees broke into six concurrent round-table discussions.

The first was on the importance of ESG reporting data quality, moderated by Brian O'Kennedy, chief executive of Clearstream Solutions. Next was on what ESG means for the construction industry, run by Liam McEvoy, co-founder of Sustain IQ, and Louise Martin, ESG lead at Walls Construction.

Paul Murphy, climate action solutions lead at Climeaction, looked at developing strategies for embarking on an ESG journey, while Jim Foley, managing director of Trustee Decisions Ltd, covered the main ESG themes investors were considering.

Sarah Blake, sustainability consultant at Earthology, discussed fixing the talent gap to help deliver on ESG goals, while Gavin Doyle, director of Acutrace and Colin O'Brien of Croke Park Stadium, discussed the importance of energy management.

When all talks concluded, Yates invited each round-table moderator to discuss the main themes and subjects that had emerged in their discussions. These included education, understanding, responsibility, being authentic and ensuring accuracy of data.

As Brian O'Kennedy, chief executive of Clearstream Solutions, described it, dealing with processes like materiality would be an art.

Concluding the summit, Yates said the level of engagement was exemplary and praised the positivity of the summit.

Yates commented that a lot had changed since the previous summit in October 2022, and that many would keep a close eye on how it developed between now and the next summit.



Roundtable hosts including Brian O'Kennedy, chief executive, Clearstream Solutions; Paul Murphy, Climate Action Solutions Lead, Climeaction; Sarah Blake, sustainability consultant, Earthology; Jim Foley, managing director Trustee Decisions Ltd; Ivan Yates, ESG summit host; Louise Martin, Environmental and Sustainability manager (ESG lead), Walls Construction and Gavin Doyle, director, Acutrace



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Tracy O'Rourke, founder and chief executive, Vivid Edge and JP Scally, chief executive, Lidl Ireland and Northern Ireland