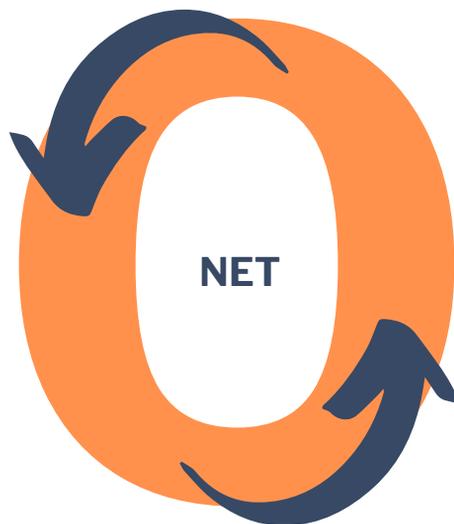




EUROPEAN
INTERNATIONAL
CONTRACTORS

EIC DIGITAL AUTUMN WEBINAR **2021**

**"A VISION FOR A MORE SUSTAINABLE AND
RESOURCE-EFFICIENT CONSTRUCTION INDUSTRY"**



WELCOME REMARKS

...from EIC President Benoît Chauvin

Dear Participant,

Thank you very much for joining our EIC Autumn Workshop 2021 and I hope you enjoyed the discussion as much as I did.

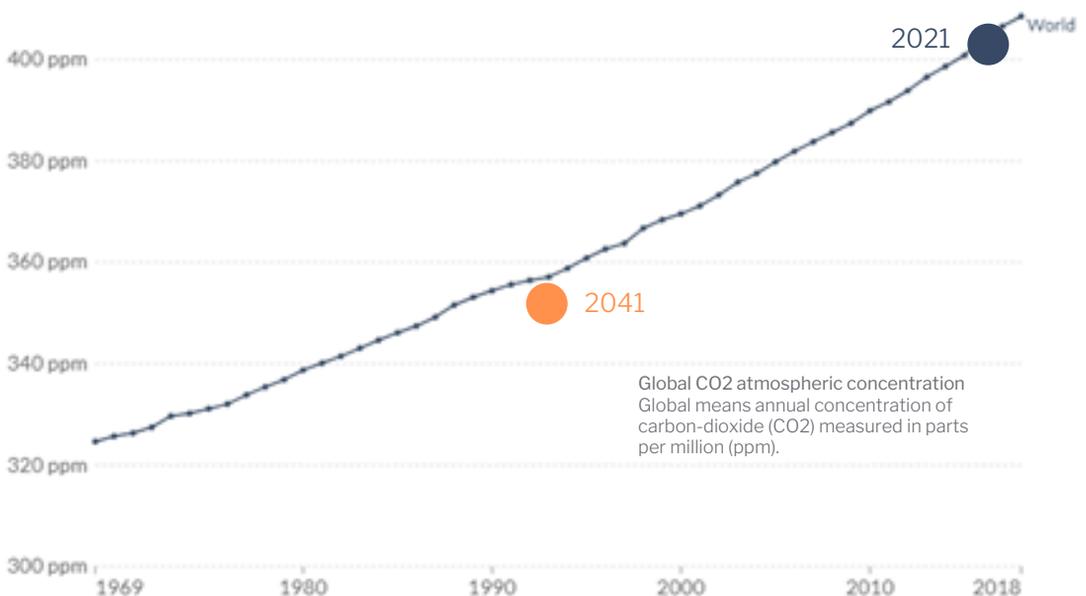
It is my firm belief that we as Europe's large and international contractors have a special responsibility to drive our own decarbonisation agenda forward, and we must be prepared to assume a leadership role to contribute to the reduction of global carbon emissions (see graph below).



With the G20 Summit in Rome and the COP26 negotiations in Glasgow, we could not have picked a better date to scrutinise what progress we have made as EIC in close collaboration with our partners from ENCORD and FIEC to develop our own position on driving forward decarbonisation and resource-efficiency in the construction sector.

I therefore thank all speakers and panelists for the fruitful discussion.

Yours sincerely,



POLICY CONTEXT

The EU Fit for 55 Package



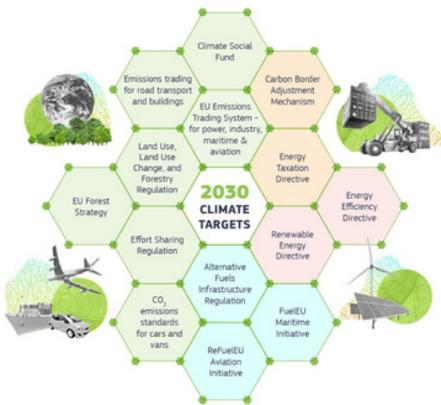
The Paris Agreement clearly recognises that the whole world needs to become CO2 neutral. The choice is whether you want to be one of the first: We see the EU's role as a frontrunner. Developing the required technology and business models will deliver competitive benefits in the long term.



- Tom van Ierland // DG CLIMA

TOM'S PRESENTATION

The Fit for 55 package is part of the EU Green Deal and combines a legislative agenda to reduce emissions significantly in various areas. It is supported by the EU's sustainability finance agenda – including the EU taxonomy – that shall help delivering sustainable growth. Aligned to the European climate law that sets a net 55 % reduction of GHG emissions compared to 1990 by 2030, the “55 Package” consists of a balanced policy mix of pricing, targets, rules and support measures.



Major instruments presented include a new Emission Trading Scheme (ETS) for the building and transport sector, a review of the existing ETS, the introduction of a Carbon Border Adjustment Mechanism (CBAM) for iron & steel and cement products as well as an Innovation and Social Climate Fund. The new ETS will incentivise renovation and the construction of more carbon efficient buildings, the Social Climate Fund will assist vulnerable households with such investments, a reviewed ETS, the Innovation Fund and CBAM will affect the construction ecosystem by incentivising the decarbonisation of the production of building materials.

BENCHMARKS

REACHING CLIMATE NEUTRALITY ALONG THE CEMENT AND CONCRETE VALUE CHAIN BY 2050



We need to stand up as a sector and demonstrate our part in the solution to climate change. The biggest challenge is not compliance but communication and citizen engagement. We need to communicate that tackling climate change implies an individual (financial) burden in e.g. deep renovation of houses.

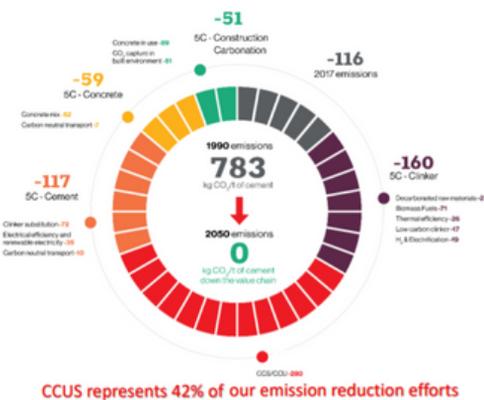


- Koen Coppenholle // CEMBUREAU

KOEN'S PRESENTATION

With an annual turnover of 15 bn EUR and about 35.000 jobs, the cement industry is a key contributor to the European economy and a key enabler of the Green Deal. Cement enables to build zero emission / positive buildings thanks to high insulation. Most low carbon energy generators need cement in the construction process and public mass transport relies on cement. To not only indirectly contribute but actively reduce carbon emissions,

CEMBUREAU developed a Carbon Neutrality Roadmap that includes five C-steps along the value chain: Clinker, Cement, Concrete, Construction and Re-Carbonation. By sourcing energy from various types of waste – including biomass waste – and linking remote plants to carbon storage and re-use infrastructure, the industry is able to master its transformation.



BENCHMARKS

BUSINESS AS UNUSUAL - PROVIDING SUSTAINABLE SOLUTIONS



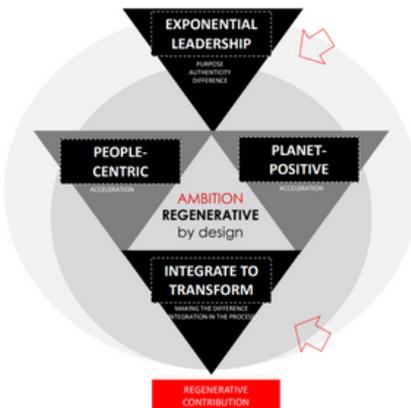
The situation has changed since ACCIONA's first foray into sustainability business models: Many companies now boast that they are reducing their emissions and contribute to the SDGs. Increased competition in terms of responsible and resilient sustainability is forcing us to take a new step to show the world where the future of business is.



- Juan Cruz // ACCIONA

JUAN'S PRESENTATION

ACCIONA's Sustainability Master Plan (SMP) "Business as Unusual" is designed to take up a sustainability leadership role. The SMP 2025 is a set of sustainability targets that completes the previous two SMPs by adding the aspect of "Regeneration" to "Responsibility" and "Resilience". The SMP 2025 acknowledges the growing importance that sustainability is playing in business, and responds to the increasing need to accelerate the transformation due to both fiercer competition and climate change.



The SMP 2025 provides a direction to this transformation by stressing the need of investment and amplifying sustainable infrastructure development. The plan builds on four pillars: People-Centric (people at the centre of decision), Planet-Positive (reversing environmental deterioration), Exponential Leadership (reinforcing standards and Integrate to Transform (SDG compelling technologies and business).

INDUSTRY VISION

A VISION AND DRAFT ACTION PLAN FOR A MORE SUSTAINABLE AND RESOURCE-EFFICIENT CONSTRUCTION ECOSYSTEM



Contractors are key for reducing the use of virgin building materials and GHG-emissions in the construction ecosystem. They are in the position to bring together a highly fragmented sector to an integrated technology driven construction value chain based on a life cycle approach. This will open significant new business opportunities for the industry.



- Norbert Pralle // ENCORD & Graham Robinson // Pinsent Masons

NORBERT'S AND GRAHAM'S PRESENTATION

In April 2021, the EIC Spring Workshop concluded that the joint Working Group of EIC, ENCORD and FIEC Members shall develop an ecosystem-wide roadmap to support the transformation towards carbon neutrality. Working on this “Manifesto”, the Working Group defined various action fields including drivers and enablers. With circularity at the heart of a resource and carbon neutral industry, the working group defined the use of data along the value chain as major lever.



It is essential that all stakeholders across the value chain must collaborate in unprecedented ways to achieve the goals set out in the manifesto. This includes clients, financing institutions, regulators, contractors, consultants and suppliers. The Manifesto concludes that tremendous efforts are required for this Sustainable Transformation to happen – however, will unlock very significant benefits to society and open sizeable new business opportunities.

INDUSTRY VISION

Panel Discussion



Looking at the total emissions over the life cycle of a project, contractors have little influence in the material and technology applied without being included in the planning of the asset. Having this in mind, city planners need to engage contractors as early as possible to ensure the most carbon efficient infrastructure solution. A key player are also the financiers that put big pressure on clients and contractors by linking interest rates to CO2 objectives.



- Juha Kostiainen // YIT



The client has a lot of power to shape a project, but often feels that there is a lot of information to consider regarding sustainability. It can be difficult for them to understand what they need to prioritise. This can lead to a general hesitancy regarding the application of new low carbon technologies, materials and processes, which can come at a cost to innovation in project development and procurement. A solution is to bring all players together, outside of the constraints and pressures of a project.



- Luke Aldred // AECOM



We broke the silo thinking with sustainability leadership of our chairman and directors. We were able to place sustainability considerations at the front of every decision and process. Practically speaking, Acciona implemented new structures that support the sustainability master goals with experts from operation, design, ESH and business development working together to both maximize social benefits but also guarantee a strong learning process.



- Juan Cruz // ACCIONA



Aligning company strategies to scientifically proven targets is key to kicking-off the transformation process towards Net Zero, while aligning reporting with initiatives such as the G20 Task Force on Climate-related Financial Disclosures and the new IFRS Foundation protocol will become essential. A key goal of the Manifesto is to raise awareness on the actions key stakeholders across the construction ecosystem should take to achieve Net Zero.

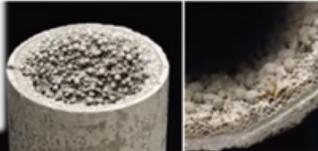


- Graham Robinson // Pinsent Masons



Engineering for the future – has started already

Manifesto on Carbon Neutrality and Resource Efficiency



IMPRINT

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