

## Lendlease calls on industry to tackle built environment's biggest carbon challenge

**New protocol for Scope 3 emissions seeks to spark global collaboration, to accelerate the pace and scale of decarbonization across the real estate sector**

**(New York, September 19, 2023)** Global real estate company [Lendlease](#) (ASX:LLC) has thrown down the gauntlet at [Climate Week NYC](#) – calling on industry peers to expand their decarbonization efforts by addressing the largest source of the sector's carbon emissions – value chain or [Scope 3 emissions](#).

Scope 3 emissions are indirect emissions that occur in an organization's value chain and often make up the majority of an organization's carbon footprint. They are especially challenging to address in the real estate sector due to limited guidance on Scope 3 reporting boundaries; Scope 3 emissions data being difficult to track and measure; and the sector's heavy reliance on carbon-intensive materials such as steel, cement, aluminum and glass.

“The Protocol is a seminal piece of work on our pathway towards Absolute Zero – with no offsets – by 2040. To know where to focus our decarbonization, we need to first know how we are accounting for our Scope 3 emissions – what is material and therefore, what is in and out of scope,” said Cate Harris, Group Head of Sustainability & Lendlease Foundation. “We want the Protocol to spark conversation and engagement across our sector, to help drive to a consensus on how to account for and report on Scope 3 emissions. If we can achieve this, then we can collaborate as an industry to solve the two big systemic challenges: the decarbonization of harder to abate materials, and the digitization and sharing of Scope 3 emissions data. The Protocol is intended as an important first step towards that outcome.”

The built environment contributes approximately 40% of global carbon emissions. At Lendlease, approximately 90% of total carbon emissions are Scope 3 emissions – from upstream activities such as the manufacturing of building materials and downstream activities such as emissions from the use of electricity and natural gas by building tenants.

To help accelerate the pace and scale of decarbonization and contribute to the conversation on establishing consistent and comparable Scope 3 reporting boundaries across the real estate

sector, Lendlease has launched the [Lendlease Scope 3 Emissions Protocol v.1](#) during discussions at Climate Week NYC.

“We are so excited to collaborate with others in our industry around developing Scope 3 inventories and setting Scope 3 reduction targets,” said Sara Neff, Head of Sustainability, Lendlease Americas. “Scope 3 emissions are often the largest source of emissions for real estate companies, and this protocol will help many organizations in our industry monitor their Scope 3 emissions and set targets around reducing them.”

With the launch of the Protocol, Lendlease is calling for others in the industry – including developers, builders and construction material manufacturers – to turn their focus to addressing Scope 3 emissions, accelerating the shift to a low-emissions future. Lendlease is also calling for an industry-wide data-sharing platform to enable the secure exchange of digitized, verified Scope 3 emissions data across vast value chains.

“Scope 3 is very difficult to both measure and reduce. Lendlease remains at the forefront of ESG by publishing this report, which provides the industry leadership necessary to tackle the business challenges ahead,” said Dan Winters, GRESB Senior Director.

Disclosure of material Scope 3 emissions is being proposed by regulatory agencies such as the Securities and Exchange Commission (SEC) in the U.S. and by sustainability reporting standards such as the International Sustainability Standards Board (ISSB), making better Scope 3 measurement and reporting an imperative.

To learn more about the Protocol, head to [www.lendlease.com](http://www.lendlease.com).

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### **About Lendlease**

Lendlease ([www.lendlease.com](http://www.lendlease.com)) is a globally integrated real estate group with operations in Australia, Asia, Europe and the United States. We create places where communities thrive. We are headquartered in Sydney, Australia and listed on the Australian Securities Exchange (ASX:LLC). Our core capabilities are reflected in our operating segments of Investments, Development and Construction. The combination of these three segments provides us with a sustainable competitive advantage in delivering innovative integrated solutions for our customers.

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**Image Captions:**

- 1) **Claremont Hall:** At Claremont Hall in Manhattan, steel rebar with 97% post-consumer, recycled content was procured from the Commercial Metals Company steel mill in New Jersey.
- 2) **1 Java Street Rendering:** At 1 Java Street in Brooklyn, New York, 40% of the Portland cement in the foundation concrete was replaced with recycled ground glass pozzolan without impacting the budget.

[Click Here](#) to view imagery in Dropbox link.

