

# IJGlobal ESG Technical Adviser – Arup

**Angus Leslie Melville**

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Arup is celebrating its third year on the trot winning the IJGlobal ESG Technical Adviser Award, having dominated this category since the launch of this ceremony in 2021.

The technical advisory team picked up trophies in the first 2 years of the IJGlobal ESG Awards – at the [2022 event](#) and at the [2021 ceremony](#).

This year, the independent panel of judges was impressed – again – by the submission, choosing it ahead of rivals with one saying: “Arup is truly a leader in this field and ESG is at the heart of its business and advice.”

One judge was particularly impressed with its role in emerging energy classes: “Arup has developed a digital platform called Zero to track GHG emissions across projects, and as a result of this policy they have specialised in hydrogen-based solutions.”

Meanwhile, another judge (who clearly believes brevity is an art form) clearly referring to the quality of submission, says: “Excellent level of detail and impact – very good examples.”

According to the submission: “Arup has won this award in 2021 and 2022 by delivering good work particularly on transaction advice and due diligence. Over the past year, we took our services to the next level to focus on post deal opportunities and transformational programmes, working alongside our clients to solve their most challenging problems – which is where Arup brings value the most.

“Complexity plays to our strengths as a company, and our technical advisory teams are the ones who open the door for other Arup specialists to bring their best skills and knowledge to support investors, asset owners/managers and drive change across real asset investment.

“Arup’s ability to bring specialists in multiple fields, globally and at scale is unique when compared to other consulting companies working on ESG technical advisory. We are well known for our ability to collaborate and thrive in challenging scenarios, being the ones behind many of the most complex projects worldwide with ESG principles at their core.”

The submission continues: “For us, net zero targets and regulations are just a starting point. We closely work with investors to go beyond GHG emissions and look at assets from an integrated, holistic perspective. We build on policy/market drivers and bring real project data to advise our clients on future needs, trends and risks associated with their assets.

“Arup is known for being a highly collaborative and creative organisation with a strong knowledge culture. Our ESG policies truly drive change across our own business and influence the way our clients consider present and future needs. Our combination of deep research, collective imagination, culture of innovation, and in-depth technical knowledge of the



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built environment places us ahead of our competitors.”

But they concede that it is a collaborative effort to achieve ESG goals: “We can only meaningfully contribute to sustainable development and social transformation if we work in partnership with others.

“Arup collaborates with globally influential bodies and institutions – like C40, Ellen MacArthur Foundation, Real Play Coalition, Resilient Cities Network, WBCSD, and the Earthshot Prize –to push for step-change outcomes in issues like climate resilience, energy efficiency, circular economy, and green infrastructure.

“These partnerships create an additional layer of value for our clients when advising in the most systemic challenges and critical assets.”

And then there is the “whole value chain” that is not only important for investors: “From asset owners/managers to constructors and material suppliers, Arup is engaged in all fronts of the built environment to form a robust approach towards ESG and help our clients on this journey.

“It takes collective effort to tackle the climate crisis, and our multiple recognitions as Collaborative Firm of the Year are proof of our strive for collaboration and stakeholder engagement across multiple areas.”

## **ESG in the DNA**

For many organisations, ESG is a new concept... but not so for Arup where for more than 75 years it has been driven by a common purpose: to shape a better world through its technical expertise and a commitment to environmental, social and governance priorities.

According to the submission: “We recognise that sustainable development encompasses many different ESG factors, including environmental regeneration, biodiversity, conservation of resources, stable economic growth, and social value.

“We also recognise our impact... over the past year, we have worked on more than 120 deals across more than 25 countries, where 53 reached financial close valued at almost \$39 billion.

“Our ability to provide innovative technical advice to our clients is intrinsically linked to our commitments as a firm. Therefore, following ESG policies and commitments illustrate some of the steps Arup is taking to lead ESG in the built environment industry.”

On whole life carbon assessments, Arup has committed to assess GHG emissions across all of its building projects and to develop a consistent methodology to do the same in all infrastructure projects.

It has withdrawn from involvement in fossil fuels having since April 2022 rejected any new energy commissions involving the extraction, refinement, or transport of hydrocarbon-based fuels (except the manufacture of hydrogen).

On the research and innovation front, as an employee-owned company, Arup enjoys the flexibility (and ability) to invest significant resources where it sees market opportunity, while maintaining its values as a firm and developing capabilities across our people.

## **Hydrogen drive**

Looking at the Arup submission that won over the independent panel of judges, one of the key components was its shift to withdraw from fossil fuels... and the key strategy that it allowed the firm to specialise in hydrogen-based solutions.

However, as the submission states, this – and the broader direction of travel – has been impactful: “To meet the market demand, our ESG team has significantly grown when compared to last year.

“We have made strategic recruitments at all levels to increase our capabilities where there is greater demand from our clients, namely decarbonisation, climate risks and governance.

“This has allowed us to reach new clients and work on influential post deal opportunities with existing ones – like Macquarie Asset Management, GIG, Ardian and IFM Investors.”

Another shift has been a stronger integrated approach into Arup’s ESG services.

“Clients often asked for Environmental or H&S scopes only, leaving other important ESG topics behind,” the submission states.

“We have reviewed our service offering approach to encourage our clients to fully consider ESG, giving them visibility of interdependencies and synergies between environmental, social and governance aspects, hence potential missed opportunities and risks if treated in isolation.”

Arup is capitalising on its experience to expand nature services, particularly focusing on its role as a technical adviser in the trading market ecosystem – the likes of carbon sequestration credits.

“We are currently working the Greater London Authority to develop a catchment market trading model in the Lea Valley, identifying opportunities to link credit sellers, buyers and operators,” according to the submission.

“Similarly, we are connecting natural capital investors with Autoridad para la Reconstrucción con Cambios in Peru, which is developing the largest reforestation project globally under our technical advice.”

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