

Honeywell and Reuters Survey Reveals Dramatic Increase in Sustainability Initiatives in Buildings

4 years ago



Greater energy efficiency, better indoor air quality (IAQ) and meeting environmental, social and governance (ESG) guidelines are three objectives currently prioritised by multinational organisations as they face increasing pressure to incorporate their building operations into their sustainability plans. These are among the key findings of a report released today by [Honeywell](#) (Nasdaq: HON) and Reuters.

Nearly nine in 10 respondents (87%) say that achieving carbon neutrality in their building portfolio is either extremely (58%) or somewhat (29%) important in relation to their overall ESG goals, with only 4% of respondents calling it unimportant. The sense of urgency is understandable: Commercial building operations currently account for 37% of global energy-related CO2 emissions.ⁱ

Manish Sharma, vice president and general manager of Sustainable Buildings at Honeywell, echoed this sentiment based on his ongoing conversations with current and prospective customers. “If we fast-forward to 2025, I believe carbon neutrality will be one of the top priorities for organizations, driven partly by new carbon taxation plans and decarbonizing incentives,” he said.

While the surveyed organizations are feeling pressure to act, respondents seem generally optimistic in forecasting progress toward their goals. More than 90% of those surveyed expect to achieve carbon neutrality across their portfolios by 2050, while 62% expect to reach that goal by 2035. Notably, only 8% of respondents say they don't foresee carbon neutrality ever becoming a reality for their portfolios.

Benefits noted by respondents:

Respondents also noted the business benefits of ramping up sustainability efforts across building portfolios. When asked which three of these benefits they valued most, they cited the following:

- Complying with external regulations and investor demands: 90%; with more than 50% of those surveyed ranking it number one
- Increasing productivity and realizing cost reductions: 84%
- Improving brand image: 60%

Barriers creating concern:

Despite their optimism, those surveyed noted several significant barriers that impede their efforts. When asked which three obstacles most hinder progress, respondents reported the following:

- Managing costs: 88%
- Measuring sustainability or a lack of expertise: 60%
- Gaining senior leadership support: 50%

The survey also revealed that companies are investing strategically to accelerate decarbonization and improve overall building performance. While respondents note a wide range of specific efforts, a substantial majority (80%) mention an on-site energy management system as one investment they've made to enhance the sustainability of their building operations.

The [Honeywell Building Sustainability Manager](#) powered by Honeywell Forge, is a suite of ready now solutions that help building owners and operators meet two pressing, yet often conflicting, objectives – optimizing a building's IAQ while still reducing its environmental impact – with the aim of helping them to meet carbon neutral goals.

“Incorporating the way buildings operate into sustainability plans is an ongoing process with no fixed endpoint,” said Liam Dowd, Industry Lead – Sustainable Business, Reuters Professional. “While the organizations surveyed differ in how far they've progressed toward developing strategies and solutions to support this process, the first step is to benchmark the carbon output of buildings and define the current state of the portfolio.”

The importance of improving building operations reinforces the emphasis organizations are placing on sustainability as detailed in the recently launched Honeywell [Environmental Sustainability Index](#),ⁱⁱ a quarterly global survey that captures key trends in corporate sustainability initiatives and other efforts to mitigate climate change. Sixty-five percent of organizations surveyed in the Honeywell Environmental Sustainability index are prioritizing sustainability above other initiatives and 48% of surveyed organisations likely to increase sustainability budgets up to 20% in the next 12 months.

To view the full Honeywell-Reuters report and survey results, click [here](#).