



Case Study



Embedding Sustainability in Energy Sector Projects





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The Challenge

The organization, as one of the leading multinational energy corporations in the world, stands at the intersection of immense responsibility and expectation. While it powers many of the engines of the region's growth and development, it also shoulders the pressing responsibility of leading sustainability initiatives within the industry.

In the past decade, the extractive and energy industries have come under increased scrutiny from environmentalists, regulators, investors, and society. With the global shift towards cleaner energy and lower carbon footprints, extractive energy companies are confronting a paradox: how to continue providing the world with essential energy while also mitigating their environmental impact.

For the organization, the challenge was multidimensional. ³

First, there was the environmental challenge. The extraction, refining, and consumption of fossil fuels have inherent and immense environmental costs, from greenhouse gas emissions to the potential for spills and other accidents.

As extreme weather events and other manifestations of climate change became more frequent, the demand for the organization to adopt regenerative processes and contribute to mitigation efforts grew louder.

Next was the social challenge. Communities living near their operations had concerns about the impact on their health, safety, and environment. They sought greater involvement in decision-making processes, transparency about potential risks, and fair compensation for any negative impacts.

The governance challenge was equally significant. With institutional investors and

global partners emphasizing ESG (Environmental, Social, Governance) values, the company had to ensure its operations met the highest standards of corporate governance. This meant robust systems for oversight, accountability, and transparency, coupled with real efforts to integrate sustainability into every aspect of the business.

Additionally, as a leader in the sector, the company faced the strategic challenge of navigating these demands and ensuring continued growth, profitability, and value creation for its stakeholders and society while working towards their stated goal of Net Zero by 2050.

The company needed to innovate, diversify, and evolve to stay ahead in a fast-changing energy landscape. This required not just technological and operational innovation but also a rethinking of the company's mission, vision, and values in



the context of becoming a global sustainability leader.

While the challenges mirrored those of the global oil and gas industry, their magnitude and complexity were amplified by the company's position as a national champion and a regional leader. Addressing these challenges required a holistic, forward-thinking approach that combined operational excellence with strategic vision and a deep commitment to sustainability.



The Solution

To address these multifaceted challenges, the organization set out on an ambitious journey. They aimed to embed sustainability into every aspect of their project delivery. The leadership established a three-year roadmap that began with capability and capacity building. Recognizing that transformational change starts from within, they

heavily invested in training and upskilling their workforce to understand and develop sustainable practices.

The next phase was assessing organizational strengths and gaps in their operations, identifying key areas of improvement, and potential opportunities to embed sustainable best practices. Leveraging GPM's detailed Portfolio, Program, Project Sustainability Model (PSM3) organizational assessment framework, they were able to understand the gaps in their sustainability practices and developed tailored strategies to address them.

To ensure that the changes were not just on paper, the company rolled out bespoke processes, methods, and governance structures based on GPM services and standards. This translated the company's sustainable vision into tangible and actionable steps across all projects and operations.

Tools and Approaches

GPM's extensive suite of offerings was pivotal to the company's transformation. Numerous projects were assessed and certified against the GPM360° project assessment. By evaluating their projects against 49 sustainability criteria from five unique lenses, the company gained an understanding of the sustainability impacts of



not just the cradle-to-cradle lifecycle of the asset developed, but also of the project development of the asset. Criteria ranged from social factors such as public policy and compliance and local competence development to environmental factors like biological diversity and water displacement to finally, economic factors including local economic impact and social return on investment.

Additionally, PSM3 was utilized to determine gaps in their sustainability practices and provide recommendations, ensuring they were addressing the needs of all stakeholder groups comprehensively.

In-depth training sessions and hands-on workshops were conducted for executives and project managers, emphasizing the importance of sustainable project management, ensuring that the company's vision was shared at every level.

The Outcome

With the support and expertise of GPM, the company witnessed transformative results. Policy compliance throughout the company's value chain increased by 27% in the first 12 months. Stakeholder trust in the company's ESG disclosures and sustainability reporting increased 40% as a result of capturing key metrics and KPIs throughout project management delivery. New biosystems were created both offshore as well as in new corporate buildings. Diverse hiring increased by 17%.



Strategically, their move towards sustainability opened up new avenues for growth, with a 15% increase in projects aligned with clean energy and green technology. Perhaps most significantly, project delivery teams stated a greater sense of support and communication from executive sponsors and stakeholders.

By prioritizing sustainability and leveraging GPM's expertise, the organization is being recognized by international bodies for its commitment to sustainability values, has enhanced its operational efficiency, and furthered its reputation as a responsible and forward-thinking leader in the energy sector.



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