



## CASE STUDY TITLE

Sound Environmental Policy Pays Off

### SUMMARY

Mustad Eiendom works hard to manage its 330,000 square meters of property as greenly as possible. The standard for environmental management, ISO 14001, has played a vital role here and helped the company significantly reduce its energy consumption. It is also benefiting the bottom line.

### BACKGROUND

Mustad Eiendom is a family-owned company with a long history. The company has managed property in Lilleaker and Lysaker in Oslo since 1875. 'Mustad has been in Lilleaker for almost 150 years and we are keen to stay for equally as long again. This makes sustainability critical for how we operate,' explains Olav Line, CEO of Mustad Eiendom.

### STRATEGY

#### Searching for the Right Methodology

Mustad Eiendom needed greater structure and continuity in its environmental work. The company had been on the lookout for a suitable methodology to achieve this for a long time. The solution was the environmental management standard ISO 14001. Mustad Eiendom was ISO 14001 certified by ScanCert in 2016. Line explains that the standard has played a decisive role in structuring and targeting the company's sustainability work:

'A company's environmental work can quickly veer off course if it's not sufficiently structured. This makes ISO 14001 an extremely useful tool. It has made us adopt a completely different approach to sustainability. Sustainability is now an integral part of

### AT A GLANCE

#### COUNTRY

- Norway

#### LEVEL

- National

#### SDG ADDRESSED

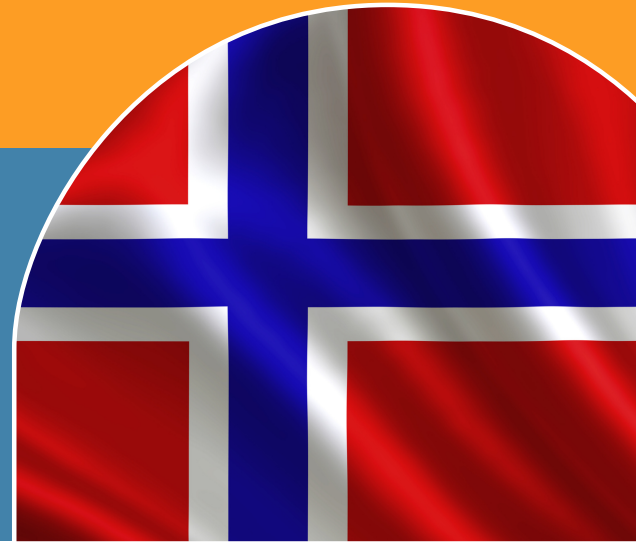
- SDG 11 - Sustainable Cities and Communities

our business processes and we assess the environment and climate risk in all stages - regardless of whether we are talking about red-list species or salmon fishing in the Lysaker watercourse, flood preparedness, energy consumption or choice of materials.'

### RESULTS & IMPACT

#### Green and Profitable

Energy consumption is an important variable in all environmental accounts, especially for a property company. Line describes efficiency improvements in energy consumption as a low-hanging fruit with major potential and notes that 'over the last two to three years,





## RESULTS & IMPACT

we have cut our energy consumption by 15 per cent. So far this year we have reduced it by a further 7 per cent'. While the environmental impact has been significant, the financial savings have been even greater. Line estimates that the company is saving several million Norwegian kroner per year in energy efficiency improvements: 'we are not talking about a one-off saving. We achieve a better result every single year. The measures we have taken to remain certified to ISO 14001 have paid for themselves and much else too.' Mustad Eiendom has a similar environmental program for the company's waste-management operations. The focus is on reducing waste, but also on increasing the source-sorting rate. 'This work is ongoing. First, we must increase our source-sorting rate to around 80 per cent. Then we aim to increase our recycling rate. We are determined to think more circular in the way we operate,' explains Line.

## CHALLENGES & LESSONS LEARNED

### The CEO's Recommendation

Line recommends that all businesses use an environmental management system. 'All companies must take seriously the challenges resulting from the climate crisis and limited global resources. We cannot continue with the same business models. An environmental management system helps us with this transition work. We must adapt more quickly, and this will be easier if we systematize our work more effectively.' He emphasizes the importance of anchoring sustainability work at the senior management level. He believes that this is a prerequisite for success.

'There's no point having enthusiasts throughout the organization if senior management isn't on board too.' Line points out that environmental and sustainability work is never finished. This makes the annual certification audit extremely important. 'It gives us a reality check and something to aim for. It makes us a more aware and efficient organization with regard to sustainability and environmental issues.'

## POTENTIAL FOR REPLICATION

ISO 14001, the standard for environmental management, is commonly recognised worldwide, and is available through the national standards body. Organizations are free to adopt and implement standards, with a small fee to access the standard.

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