# **B** Corporation

– a global certification that recognises businesses with high standards of social and environmental responsibility – has seen an explosion of interest over recent years. But what does this mean for the built environment, where more and more organisations are going down the B Corp route?

To answer that question, we gathered a team of professionals from B Corps across the built environment for a discussion over breakfast. Our panellists included sustainability consultants, asset managers and "B Leaders" – individuals who have been trained to guide others through the B Corp certification process.



Impact Lead at ADP



**CRAIG CULLIMORE** Chair at ADP





MARIAN FERGUSON Founding Director at Energylab



**RION WILLARD** Host of the Business of Architecture UK podcast



CEO at Temple



General Manager at Ellandi



Marketing Assistant at TSP



Chief Values Officer at **CYD Connects** 

# B Corps in the Built Environment

## Becoming a B Corp

Certifying as a B Corp takes an immense amount of work and time: ADP began the process in late 2020, and didn't achieve certification until October 2022. The process centres on a lengthy assessment, the B Impact Assessment (or BIA), which divides into five impact areas. To achieve B Corp status, businesses need to achieve at least 80 points in the assessment - a significant challenge, given that the average business completing the BIA only gets a score of 50.9.

Rion Willard, host of the Business of Architecture podcast, describes the BIA as "a lot more thorough than something like the ISO for sustainability and other accreditations." But those around the table generally agreed that this effort paid off. Part of this value comes down to B Corp's uniquely holistic scope. "I don't think there's another thing like it currently, that is global, and cross-sector, and consumer-facing and B2B-facing," says Mica Janiv, B Leader and Chief Values Officer at sustainability consultancy Cyd Connects.

#### A Wider Ecosystem

But what, if anything, changes for those businesses who choose to become B Corps? Craig Cullimore, chair of ADP, emphasises that B Corp certification shouldn't be seen as a radical decision for a business: often, it will fall naturally out of the company's wider vision and goals. "For our day-to-day business, it hasn't affected us because it was what we were doing anyway. We have a series of lenses that we use to look at our projects, and that was the same before B Corp as it is now: sustainability, belonging and engagement."

However, others at the table are quick to highlight areas where B Corp has made an important difference – even if these aren't changes that impacted their core direction or values. "The difference it has made to us is that it's opened us up to a network that we wouldn't necessarily have tapped into," says Marian Ferguson, founding director of building servies and sustainability engineering consultancy Energylab. "We're finding that our reach is now further, and we're meeting organisations and people we wouldn't necessarily have met. We might never work with them, but that's almost beside the point. We're together for a common purpose."

This sense of a community resonates with Mia Brown, who works in the marketing team of TSP, a B Corp property investor and manager. She describes it as a "wider ecosystem": "It's meeting people that you wouldn't necessarily have met through these different avenues."

#### A Generational Divide

While certifying opens businesses up to new contacts and relationships, not all potential partners will see its value. "Most of our clients want to do something ESG, but need more guidance to really understand what that means," says Ferguson. This lack of knowledge (or buy-in) extends to B Corp, and seems to vary significantly by the type of client - as Charlotte Robertson, general manager at Ellandi, explains. "We work with everyone from international investors, coming in to invest in shopping centres in the UK, right through to local authorities. And the councils are so happy that we are now a B Corp - but we're having to explain to our international investors what it is, and they're very sceptical."

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#### MICA JANIV, CHIEF VALUES OFFICER AT CYD CONNECTS

Some around the table suggest that this might be "a sort of generational divide". Mark Skelton, CEO of Temple Group, reports that "our junior staff will say to our senior staff: How don't you know what this is?" At the same time, he makes the point that none of these conversations are new – just some of the frameworks used to measure and understand them. "A lot of the things that are now mainstream, we've been talking about in rooms for 25 years – but people wouldn't talk to us about them. Now it's changed, but we're still very aware of those people who are authentic about it or not."

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MARIAN FERGUSON, FOUNDING DIRECTOR AT ENERGYLAB

This leads into an important question. Should being a B Corp affect decisions about the types of clients or projects we engage with? Tom White, impact lead at ADP, notes that opinions are often split on this point. "Should we only work with people who share our values, and who we know that we can collaborate with, working towards the same purpose – or should we be seeking out clients who we can try and influence to have *better* practices?"

Cullimore is fully aware of this quandary. "We're actually working with one of the big national developers because we think they could do more, and the numbers of properties they deliver are huge compared to the smaller developers – so if we can get them to make a 10% difference, it will have a bigger impact. But if we realise they're not listening, or they don't treat us with the respect I think we deserve, then we'll review whether that's the type of client we want to work with." Robertson says that these discussions arise even among Ellandi's employees. "We've had a lot of internal debates. It's a difficult market – you're still a business at the end of the day – but it's definitely shone the light on the fact that we need to be more judgemental about who we are going to connect with in the future, if we're going to live up to improving as a B Corp."

# The Impact of Projects

The BIA's five key "impact areas" cover every aspect of a business' impact – from governance structures to staff benefits. In the case of many companies operating in the built environment, there is also an "impact business model" (IBM) section that recognises the significant impact of projects that we work on. Among other things, it assesses stakeholder engagement, certifications such as LEED, and projects that benefit disadvantaged communities. This is important: as White puts it, "A building on its own is just a building, it's just a thing – but the people in it and the communities that it sustains are so important."

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Skelton agrees. Rather than being about a physical building, he points out, "it comes back to need – and so often the need is poorly understood or very tightly defined. How can that place meet the needs that we don't even understand yet, of a group or community that hasn't even defined itself?" Key to this is engaging with the people affected by your projects, and genuinely listening to them. "We try and have empathy with the people who will eventually be in our buildings," says Cullimore. "You need that holistic approach: rather than just focusing on carbon, you need it to be something that people like using. And B Corp brings those elements together."

Janiv points out here that the key thing is not so much providing these kinds of benefits as part of your business, but integrating those benefits into what you do. "B Corp application is for businesses – it's not for charities or non-profits. They want to see you make money. They want to see you grow." Rather than encouraging businesses to do good alongside their day-to-day work, B Corp is about aligning the two – so that profit and purpose support each other. "It's part of this larger movement, where we're just trying to change our entire economic system."

## **Challenges and Opportunities**

Becoming a B Corp in the built environment is not without its challenges. For one, the assessment isn't perfect – which is understandable given its ambitious scope (covering every type of business in every country), but can be frustrating. Janiv describes the built environment version of the BIA as "the least nuanced of all the permutations of the assessment that I've seen". As Cullimore points out, part of the problem is that "there are loads of criteria out there. There's LETI, there's RIBA 2030, there's BREEAM and WELL Standard. But the more specific to the country that the scoring is, the better it will be." Still, specificity creates its own challenges. "However much you want to tailor it," says Skelton, "that means you're untailoring it for someone else. Or you're just making it incredibly complicated."

B Lab - the organisation behind B Corp - is continually reviewing the assessment, and making changes in response to feedback. At the moment, they're planning a major overhaul to the certification process, where businesses will need to meet minimum criteria across each impact area to certify. This should address some of the concerns raised about greenwashing, where large businesses that fall short in some areas have overcompensated in others to achieve B Corp status, without fixing those ongoing issues. Robertson sees this as a watershed moment, but one which might have unintended consequences for businesses already struggling with the demands of certification. "I would encourage smaller businesses to be doing B Corp now, because you can be quite broad in your interpretation of your answers at the moment. I'm sure that will change." But as Ferguson sees it, these growing pains are a symptom of enormous opportunity. "It's a growing movement within the built environment. And as more and more built environment professionals understand B Corp and get accreditation, it's an opportunity to work together on that, and collaborate, and be a united force for good."