

Scope 3 Emissions Reductions

Aga Khan University November 15, 2022

Net Zero on Campus Community Case Study

The <u>Net Zero on Campus</u> initiative, a collaborative effort between SDSN, the Climateworks Centre, and Monash University, aims to facilitate the sharing of lessons and resources to accelerate the decarbonization of university campuses around the world. The initiative consists of a "how-to" guide and accompanying online toolkit that will enable universities to accelerate the planning and implementation of net zero strategies, and act as living laboratories for testing solutions.



What is the case study trying to accomplish?

On our scope 3 or supply chain emissions reductions, our innovative accounting tool has enabled us to know our emissions hotspots, identify the most important suppliers to work with, and allowed us to show emissions reductions based on supplier disclosure and emissions reductions. At the Aga Khan University, we have clearly defined supplier engagement targets that specify the proportion of our spending to be with suppliers that reduce their emissions in line with science. This is complemented by our innovative carbon accounting, that allows us to refine our scope 3 emissions with data from suppliers (publicly available on the web or in reports; purchased from CDP; or provided by suppliers). In this way, we have determined that 48% of our spending is already with suppliers that have science-based (SBTi conform) net zero targets for their scope 1 and 2 emissions, and nearly 20% of our spending is with

University Information City: Karachi

Country: Pakistan Region: Asia Number of Staff: Very large (greater than 10,000 staff) Number of Students: Very small (less than 5,000 students) Type of Institute: Private

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Case Study Overview

Category: Procurement Initiative: Implement Sustainable Procurement Practices Type of Net Zero Solution: Procurement Funding Source: University funding Emissions Scope: Scope 3 Impact on Net Zero: Large positive impact (AKU's scope 3 emissions from purchases are 70% of our overall emissions) Scale: \$10,000 to \$100,000 Timeframe: Long (between 2 and 5 years) Stakeholders: Sustainability Office, Procurement Department, Suppliers, Vendors, University Board Transformational Potential: Very significant



suppliers that have science-based net zero targets for their full value chains (all scopes). This analysis has further allowed us to identify suppliers that are either more or less advanced on their own sustainability journeys, and this has been refined with a detailed supplier survey. The survey has already created awareness and interest amongst suppliers in low- or middle-income countries (LMICs) in particular, about what net zero means, and that the Aga Khan University is following this path. We now have the opportunity to work with suppliers more directly on their sustainability, support them, e.g., to use our or other carbon accounting tools, to share our experience and that of suppliers more advanced, etc. We then aim to review our procurement policy with clear timelines and expectations of when suppliers are expected to have certain things in place, e.g. carbon accounting, reductions targets for which scopes, as well as other targets such as on water and waste management.

What were the key success factors in implementing the case study?

Our carbon accounting tool uses the Global Greenhouse Gas Protocol Scope 3 guidance, builds on the latest science, and uses both top-down (EE-MRIO) and bottom-up methodologies for scope 3 accounting. With this innovation, we have been able to add more specificity and accuracy as data becomes available. Close cooperation with and training of procurement staff on the use of this tool has been critical, but as no prior technical knowledge (e.g. on scopes) is required, it is not cumbersome. We also feel it has been important to research the status and readiness of our suppliers (i.e. manufacturers in both HICs and LMICs) to understand and engage in sustainability action before updating our procurement policies. In this way, we can be considerate, not to further disadvantage manufacturers in LMICs.

What were the challenges or barriers you had to overcome in implementing your initiative?

Undertaking carbon accounting and research takes time, so results are not immediately seen in terms of reduced scope 3 emissions. Also, our suppliers are based in all geographies in the world, and hence under totally different jurisdictions, some more enabling than others - this can be overcome by working with suppliers, sharing our success stories (including cost savings from energy saving, for example, that goes alongside decarbonisation of operations), and encouraging first mover advantage.

What did you learn from the process and what are your recommendations to others?

Manufacturers (i.e. suppliers of goods to others, including to universities) in LMICs are either not aware of their role and responsibilities in taking climate action, or are not aware of how to proceed or what actions to take on climate action, assessment, disclosure, etc. and what the benefits may be. There is a growing appetite to join global action, partially also driven by expectations on ESG reporting.

Universities have an advantage in that they are change-makers in society and can really influence wider change. Rather than shying away from scope 3 accounting and decarbonisation



because it can seem overwhelming, it can be quite exciting for various university stakeholders to undertake this work. For example, there is a lot of potential for academics to get involved in related research, innovation and publication, or opportunities for universities to advise policymakers or green public procurement protocols.

What resources did you use to implement this initiative?

Resource	Why is this resource helpful?
<u>GHG Protocol</u> Scope 3 Guidance	This guide makes it even easier for institutions to complete their scope 3 inventories
<u>AKDN Carbon</u> <u>Management Tool</u>	An innovative carbon accounting and reporting tool in the form of an easy-to-access and offline workbook
<u>CDP Data on</u> <u>Corporate</u> <u>Emissions</u>	To identify emissions hotspots that need to be addressed

Get Involved with Net Zero on Campus

Contribute to the Online Toolkit

• <u>Submit</u> your own case studies and decarbonization resources to be featured;



• Share your questions and/or feedback with us at info@unsdsn.org.

Join Our Community

- Join our global community of practice and Net Zero on Campus LinkedIn Group;
- Join global networks of academic institutions working on decarbonization: <u>SDSN</u>, <u>Second</u> <u>Nature</u>, and <u>EAUC</u>. See our resource directory for more networks;
- Join the <u>Race to Zero for Universities and Colleges</u> campaign and make a net zero commitment;
- Empower your students and engage them in your campus decarbonization efforts: join <u>SDSN Youth</u> and see our guide for more information.

Learn More

• Explore <u>SDSN's free, open educational resources</u> from the world's leading sustainable development experts to use in your classrooms: MOOCs, educational videos and lectures, and global community of practice.

<u>Net Zero on Campus</u> is a collaboration between <u>SDSN</u>, <u>the Climateworks Centre</u>, and <u>Monash</u> <u>University</u>, in partnership with <u>Second Nature</u> and the <u>EAUC</u> (Secretariat of the Race to Zero for Universities and Colleges).