

Sustainable investment and procurement

Trends and good practice at LERU universities

This complement to the LERU statement on sustainable investment and procurement contains examples of recent and developing trends and good practice at LERU universities. Often a used case has equivalents in other LERU universities, but it is impossible, within the scope of the current work and available resources, to give an exhaustive account of what each LERU university is doing. Links to LERU universities' main sustainability pages are listed at the end.

A. Sustainable investment

By making climate-positive investments LERU universities aim to act as sustainable and socially responsible institutions. Examples of good practice, progress and achievements at LERU universities are found in various areas covering investment.

Investment and emissions

Targets for net-zero greenhouse gas emissions across the investment portfolio have been set, for example, by:

The University of Cambridge, by 2038
The University of Helsinki, by 2030
Utrecht University, by 2030

The University of Edinburgh has achieved a 71% reduction of its carbon footprint in five years.

Divesting from fossil fuels

The University of Edinburgh and the University of Helsinki achieved divestment from fossil fuels in 2020.

Trinity College Dublin divested €6.3m from fossil fuel in 2017 and is currently divesting of both fossil fuels and armaments in its endowment.

At Leiden University, companies whose core activity is directly or indirectly linked to fossil fuels are excluded. Moreover, ABP, the pension provider of Leiden University has announced that it will be pulling out of investment in producers of fossil fuels (oil, gas and coal). These investments will be sold step by step and the majority is expected to be sold by the first quarter of 2023.

The University of Freiburg's revised (2020) investment policy stipulates that investments in companies which are primarily involved in the exploration, extraction, transport or marketing of fossil and nuclear energy sources or the production of armaments or munitions are not allowed. The University has invested in two sustainability funds.

LERU universities which have set target dates for fossil fuel divestment include the University of Cambridge (2030), University College London and Lund University.

Principles for responsible, sustainable investment: signing up and reporting

It is common for LERU universities to have signed up to principles for responsible, sustainable investment or to have formulated their own principles.

Trinity College Dublin and the University of Edinburgh, for example, have signed up to the United Nations' Principles for Responsible Investment (PRI). These principles refer to environmental, social and governance (ESG) issues for investing (cf. <https://www.unpri.org>). The University of Edinburgh was the first university in Europe to do so in 2013. In 2020, the University received an overall score of A in the annual PRI assessment.

Trinity College Dublin has an Investment Policy (2021) which is reviewed every three years. The Endowment fund, which adheres to environmental and social governance (ESG) principles, aims to work with asset managers who comply with the United Nations Principles of Responsible Investing requirements.

The University of Helsinki published its Principles for Responsible Investment Activities in 2019. These principles include:

- 1) Making ESG analysis part of its investment processes;
- 2) Acting as a responsible owner and makes ESG analysis part of its practices;
- 3) Promoting appropriate ESG reporting by its investment targets;
- 4) Promoting the introduction of the principles of responsible investment in the investment sector;
- 5) Promoting responsible investment in cooperation with other investors;
- 6) Reporting on its activities and the progress of its responsible investment activities.

The principles also state that the outcome of responsibility in investment activities is reported at regular intervals to the Board, management and investment committee of the University. It is also publicly reported in conjunction with financial statements, with the aim of disclosing both individual investments and total costs, in a similar fashion as Finnish pension insurance companies.

https://www2.helsinki.fi/sites/default/files/atoms/files/hu_principles_for_responsible_investment_activities.pdf

At Leiden University, investments in company bonds only take place if the relevant company meets the criteria of the United Nations Global Compact, a global corporate sustainability initiative (cf. <https://www.unglobalcompact.org>).

Imperial College London has a Socially Responsible Investment Policy on fossil fuels. <https://www.imperial.ac.uk/about/leadership-and-strategy/college-endowment/policy-working-group/>

University College London's socially responsible investment policy is reviewed every two years. Also, in June 2021, UCL issued a Sustainability Bond - the first UK university to achieve this. Under the requirements of the Bond, UCL will provide an annual impact report setting out the impact of the investments.

The University of Oxford's Investment Policy Statement describes its investment assets, outlining the governance structure, investment objectives and processes relevant to environmental sustainability and climate change. The University's Endowment Fund 2020 report is available at https://www.ouem.co.uk/wp-content/uploads/2021/07/OUem-ESG-and-TCFD-report-2020_FINAL.pdf

The University of Zurich (UZH), even though it does not act as an investor in and by itself, developed in 2017 "Recommendations for Action with regard to Sustainable Investments", for persons officially representing UZH in foundation boards or administrative boards. Such UZH representatives are expected to initiate the discussion on the consideration of UZH's values, including protection of human rights, preservation of our livelihoods (including avoidance of fossil fuel investments), compliance with the core labour standards of the International Labour Organization, avoiding investments in internationally proscribed weapons, and avoidance of toxic financial products in investments. The aim is to ensure that investments which UZH can influence are in line with the University's values. <https://www.sustainability.uzh.ch/en/Factsheets-and-Guidelines/Guidelines.html>

Positive investments and partnerships for sustainability

The University of Edinburgh has invested £60m in positive investments for climate change and sustainability, including investments in renewable energy and the sustainable technologies of the future.

The share of the sustainable securities portfolio at Heidelberg University is at about 90% as of 4-2021. The University considers the Carbon Underground 200 listing of FFI solutions; its stock funds relate to the ESG sustainability criteria (Environment, Social and Governance), taking into account the DAX® 50 ESG index of Qontigo.

The University of Geneva has partnered with ETHOS (<https://www.ethosfund.ch/en>) to develop an active shareholding strategy. Through Ethos the University participates in international initiatives like Climate action 100+ (<https://www.climateaction100.org/>). The University is opening a direct dialogue on environment with Swiss companies to evaluate if being an academic institution gives them the opportunity to leverage action far beyond their shareholder value.

The University of Helsinki together with Finnfund, a Finnish development financier and impact investor, is investing in microfinancing in Africa and Asia. In awarding loans to small businesses, the goal is to promote responsible business practices and gender equality within financing. <https://www.helsinki.fi/en/news/university/finnfund-and-university-helsinki-invest-together-microfinancing-africa-and-asia>

HELSEED is a student startup programme at the University of Helsinki encouraging students to the entrepreneurial path. It aims to support and provide information to startup teams at different stages. Started in 2020, the University of Helsinki Funds have thus far invested in two companies: Evergreen Viherseinät Oy, which manufactures and sells user- and eco-friendly plant cultivation equipment, and Evexia Oy, which encourages patient-oriented healthcare.

B. Procurement

Policies and guidelines

Policies: Sustainability is included in the overall procurement policy at some LERU universities, e.g. the University of Helsinki. Some LERU universities have a stand-alone sustainable procurement policy, such as the University of Cambridge, Trinity College Dublin, the University of Edinburgh, Heidelberg University (for specific items) and the University of Strasbourg. For example, the University of Oxford's sustainable procurement strategy outlines six priority issues. <https://finance.admin.ox.ac.uk/sustainable-procurement-strategy>

Trinity College Dublin has set four objectives for sustainable procurement:

- 1) tenders for procurement to include environmental criteria (100%)
- 2) increase green criteria in tender marking by 10%
- 3) improve the use of whole life-cycle costing
- 4) reduce GHG emissions in its supply chain.

A sustainable procurement policy was approved by the University Board and guidelines for staff involved in procurement were distributed in 2020. There is also a sustainable procurement working group. Progress towards meeting the objectives is reported in the annual sustainable procurement report.

<https://www.tcd.ie/provost/sustainability/initiatives/sustainableprocurement/>

<p>At KU Leuven sustainability criteria are now part of any <u>negotiation on long-term procurement contracts</u>. The negotiations for each product group are carried out by a specialist staff member. Most of these contracts already contain clauses related to social and environmental sustainability (FSC labels for wood, Fair Wear label for clothing, certified green electricity etc.).</p>	<p>The University of Edinburgh uses estimations of <u>carbon emission</u>, based among others on spend and non-spend methodologies. The University of Helsinki uses <u>emission reports</u> for invoices, provided by the government.</p>
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<p>At the University of Strasbourg, sustainable procurement <u>guidelines</u> (for food, buildings rehabilitation, travel, furnitures, electronic equipment, etc.) are being implemented. This includes also six other higher education institutions in the French Upper Rhine area. https://www.unistra.fr/fileadmin/upload/unistra/vie-pratique/developpement_durable/SDDD_RSDEF.pdf</p>	<p>In 2018, the University of Barcelona joined the Programme of Voluntary Agreements for Greenhouse Gas Emissions. This programme, which is supervised by the Catalan Office of Climate Change, includes the preparation of the University's <u>annual emissions inventory and the commitment to implement reduction measures</u>. The University of Barcelona emissions inventory already includes indirect emissions associated with procurement, and a life-cycle analysis (LCA) is being applied to evaluate the incorporation of new products to the emissions inventory.</p>
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Buildings – construction, use, renovation

LERU universities use different sustainable building rating systems such as BREEAM, Passivhaus, LEED, Living Building Challenge and Miljöbyggnad (cf. glossary in the statement for details).

Heidelberg University and the University of Strasbourg use Passivhaus standard.
Trinity College Dublin, Imperial College London, University College London, Leiden and Utrecht Universities use BREEAM.
Lund University uses Miljöbyggnad.

<p>Leiden University is developing a <u>Roadmap</u> for Energy Neutral Buildings, describing how the University will reach a 65% reduction of building related CO₂ emissions by 2030 (in comparison with 1990) and a 95% reduction by 2050.</p>	<p>At the University of Strasbourg, 75% of construction or heavy restructuring operations include a <u>biosourced material</u>, in particular by choosing a wooden framework. The choice of wood and its origin are made in an eco-responsible manner. Energy efficiency is also taken into account, in particular through the installation of highly efficient equipment.</p> <p>The reconstruction of the IUT Robert Schuman building has been achieved according to passive energy and "Chantier vert" standards.</p>
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<p>University of Cambridge: The Entopia building for the Cambridge Institute for Sustainability Leadership is setting new standards in a retrofitted sustainable office building for low energy use, carbon emissions and impact on natural resources as well as user experience and wellbeing measured against multiple benchmarks. These include a retrofit carried out according to EnerPHit, the Passivhaus standard for refurbishment, and leading sustainability and wellbeing certification from BREEAM (Outstanding) and the WELL Building Standard (Gold).</p>	<p>Utrecht University: 11 buildings were certified BREEAM in 2020 in order to improve sustainability of those buildings in the coming years. In 2019, Utrecht University decided not to demolish the iconic high-rise building in the Utrecht Science Park, the Willem C. van Unnik building, but to renovate it. The foundations and the concrete frame of the existing tower will remain in place. The rest will be dismantled and rebuilt. This alone will save about 3,100 tonnes of CO₂. By renovating, the University has chosen to preserve value and promote sustainability rather than taking the most advantageous financial option.</p>
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Imperial College London: the newly opened Molecular Sciences Research Hub is rated BREEAM Excellent.	Trinity College Dublin: the Martin Naughton E3 Learning Foundry will be a Near Zero Energy Building, designed to BREEAM Excellent and WELL Building standards.
University of Helsinki: the Helsinki Upper Secondary School of Natural Sciences to Kumpula campus uses LEED v4 for Building Design and Construction.	University College London achieved a BREEAM Outstanding standard for the New Student Centre in 2019 (https://www.ucl.ac.uk/sustainable/student-centre). PEARL is UCL's first net-zero carbon building, with the export of surplus energy from solar panels expected to make it carbon negative https://www.ucl.ac.uk/news/2021/may/pearl-first-ucl-building-classified-net-zero-carbon

Travel and mobility

The Covid pandemic has had a huge impact on travel. Universities were already working, and now continue to do so with new tools, to change the patterns and frequency of travel, particularly air travel.

The University of Geneva's policy includes a <u>ban on short-haul flights</u> for which train travel is possible, incentives to use video-conferencing and mandatory offsetting for all flights (www.unige.ch/avions). The aim is to achieve a 50% reduction in CO ₂ emissions by 2030.	The University of Zurich set itself an ambitious <u>reduction path for air travel-related greenhouse-gas emissions</u> : As of 2022, these emissions may not go beyond 60% of 2018/2019 levels and must be reduced afterwards by at least 3% per year. This results in a total reduction of at least -53% by 2030. All faculties can develop and implement their own reduction measures, as long as the target is achieved. https://www.sustainability.uzh.ch/en/sustainability-at-uzh/campus/Air-travel.html
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KU Leuven requires all staff members to pay a <u>CO₂ compensation for work-related air travel</u> . Started as a voluntary scheme, the contribution, which amounts to €40 per tonne of CO ₂ emitted, became mandatory in 2020. The money thus raised goes to projects in KU Leuven's Climate Fund. In one such project project, the University collaborates with Carbon Alt Delete, a non-profit organisation that buys voluntary emission reductions. The money invested this way goes to CO ₂ -free projects that reduce emissions. Carbon Alt Delete was founded by researchers of KU Leuven. Part of the money raised is also invested in reforestation. Trees remove CO ₂ from the air. To monitor this properly, the University collaborates with Trees for Farmers.	The University of Freiburg is currently working on an ambitious reduction of flights of its staff members and a solution is currently being developed to <u>record all flight emissions</u> . For example, short-haul flights should no longer be undertaken. Trinity College Dublin has revised its travel policy (2020) to include language that reflects the high concentration of carbon emissions from air travel, and the recommendation that travel – if absolutely necessary – should employ <u>low-carbon options</u> such as rail and bus transport.
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The University of Oxford's vehicle fleet is 11% electric. Freight and post have already been consolidated through the University internal mail service, which delivers more than a million items per year by bike and zero-emission <u>electric vehicles</u> .	The University of Strasbourg plans to use Karbikes, a <u>hybrid bike-car vehicle</u> designed by Strasbourg students (winner of the Pépite 2021 award) to transport mail, people and small loads within the main campus. A <u>sustainable mobility package of 200 euros per year</u> is granted to all staff commuting by bicycle or by carpooling at least 100 days a year. A partnership with Citiz aims to develop <u>car sharing</u> as an alternative to car ownership.
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Food and catering services

Vegetarian/vegan food is an option or first choice at many LERU universities. For example:

At the University of Helsinki, food served at conference receptions held in the University's main building have been vegetarian since 2018. The University of Helsinki has the title of Fairtrade university which means that the University is i.a. committed to promoting the use and availability of Fairtrade certified products.

Leiden University catering services are, since September 2021, no longer selling produce containing beef. Also, four university cafes are fully vegetarian.

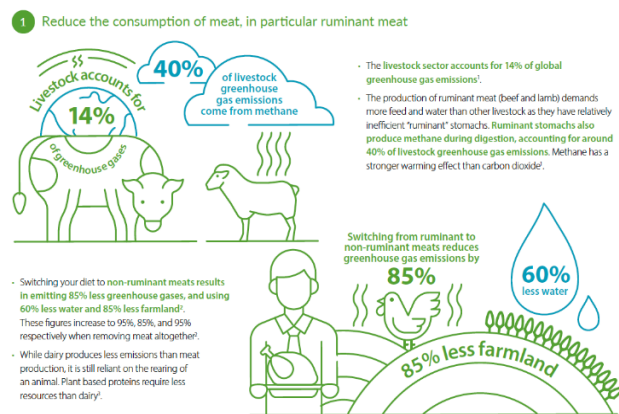
At the University of Oxford, half of the meals available at most University outlets are vegetarian or vegan, and all outlets under the main University catering contract have a sustainability certification.

At Utrecht University, food served at conferences and in meetings is vegetarian.

The University of Cambridge initiated its sustainable food policy in 2016. It achieved a 33% reduction in carbon emissions per kilogramme of food in two years. The removal of ruminant meat, such as beef and lamb, from most of the University's dining facilities has played an important part in this reduction, next to an increase in tasty vegetarian and vegan options, with chefs being trained for this purpose.

<https://www.environment.admin.cam.ac.uk/sustainable-food>

Food for Thought – the main features of the Sustainable Food Policy



At Lund University, all cafés and restaurants are run as independent companies. The University strives to focus more on vegetarian/vegan alternatives, seasonal and eco-labeled/fair-trade ingredients and minimal use of disposable materials. The University's agreements with catering suppliers require sustainability perspectives and environment-friendly working methods. All suppliers must take the environmental impact into account when choosing ingredients/foods, disposable items and packaging, as well as when transporting and waste sorting. For example, all coffee, chocolate, fruit and dairy products must be KRAV-labeled, Fairtrade-labeled or equivalent. Vegetarian alternatives must be available and any meat must primarily be locally produced, organic meat and/or KRAV-labeled.

University College London's 'UCL Powered by Plants' campaign raises awareness of the environmental and health benefits provided by plant-based diets. Started at one department agreeing that all catered meetings and events would be vegetarian, it was adopted by other faculties, and all senior management team events are now vegetarian/vegan only.

<https://www.ucl.ac.uk/sustainable/positive-climate/sustainable-food/ucl-powered-plants>

Electrical/electronic equipment

<p>Imperial College London encourages <u>equipment and furniture re-use</u> through the Waste Action Reuse Portal (WARP) redistribution scheme.</p>	<p>The University of Zurich (UZH) strives to <u>reduce the purchase of new products</u> as far as possible. The Technology Platforms offer researchers access to and support with sophisticated technologies, once they have paid a user fee. These Technology Platforms are also open to non UZH members. More common technologies, workplaces and rooms can be shared via the <u>platform Shared Equipment</u>, which currently has more than 300 devices and rooms available. In order to foster second-hand usage, UZH runs an Equipment Exchange, where old computers, lab devices and other equipment is given for free to other UZH members. Office supplies no longer needed are offered to colleagues for free via the Office Supplies Exchange.</p>
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KU Leuven has set up a system for the sustainable procurement and use of ICT materials. Computers are used for at least four years at the University before being replaced, whilst other ICT material such as computer screens is only replaced when broken beyond repair. At the end of their university lifetime most personal computers are donated to either *Close the Gap* (www.close-the-gap.org) or *Worldloop* (www.worldloop.org). These organisations make these computers available to those groups who normally would not have access to a PC. They also guarantee that the computers are properly disassembled by a recognised recycling company at the end of their lifespan. The programme was awarded the first 'Fair ICT Award' in Belgium in 2000. <https://admin.kuleuven.be/icts/nieuws/fair-ict-award>

<p>The University of Freiburg gives <u>financial bonuses</u> when a department or institute submits an old computer or an old refrigerator and purchases a new, energy-efficient device. The submitted computers need to be at least five years old and the refrigerators at least ten years old in order to receive the funding.</p>	<p>At the Universities of Paris-Saclay and Strasbourg, for example, a network of referents in research laboratories has been set up to <u>reduce the environmental footprint of laboratories</u>. It is linked to the initiative <i>Labo 1.5</i> at the national level.</p>
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With a capacity of nearly 5,000 servers, the new ISIS datacentre of the University of Strasbourg makes it possible to group together many of the university's servers and to pool the equipment necessary for their operation in a high-energy performance structure. The building, which has been awarded the European code of conduct on energy efficiency for data centres, is two to three times more efficient than a conventional data centre. The surplus heat produced by the data centre is also recovered and redistributed to neighbouring buildings.

Energy purchasing and generation

<p>Imperial College London has, since 2019, procured 100% of its bought-in electricity through a Renewable Energy Guarantees Origin (REGO) backed tariff.</p>	<p>The University of Freiburg has been purchasing green electricity from certified hydropower plants since 2013. The University aims to reduce its CO₂ emissions from energy operations by at least 65% by the year 2030, by at least 88% by the year 2040, and to achieve climate neutrality by the year 2045.</p>
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<p>Leiden University generates 1.56% of its total annual electricity consumption using solar panels. The University created the biggest solar panel roof in the city of Leiden, consisting of 1242 solar panels. https://www.youtube.com/watch?v=0318_mi918I</p>	<p>Utrecht University has invested in over 6,000 solar panels and is linking more and more buildings to its thermal energy storage system.</p>
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The University of Helsinki currently produces renewable energy in 17 buildings with solar panels and collectors, geothermal energy and wood chip power plants. In 2020, the 1 GWh limit was exceeded for the first time in the annual output of solar panels, which corresponds to the annual consumption of approximately 130 single-family houses.

Sustainability web portals at LERU universities

University of Amsterdam	https://www.uva.nl/en/about-the-uva/about-the-university/sustainability/sustainability-at-the-uva.html?cb
Universitat de Barcelona	https://www.ub.edu/web/portal/en/the-ub/commitment/environmental-policies/
University of Cambridge	https://www.environment.admin.cam.ac.uk
University of Copenhagen	https://about.ku.dk/profile-history/sustainability/
Trinity College Dublin	https://www.tcd.ie/provost/sustainability/
University of Edinburgh	https://www.ed.ac.uk/sustainability
Université de Genève	https://durable.unige.ch/en/
Universität Heidelberg	https://www.uni-heidelberg.de/en/university/sustainability
University of Helsinki	https://www.helsinki.fi/en/about-us/responsibility-and-sustainability/sustainability
Universiteit Leiden	https://www.universiteitleiden.nl/en/dossiers/the-sustainable-university
KU Leuven	https://www.kuleuven.be/duurzaamheid/sustainability
Imperial College London	https://www.imperial.ac.uk/sustainability/
University College London	https://www.ucl.ac.uk/sustainable/sustainability-ucl
Lund University	https://www.sustainability.lu.se/start
University of Milan	https://www.unimi.it/en/third-mission/social-responsibility/sustainability/projects/minerva-2030
University of Oxford	https://sustainability.admin.ox.ac.uk/home#/
Sorbonne University	https://www.sorbonne-universite.fr/universite/nos-engagements/le-developpement-durable
University of Strasbourg	https://www.unistra.fr/developpement-durable
Utrecht University	https://www.uu.nl/en/organisation/sustainable-uu
University of Zurich	https://www.sustainability.uzh.ch/en/sustainability-at-uzh.html