

Australian National University

Sustainability at ANU

Green Paper

Considering how we meet our commitments to Environmental, Social, Governance (ESG) aspects of sustainability

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Executive Summary

The Australian National University (ANU) is committed to being a leader in sustainability within the higher education sector. To this end, we have established a Sustainability Division, dedicated to implementing a comprehensive sustainability approach based on the globally recognised Environmental, Social and Governance (ESG) principles.

The Sustainability Division will serve as the central hub for coordinating and guiding sustainability efforts across ANU. It will oversee the Below Zero Program aimed at achieving below-zero carbon emissions, and in partnership with responsible officers' support and contribute to a range of current sustainability initiatives ensuring the University's operations align with our sustainability goals.

Incorporating these principles into our operations will enhance both our teaching and research capabilities. The new Sustainability Division will provide a platform for communicating transdisciplinary research on sustainability, attracting external funding and elevating the University's reputation as a leading research institution. By continuing to communicate our efforts to integrate ESG principles into our curriculum, the University can demonstrate how we equip our students with the knowledge and skills to address complex sustainability challenges.

The establishment of this cohesive Sustainability approach, supported by the new Division, is a small but strategically valuable investment in our future. There is no intent to create a new service delivery arm of ANU, but rather to work with the existing areas of the University that are already making endeavours towards a more sustainable future. It aligns with the University's commitment to creating a sustainable and inclusive future, ensuring our continued relevance and leadership in a rapidly changing world.

As a member of the ANU community, you are invited to share your feedback about the proposed approach highlighting concerns, comments and ideas to improve the overall ANU approach to sustainability.

Why sustainability?

The Australian National University (ANU) has a proud history of action on environmental sustainability dating back to the mid–1990s, which evolved from an initiative of activists from amongst early–career researchers and junior staff. This led to the Federal Minister for the Environment formally launching the first Environmental Management Plan in late 1999. In 2001, ANU set up the first Environment Office, which eventually became the Office of Sustainability and developed ANU Green as a brand name for the campus environmental program.

Increasingly, our commitment to action on environmental matters and our demonstration of corporate sustainability practices are relevant to the Higher Education sector as universities are expected to 'walk the talk'. Prospective and current students, peers and partners expect us to show leadership and apply our research to mitigate environmental, social and governance impacts on our organisation.

We commit to sustainability in <u>our ANU values</u> where we say, "We are committed to better outcomes for our community, the environment, our nation and the world." We are active in teaching socially and environmentally sound practices. We are researching the innovations and interventions that will lead to planetary and social health. However, we have to date been less successful at collecting, coordinating or explaining our current activities as well as applying some of our own learnings to our operations.

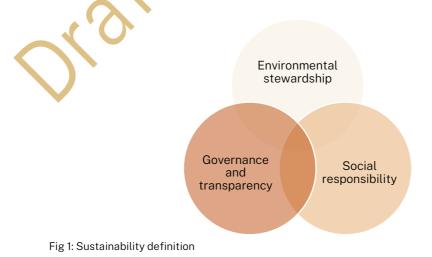
The sustainability practices and performance across campus facilities and activities are somewhat inconsistent and driven from the bottom up. Early consultation with a range of staff and students indicates that there is a desire for more support to adopt sustainable practice and to see the University making the sorts of structural changes needed for ANU to have a light touch on the planet and a fair and equitable place to work.

Sustainability will be defined as the intersection between three fundamental and interlinked areas, aligning with the ESG principles:

Environmental Stewardship: ANU will spearhead efforts to reduce energy consumption, transition to renewable energy sources, remove emissions for the long term, manage circular economy, and conserve water and biodiversity across all campuses.

Social Responsibility: ANU will foster an inclusive culture that values diversity, supports health and well-being, and actively engages with our community, ensuring that our operations have a positive social impact.

Governance and Transparency: ANU will ensure accountability and transparency in our sustainability performance, making ethical decisions that align with our sustainability goals and engaging actively with our stakeholders.



The decision to have a ESG approach to sustainability is informed by the International Financial Reporting Standards introduction of <u>general sustainability related disclosures</u> and the anticipated introduction of the same disclosures by the Australian Accounting Standards Board.

Being a sustainable and human-scale university means that we need to run within our means, but more than that, we need to operate within our social licence and fulfil the mission for which ANU was established. Therefore, the challenge is not to create a new service delivery unit but to embed sustainability practice into university functions and processes. The new Sustainability Division will work with leaders across the organisation to strike a balance between the ecological limit and the social foundations we operate in, with the aim of highlighting and facilitating the interconnectedness of the work of varied teams across the University.

Benefits

Incorporating a Sustainability Division at ANU will not only elevate the university's current commitment to sustainability but will also bring tangible and intangible benefits to the institution, its stakeholders, and the wider community. Some of the anticipated benefits include:

Academic Excellence: By prioritising sustainability, ANU will be at the forefront of research and education in environmental and social disciplines, fostering the next generation of global leaders who are conscious of and equipped to address the pressing challenges of our times.

Enhanced Reputation: Institutions that are proactive in their sustainability initiatives are increasingly recognised and lauded by peers, partners, and prospective students. Consistent sustainability endeavours will elevate the global standing of ANU and foster stronger partnerships.

Operational Efficiency: Embracing sustainable practices often leads to cost savings in the long term. Through energy conservation, waste reduction, and sustainable sourcing, the university can expect a decrease in operational expenses.

Student Engagement: As the current generation of students is more environmentally conscious, having a dedicated Sustainability Division will attract those who want to be part of an institution that aligns with their values. It will provide avenues for student-led initiatives and projects.

Holistic Decision-making: With the integration of ESG principles into university operations and decisions, ANU can expect a more comprehensive approach to problem-solving and strategic planning.

Community Building: A shared vision and purpose around sustainability can foster a stronger sense of community among students, faculty, and staff. Collaborative initiatives can facilitate networking, team building, and the cross-pollination of ideas.

Compliance and Risk Mitigation: Proactively addressing environmental and social concerns can help ANU foresee and mitigate potential risks associated with regulatory changes, resource scarcity, and other externalities. This will also enable our ability to be prepared for imminent regulatory reporting requirements.

Innovation and Economic Opportunities: With a focus on sustainable practices, ANU can be a hub for innovation, potentially leading to the creation of new sustainable products and services.

Tangible Contributions: Beyond the university's boundaries, the Sustainability Division can facilitate projects that have direct positive impacts on the local and global community, thereby fulfilling the ANU mission to better the world.

Legacy Building: The work coordinated and reported by the Sustainability Division will be part of our lasting legacy, ensuring the university remains relevant, resilient, and revered for generations to come.

The establishment of a Sustainability Division at ANU presents an opportunity for the university to not only live up to its stated values but to pioneer a new era of education, research, and action in the realm of sustainability. This endeavour will undoubtedly contribute to shaping a more promising future for both ANU and the broader global community it serves. The idea is not to reach an end goal but to build a consistent approach and process for factoring sustainability into strategy (see <u>appendix 3</u>), practice and process across the University.

Our sustainable future

We will know our sustainability vision has been realised when we have:

- A University-wide culture that embraces and prioritises sustainability, weaving ESG considerations into strategy and everyday practice with a focus on processual change and continuous improvement.
- Consistent mechanisms to support innovative and collaborative research, and education programs focused on environmental, social and governance sustainability.
- Strong multilateral relationships with the community, industry and government, driving positive change towards a sustainable future from ANU and the nation.
- A healthy and resilient campus that serves as an example of best practice in environmental sustainability and social inclusion.
- A comprehensive ESG statement and reporting structure with which we share our ambitions and progress with our community
- Recognised leadership in sustainability research, innovation and education, contributing to regional and global efforts towards a more sustainable future.

Global trends, rankings and student choice

Despite decades of focus on financial sustainability, growing concerns about climate change, resource depletion and environmental degradation have led governments and institutions to look at their resource intensity. Universities, as important educational and research institutions, play a crucial role in driving environmental and social sustainability efforts by supplying the evidence base for change. Therefore, we must apply the learnings we make in our own institution to our operations.

Current and prospective students, especially school leavers, are increasingly concerned about alignment to personal values and seek universities that can demonstrate this alignment. Quacquarelli Symonds (QS) reports that students <u>tend to favour institutions</u> with strong sustainability strategies that actively promote sustainable practices, offer relevant academic programs and provide opportunities for practical engagement in sustainability initiatives. A comprehensive sustainability approach can be a significant contributor to attracting students and ensures that we are able to draw from the widest pool of high-quality applicants.



Fig 2: Values as factors of student choice Source: QS https://www.qs.com/do-students-care-if-their-universities-value-social-sustainability/

It is because of this strong student preference that university rankings and rating systems have incorporated sustainability as a criterion for evaluation. For example, the Times Higher

Education (THE) Impact Rankings assess universities' performance based on their contributions to the United Nations' Sustainable Development Goals (SDGs). ANU were ranked against two SDG Goals:

- SDG 13 Climate Action where we placed 20th in the world; and
- SDG 16 Peace and Justice where we placed 3rd in the world.

There is a groundswell of academic support for greater engagement with the UN on the SDGs. The hope is that by having the division managing the relationship with the UN that ANU can be positioned to lead the creation of the successor goals for the SDGs and address some of the current shortcomings, particularly the embedding of first nation perspectives.

The QS World University rankings system has recently changed their rankings criteria to reduce the emphasis placed on student/faculty ratios to make room for sustainability criterion as these are becoming a more reliable indicator for student choice.

ANU Social licence to operate



The 'Social License to Operate' for any institution refers to the ongoing approval and broad acceptance of our activities by the local community and various stakeholders. It is not a formal agreement, but rather a social contract based on trust, credibility and the expectation that we will behave in a way that benefits not only our institution but also the wider society. At ANU, we believe that our Social License is contingent upon our delivery of the purposes in the *Australian National University Act 1991* (Cth), which includes a strong commitment to the challenges our nation faces. It is therefore simple to understand how this applies to our commitment to environmental, social and governance principles, and our ability to balance our growth and operations within both the ecological limit and the social foundation.

As an esteemed institution in higher education, ANU is aware of the responsibility to model corporate sustainability practices. We understand that our actions should align with the intellectual contributions we make in the field of sustainability, with current and prospective students, peers, partners and the broader community expecting us to lead by example. Therefore, our commitment to environmental, social and governance concerns is enshrined in our ANU values.

However, this commitment extends beyond environmental sustainability to encompass social sustainability, emphasising the interconnectedness of the institution with wider society. This involves striking a balance between ecological limits and social foundations, rejecting the notion of unlimited growth at all costs.

Our commitment to social sustainability is shown in various initiatives such as the <u>Athena SWAN</u> <u>Charter</u>, a framework that promotes gender equality in higher education and research. In line with this, ANU is actively promoting gender-inclusive language and has set up the ANU Gender Institute, a cross-campus virtual institute providing a focus for existing research, teaching, policy and outreach on gender.

Furthermore, ANU is committed to engaging and incorporating First Nations perspectives, reconciliation and Indigenous engagement, as proven by our partnership with Jawun, a non-profit organisation that works with Indigenous communities to achieve their own development goals. ANU is drafting a new Innovate <u>Reconciliation Action Plan</u> to foster a university culture that respects and celebrates Indigenous heritage and values.

In addition, ANU is committed to promoting inclusivity and diversity in our community. This is clear through the ANU LGBTIQA+ <u>Ally Network</u>, which aims to create a safe, welcoming and inclusive university environment. We also actively participate in events such as Wear it Purple Day, reinforcing our commitment to supporting LGBTIQA+ students and staff.

Importantly, we have integrated essential Equal Employment Opportunity (EEO) criteria into our hiring process for both academic and professional staff, ensuring that diversity and inclusion are fundamental considerations in our recruitment, promotion and employment practices.

While we have made strides in the integration of ESG principles into our operations and decision-making, we acknowledge that there is more to do. We are committed to weaving ESG considerations into our everyday practices further and to continue building a university culture that embraces and prioritises sustainability. Our goal is to serve as an example of best practices in environmental sustainability and social inclusion, while supporting our reputation for leadership in sustainability research, innovation and education. We aim to foster strong relationships with our community, industry and government, driving positive change towards a sustainable future. Our journey towards a sustainable future is a continuous process, and we look forward to sharing our ambitions and progress with our community.

Sustainability Maturity

Materiality



In developing this sustainability approach, materiality is crucial in identifying and prioritising relevant social and environmental issues for the university and its stakeholders. These issues directly and indirectly influence both the institution and its affiliates. By gauging materiality, we efficiently allocate resources to pressing concerns. High materiality demands immediate action, whereas lower levels may mean the issue is under control or of lesser urgency. Our approach is modelled after NYU Stern's 2019 materiality assessment method,

encompassing:

- 1. identifying key issues and categorising these issues to relevant stakeholder groups
- 2. collecting data from internal and external stakeholders
- 3. mapping and prioritising these issues
- 4. aligning these issues with management and business vision
- 5. developing the strategy.

By adopting this method, ANU can pinpoint sustainability priorities, create targeted strategies, and advance towards a sustainable future for the university and its stakeholders.

Double materiality

The concept of 'double materiality', originating from accounting, has gained prominence in contemporary sustainability discourse. This two-pronged approach considers not only an organisations environmental impacts but also how environmental changes could pose financial risks, including legal liabilities and reputational harm. Additionally, it accounts for the broader societal and environmental consequences of an organisation's activities. Aligning with the interdisciplinary focus of ANU, double materiality enriches our comprehensive understanding of sustainability and merits inclusion in the University's sustainability strategy.

Why should ANU take double materiality seriously?

Double materiality offers ANU a holistic framework for sustainability, enabling well-informed decisions that resonate with our diverse community. Although not a commercial entity, ANU operates in wider economic and social contexts, and double materiality provides the insights needed to adopt sustainable operational practices. By broadening our scope of what is 'material', we improve both environmental stewardship and corporate management.

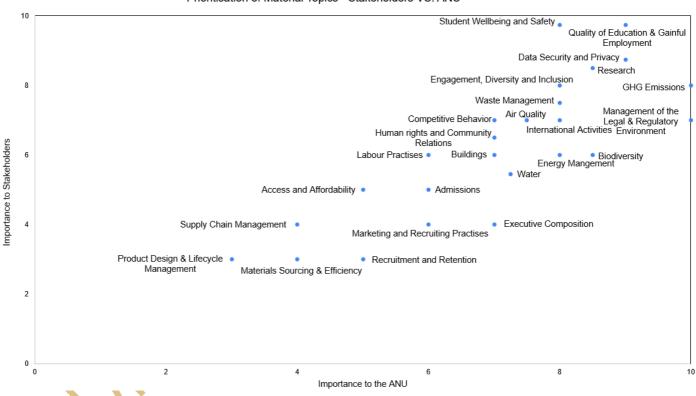
Materiality Map

To provide insights into significant issues, we present a single materiality map comprising of over 20 pertinent topics. These topics vary in scope and are representative of the multitude of themes potentially relevant to the University. The materiality map is crafted utilising a scatterplot that shows the relative importance of these topics to both ANU and its stakeholders. It is crucial to understand, however, that the significance given to these topics, such as the

importance of education due to its relevance to students as a key stakeholder group, is merely an estimate and may deviate from the actual weighting.

The topics represented on the materiality map below draw from various sources, including the University's Environmental Management Plan, the United Nations Sustainable Development Goals, the Sustainability Tracking, Assessment and Rating Systems (STARS), and the SASB (Sustainable Accounting Standards Board) industry proposed material topics. A full list of topics and definitions can be found in Appendix 2. These sources provide a robust foundation for understanding the materiality of different topics, such as GHG (Green House Gas) Emissions, Engagement, International Activities and Data Security.

There are challenges to conducting a materiality assessment, such as resource limitations and subjectivity in measuring certain material topics but conducting a materiality assessment can deliver many long-term benefits to organisations (NYU Stern School of Business 2019). These benefits can range from enhanced stakeholder relationships and risk management to improved resource allocation and prioritisation of data collection. The creation and application of such an assessment have the potential to considerably enhance strategic planning, particularly within an academic setting where defined best practices for material sustainability issues are limited.

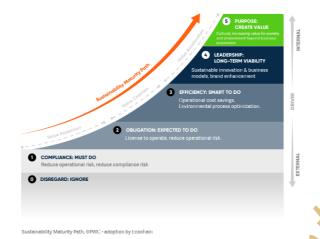


Prioritisation of Material Topics - Stakeholders VS. ANU

Gap analysis and implications of materiality

An initial assessment of the ANU sustainability maturity model compared to the PWC and Eco Chain Sustainability Maturity Path shows that ANU is moving from stage 2 'obligation: expected to do' and with the creation of the division is moving to 'efficiency: smart to do'. In this stage of maturity, the organisation actively looks for Process Optimization to improve sustainability outcomes and look for ways to also achieve operational cost savings. ANU will be looking actively to reduce harm in order to become more effective and efficient.

Sustainability Maturity Path



The role of materiality also extends to the domain of resource allocation. As ANU addresses the prioritised ESG issues, a recalibration of resources may be necessary. Moreover, materiality, acting as a compass, guides the University's engagement with its stakeholders. It provides ANU with the insight needed to understand and attend to the concerns of its diverse stakeholders, including students, faculty, staff, alumni, the government and the broader community. Engaging with these stakeholders in a meaningful way will not only enhance the University's relationships within its community but also reinforce its reputation and encourage higher student and staff retention rates.

Academically, the implications of materiality are also prominent. ANU must ensure the integration of sustainability and the ESG principles across the academic space, impacting both curriculum design and research focuses. The commitment to investigating material sustainability issues will lead to research with substantial societal impacts, potentially drawing more funding and fostering a learning environment that prepares students for the emerging ESG-focused world.

The application of materiality within the University's approach to risk management is another facet that cannot be overlooked. By paying proper attention to the material issues shown through the ESG lens, ANU can manage and mitigate a range of risks including regulatory, financial and reputational threats. This proactive stance ensures the University's long-term resilience and sustainability.

In essence, the implications of materiality are comprehensive and far reaching. The effective integration of this concept within university strategy and operations can significantly amplify the University's sustainability efforts, resilience and standing among its peers and the wider community.

The most material issues are being addressed and are outlined in the next section. Following conclusion of these initiatives some topics for consideration for future initiatives include:

- Admissions
- Access and affordability
- Marketing and recruiting practices
- Executive composition
- Supply chain management

Key questions: Do you agree with our assessment of the materiality of topics for action? Are there topics not covered in our assessment that should be included?

Our Current Actions

We have scanned current and planned activities across the University to identify those that align to the initial materiality assessment. Below are the actions that we believe fall within the remit of sustainability. We propose that the new Division works with the responsible areas to connect and amplify these efforts.

This paper is not to provide comment on previously developed initiatives but to ensure the right initiatives have been included – each of these has been developed in consultation with the community and relevant governance bodies.

ANU is committed to a sustainable future, which is evident in its significant efforts to reduce its carbon footprint. This entails transitioning towards renewable energy sources, enhancing energy efficiency across the board, and prioritising eco-friendly procurement decisions. The University's Environmental Management Plan (EMP) adopts a systems-based strategy aligned with ISO14001 principles, focusing on minimising environmental impact and enhancing the ANU sustainability profile. The ANU Below Zero Program is a testament to this commitment, aiming for below zero emissions by 2030.

Regarding campus development, the ANU Acton campus plans to evolve, fostering a more connected and engaging environment. This will embrace enhanced campus hubs, pedestrian experiences, and stronger city connections, all in tandem with the EMP's principles.

Simultaneously, on the social front, ANU is actively promoting equity, diversity, inclusion, human rights, health, and safety. There's a strong emphasis on mental health support and backing underrepresented groups. Indigenous engagement is a cornerstone of the ANU mission. The First Nations Portfolio and the Innovate Reconciliation Action Plan stand as testimony to the university's dedication to reconciliation and integration of Indigenous knowledge.

Gender equity also remains a priority to ANU. The University's pledge to the Science in Australia Gender Equity (SAGE) pilot underscores its ambition to address imbalances within the academic sector. In terms of cultural efforts, ANU is weaving culture into its sustainability plans, highlighting Indigenous environmental wisdom, cultural education, diverse representation, and community engagements.

Student wellbeing is paramount at ANU. Through initiatives like the ANU Thrive program, medical facilities, and dedicated support structures, the University is ensuring the holistic wellbeing of its student body.

On the governance side, ANU is setting the bar high with transparent decision-making, ethical conduct, and robust stakeholder engagement. Advanced technologies are being adopted to meet increased reporting standards. Furthermore, ANU governance extends into socially responsible investing, a strong anti-corruption stance and an unwavering focus on information security and countering foreign interference, epitomised by the efforts of bodies like the ANU Information Security Office (ISO) and the ANU Foreign Interference Advisory Committee.

Current initiative	Development phase	Responsible officer	E/S/G	Time horizon
Environmental Management Plan (EMP)	Implementation	Director, F&S	Environmental	End 2025
Below Zero (pillar of EMP)	Implementation	Director, Sustainability	Environmental	End 2030
Capital planning and Campus Masterplan	Implementation	Director, F&S	Environmental	End 2028
Incorporating First Nations perspectives	Implementation	VP, FNP	Social	Ongoing
Reconciliation Action Plan	Development	VC	Social	2024- 2026
Modern Slavery	Development	Director, Sustainability	Social 🔸	Ongoing
Gender Equity Strategy	Consultation	Deputy Vice Chancellor, Academic	Social	Ongoing
Socially Responsible Investment	BAU (Business as usual)	Chief Financial Officer	Governance	Ongoing
<u>Cyber Security</u> and <u>Foreign interference</u>	Implementation	Deputy Vice Chancellor, Research and Innovation and (Chief Information Security Officer)	Governance	Ongoing

Key questions:

Are there other current initiatives which should be highlighted here? Which current projects should be linked to our sustainability efforts?

Research and teaching

The intersection between the University's sustainability approach and research and teaching is at the heart of our university's ethos. As an academic institution, ANU is in a unique position to influence and be influenced by these ambitions in the execution and content of our research and teaching.

Starting with the delivery of these activities, adopting the ESG framework translates into developing sustainable operations within our educational and research programs. We should work towards reducing the environmental impact of our activities, from adopting digital solutions that reduce the need for travel and physical resources, to implementing sustainable laboratory practices in our research centres. Furthermore, university governance standards will extend to ensuring ethical practices in both research conduct and teaching delivery. Social aspects, such as inclusivity and fair access, will also be key considerations in the delivery of these activities, noting the inherent tension between access to international enrichment opportunities and the environmental impact of global mobility.

Moving to the content of our research and teaching, a comprehensive ESG framework provides a substantial opportunity to align our academic focus with sustainable development goals. Across all disciplines, we can progressively work towards the increased integration of environmental sustainability, social responsibility and good governance into our curricula.

For example. the ANU Undergraduate Curriculum Framework approved by Academic Board on 29 November 2022. The Framework enables students to achieve discipline depth and provides flexibility to contextualise disciplinary knowledge in broader societal contexts such as global sustainability challenges. The Framework also embeds three unique ANU Graduate Attributes into every undergraduate course:

- Insight into Aboriginal and Torres Strait Islander Peoples' Knowledges and Indigenous Peoples' Perspectives
- Capability to Employ Discipline-based Knowledge in Transdisciplinary Problem Solving
- Expertise for Critical Thinking

All of these are a clear exemplar of the commitment ANU has to embedding sustainable thinking into pedagogy and course content.

Our research stands to gain significantly from this intersection. Through an ESG lens, we have an opportunity to direct our research efforts towards understanding and solving pressing global challenges related to environmental conservation, social equality and corporate governance. Not only does this make our research more impactful and relevant, but it also opens opportunities for funding and collaboration with other organisations committed to ESG principles.

Sustainability ambitions can act as a guiding light, influencing the content and delivery of ANU teaching and research, making them more relevant, ethical and sustainable. It encourages us to think beyond the traditional confines of academia and work towards real-world impact, producing graduates who are not just equipped with academic knowledge, but also a deep understanding of their responsibilities towards the planet and society. At the same time, by aligning our research with ESG principles, we enhance its relevance and potential for positive impact, thereby advancing our commitment to knowledge generation for a better world.

Key questions:

What areas of the University have strengths across the domains of environment, social and governance?

Which current teaching and research projects should be linked to our sustainability efforts?

ANU as a living lab

ANU has a unique role and responsibility in advancing sustainability and Environmental, Social and Governance principles. As one of Australia's leading research institutions, we are ideally positioned to not only teach and research about sustainability but also to actively embody it in our operations and practices. This unique combination of theory and practice, of learning and doing, defines our approach to sustainability and sets us apart as a 'Living Lab' for sustainability and ESG.

In the context of a 'Living Lab', ANU is both a site for generating and testing new knowledge and a model of sustainable practices. Our campus is a microcosm of the broader society, and we strive to reflect the sustainable world we want to see in our own environment. We actively integrate sustainability into every aspect of our operations, from our buildings and transport systems to our procurement and waste management practices. These efforts contribute to our ESG performance and demonstrate our commitment to environmental stewardship, social responsibility and good governance.

Research and innovation are at the heart of our 'Living Lab'. Our researchers are engaged in innovative studies on sustainability and ESG-related topics, contributing to global knowledge and informing policy and practice in these areas. At the same time, we recognise that research alone is not enough – it must be translated into action. Therefore, we actively use our campus as a testing ground for new sustainability solutions, from renewable energy technologies to water–saving devices to social innovation strategies.

Our students are also central to our 'Living Lab' approach and connected through the Learning and Teaching Strategy (LTS) Goal 1: ANU Model of Learning. We believe in the importance of

experiential learning (<u>LTS goal 3.4</u>), and our 'Living Lab' provides abundant opportunities for students to engage in hands–on sustainability projects. Through courses, internships and extracurricular activities, students can contribute to sustainability initiatives on campus, conduct research on real–world problems and gain skills and experience that will equip them for future roles in sustainability (LTS goal 7.4 & 7.5)

Collaboration and partnership are key features of our 'Living Lab'. We will actively collaborate with government agencies, businesses, non-profit organisations and other universities in our sustainability efforts. These collaborations will enable us to share knowledge and resources, multiply our impact and contribute to broader sustainability efforts in our region and beyond. The University's role as a 'Living Lab' embodies our commitment to integrating sustainability and ESG principles into all aspects of our university. It reflects our belief in the power of action-oriented research, experiential learning, and collaborative partnerships to drive sustainability transformation. As we continue to evolve and innovate as a 'Living Lab', we are confident that we can make a significant contribution to a sustainable and resilient future.

Key questions:

What are the current barriers to ANU researchers in using the campus as a 'Living Lab'? What activities might we start if we could better run as a 'Living Lab'?

Operationalising sustainability

In our ongoing endeavour to transform ANU into a leading example of institutional sustainability, we recognise the importance of operationalising our commitment. It is not enough to draft plans and set targets, instead we must take practical steps to embed sustainability into every facet of university life, from our operational practices to the very mindsets of our staff and students.

The Sustainability Division is devising a range of incentives to inspire and reward sustainable behaviours. This includes establishing a Vice–Chancellor's Sustainability Awards program for staff and students who champion ESG initiatives and are exploring options for offering discounts on sustainable goods and services on campus. By recognising areas that achieve sustainability targets, we aim to foster a culture of sustainability that permeates our entire university.

The Facilities and Services Division is developing a Strategic Asset Management Framework which ensures that sustainability, GHG emissions and energy management strategies are used as strategic overlays in terms of governance and decision–making over the management of university assets.

Of course, this transformation will not happen overnight, nor will it happen without robust support structures in place. We will look at the support and training programs needed to equip our staff and students with the skills to contribute to sustainability. Support will be available to departments and units to implement sustainability actions, and we will create platforms for sharing best practices and lessons learned in each of the three sustainability domains.

While cognisant of the financial position of the University, we would like to increase the prioritisation of our resources towards sustainability efforts. And, where necessary, we will look for opportunities to redirect existing expenditure towards implementing actions and incentives, hiring specialist sustainability resources and investing in sustainable technologies and infrastructure. We will also be seeking string external partnerships with government agencies, businesses and non-profit organisations to augment our resource pool and bring in outside expertise.

We will be looking to implement at two speeds. First having a programmatic view that makes the complex and large structural changes needed to change our sustainability performance (i.e., removing gas power from our Acton campus). Secondly, a more agile stream of work focussed on making the small and visible changes to our workplaces and behaviours that will promote a more sustainable future (i.e., installing container recycling machines on campus).

In essence, ANU is embarking on a journey to weave sustainability into the fabric of our existence. This is a university–wide commitment that requires us all to pitch in. Nor is it a task with a discrete end; rather, it is a continuous process of learning and adapting. We are confident that by working together, we can make ANU a beacon of sustainability and contribute to a more sustainable and resilient future for all.

Sustainable decision making and accountability

The ANU Council and Senior Management Group (SMG) will ensure that our ESG position is linked to the ANU strategy and our purpose and mission. From there, each of our leaders will decide how the ESG statement articulated is linked to and reflected in local operational decision making.

There are a number of disclosure regimes for ESG information, and using the right metrics is key. Guided by the concept of materiality, Council should affirm that the information prepared by the company is consistent and reliable. It is likely that the Australian Accounting Standards Board will introduce two ESG disclosure statements reflecting the International Financial Reporting Standards (IFRS) <u>General Requirements for Disclosure of Sustainability-related</u> Financial Information and Climate-related disclosures.

With purpose and strategy linked, and the right information available. Council and SMG can decide key information for reporting. This means ensuring that critical information is collected and translates to the ESG position and disclosures are reported. It will also mean that consideration of the sustainability of decisions made by delegates and committees will need to consider the impact of the decision on our overall ESG position.

Operationalising sustainability is about transforming our commitments and strategies into tangible actions that can be implemented and measured. This starts with the setting of an overall sustainability policy, a draft of which can be found in <u>Attachment 1</u>.

Performance reporting

Important to the success of the sustainability efforts of the University will be the creation of specific targets and performance measures to report our progress.

We are committed to adopting rigorous ESG reporting standards, using internationally recognised frameworks, and are currently considering the benefits of the <u>Global Reporting</u> <u>Initiative</u> (GRI) and the <u>Sustainability Tracking</u>, <u>Assessment & Rating System</u> (STARS). There are also other voluntary and legislative reporting requirements with which we will need to comply.

Commencing in 2024, we will produce an annual sustainability report, detailing our progress, our successes and the areas where we need to improve. This report will be released to our community and publicly so that we may hold ourselves to account for our year–on–year progress.

Key questions

What other steps do we need to consider to incentivise adoption of more sustainable operations?

What are the ways in which we can make the sustainability impact of decisions more transparent to Schools and Divisions?

What data and information do we need to make this work?

Consultation

The purpose of this paper is to elicit feedback from the ANU community to ensure the sustainability efforts and intent are comprehensively captured. We are creating multiple opportunities and avenues for staff and students to share information, ask questions and provide feedback. In addition to collecting information through formal committee structures, we plan these additional ways of collecting feedback:

Online consultation sessions

Dominique Haywood, Director of Sustainability will host **three virtual town halls** to present the paper and take questions from the ANU community. These town halls are scheduled for the following times:

- Tuesday 7 November 10am-11.30am
- Wednesday 22 November 10.30am-12pm
- Thursday 14 December 2pm-3.30pm

For more information and to register for these sessions, please see the Sustainability website.

Focus group sessions

We will be convening **focus groups** with students and staff from across the University with a variety of concerns and interests. Focus groups will be formed of members of the current IDEA network, ANU Green Network, students, halls of residence and more.

Written feedback

You can provide **written feedback** in two ways:

- using this online feedback form,
- provide written feedback directly to <u>sustainability@anu.edu.au</u>

Consultation period: 31 October until 15 December 2023

Next steps

Following the close of the consultation period we will prepare a white paper registering the feedback received and steps needed to operationalise Sustainability at ANU.

The white paper will go to SMG and ANU Council for consideration and approval before distribution to the University. These approval processes will happen in early 2024, and we expect to formally launch the document following that approval.

Appendices

Appendix 1 - Draft Sustainability Policy

Purpose: The purpose of this policy is to outline the commitment of the Australian National University (ANU) towards sustainability and to provide a framework for integrating sustainable practices into all aspects of the University's operations. This policy aims to guide ANU in preventing its environmental impact, promoting social responsibility and fostering a culture of sustainability among students, staff and the wider community.

Scope: This policy applies to all activities, operations and individuals associated with ANU, including all staff, students, contractors and visitors. It encompasses all sites, facilities and operations under the control of ANU.

Overview: ANU recognises that sustainability is crucial for the well-being of present and future generations. As such, ANU is committed to operating in an environmentally and socially responsible manner, integrating sustainability principles and practices into decision-making processes, research, teaching and engagement. ANU strives to be a leader in sustainability, actively contributing to the global transition towards a sustainable future.

ANU demonstrates support for sustainability efforts by embedding sustainability principles into governance practices and support accountability by:

- establishing and maintaining appropriate governance structures, additional policies and procedures to ensure accountability and effective implementation of this sustainability policy.
- monitoring, reporting and evaluating regularly on sustainability performance to drive continuous improvement
- Allocating resources and providing training and support to enable the implementation of sustainable practices.

Definitions:

1. **Sustainability:** The pursuit of practices that meet the needs of the present without compromising the ability of future generations to meet their own needs. This includes environmental, social and economic or financial dimensions.

2. **Environmental Impact:** The effect of the University's activities, operations and decisions on the natural environment, including ecosystems and biodiversity, built environment, resource intensity and greenhouse gas emissions.

3. **Social Responsibility:** The ethical and equitable consideration of the impacts of the University's actions on society, including human rights, social justice and community well-being.

Policy Statement:

- 1. **Environmental Sustainability**: ANU will comply with all applicable statutory and regulatory requirements, and commit to prevent its environmental impacts by:
 - 1.1. reducing energy consumption and transitioning to renewable energy sources
 - 1.2. ensuring that greenhouse gas emissions are reduced to the minimum possible level and high-quality carbon credits are only used for those emissions it is not practicable to abate
 - 1.3. designing, implementing and supporting insetting programs to remove carbon from the atmosphere'
 - 1.4. conserving water and implementing efficient water management practices in operations and campus waterways
 - 1.5. implementing circular economy principles, including waste reduction, upcycling, recycling and responsible waste disposal strategies

- 1.6. conserving and enhancing biodiversity on campus
- 1.7. requiring sustainable design principles in construction, renovation and maintenance projects
- 1.8. establishing and maintaining a system approach for continual improvements of the overall environmental performances.
- 2. Social Responsibility: ANU will be social responsibility by:
 - 2.1. integrating First Nations perspectives and knowledge in research, teaching, and engagement activities
 - 2.2. ensuring diversity, equality and inclusivity within the ANU community through embedding these principles into policy and practice
 - 2.3. fostering engagement with a range of Australian and international communities and addressing their social needs and concerns
 - 2.4. ensuring human rights and fair labour practices.
- 3. Education and Research: ANU will incorporate sustainability principles in teaching and research by:
 - 3.1. offering education and training programs that foster sustainability literacy and knowledge
 - 3.2. conducting interdisciplinary research to address sustainability challenges
 - 3.3. supporting the integration of sustainability concepts and practices across disciplines
 - 3.4. using the ANU campus and community as 'Living Lab'.
- 4. **Collaboration and Engagement**: ANU will actively engage with stakeholders and collaborate with external partners to promote sustainability by:
 - 4.1. seeking partnerships and alliances with First Nation communities, private and public organisations and institutions committed to sustainability
 - 4.2. sharing knowledge and best practices with the broader community
 - 4.3. participating in sustainability initiatives and contributing to policy development at regional, national and international levels.

This sustainability policy serves as a guiding framework for the University's commitment to sustainability. It will be regularly reviewed and updated to reflect emerging best practices, technological advancements and changing sustainability challenges. ANU encourages all members of its community to actively participate in the implementation of this policy and contribute to a sustainable future.

Appendix 2 – ESG Reporting definitions

The topics represented below draw from various sources, including the University's <u>Environmental Management Plan</u>, the United Nations <u>Sustainable Development Goals</u>, the Sustainability Tracking, Assessment and Rating Systems (STARS), and the SASB industry proposed material topics

Environmental:

- Buildings: Consideration of environmental impact and energy efficiency.
- GHG Emissions: Carbon footprint related to institutional activities.
- Air Quality: Impact on air pollution.
- Energy Management: Emphasis on renewable energy and efficiency.
- Water: Management of water use and quality.
- Waste Management: Initiatives for waste reduction and recycling.
- Biodiversity: Protection of ecosystems.
- Product Design & Lifecycle Management: Sustainable product practices.
- Materials Sourcing & Efficiency: Use of efficient and sustainable materials.
- Supply Chain Management: Supply chain's environmental impact.

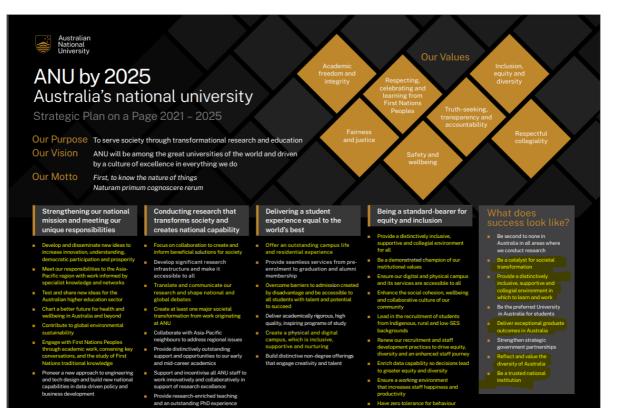
Social:

- Human Rights and Community Relations: Treatment of individuals and local communities.
- Student Wellbeing and Safety: Provisions for student health and security.
- Engagement, Diversity and Inclusion: Promotion of diversity and inclusion.
- Access and Affordability: Equitable and affordable education access.
- Admissions: Admissions standards and policies.
- Quality of Education & Gainful Employment: Education quality and employment prospects.
- Marketing and Recruiting Practices: Ethical marketing and recruitment.
- Labour Practices: Conditions and treatment of employees.
- Recruitment and Retention: Attraction and retention of quality staff.
- International Activities: Respect for rights of international communities. Governance:
 - Data Security and Privacy: Protection of stakeholder data.
 - Executive Composition: Leadership representation and diversity.
 - Competitive Behaviour: Adherence to fair competition practices.
 - Management of the Legal & Regulatory Environment: Compliance with laws and regulations.
 - Research: Ethical conduct in research.

Appendix 3 - ANU by 2025 Plan on a page

There are thematic linkages between the ANU by 2025 strategic plan and the ESG principles described in the paper. The specific strategic goals which overlap with ESG goals are highlighted in yellow.

If the community are supportive of the framing of this paper we would see this ESG approach being a key underpinning mechanism for the development of the successor strategic plan.



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Appendix 4 – Alignment to Sustainable Development Goals