The Sustainability Code for Higher Education Institutions

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Foreword

The transformation and transition towards sustainability is now being backed by many areas of German society. This was elaborated in 2013 by a group of international peers commissioned by the Federal Government[1]. There is still room for improvement, however. An elementary role befalls the education and academic system and its individual institutions: as places where knowledge, innovation and solutions are provided and developed, educational and academic institutions count among the key drivers of transformation when it comes to initiating the dynamics and changes required to do so.

Institutions of higher education are especially vital in this regard. At institutions of higher education, reflections are made and discarded, old ideas are seized upon and new ones created. Institutions of higher education are places of research, teaching and learning. Future decision-makers are educated and empowered to act. Institutions of higher education place people in and impart expertise on society and thus exert influence on societal discourse and debate.

Institutions of higher education can pave the way for change processes and can contribute towards tackling current crises by tapping various potential paths that lead to sustainable development: both inwardly – e.g. through specifically sustainability-oriented approaches in research and teaching or the coordination and management of sustainability in companies – and outwardly – e.g. through the transfer of knowledge acquired through sustainability research to other areas of society.

The Sustainability Code for Higher Education Institutions seeks to strengthen institutions of higher education in their role as agents of change. It helps institutions of higher education to demonstrate their sustainability activities and aims to enable even more institutions of higher education to align their quality and strategy development as well as their internal management more strictly to the principles of sustainable development. Its

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[1] RNE (2013): Sustainability – Made in Germany: The Second Review by a Group of International Peers, commissioned by the German Federal Chancellery, available online at:
http://www.nachhaltigkeitsrat.de/uploads/media/20130925_Peer_Review_Sustainability_Germany_2013.pdf

compact, user-friendly design makes it easy for them to achieve sustainability reporting. It is compatible with numerous monitoring and reporting systems and provides a solid basis for more concerted sustainability efforts. Taking the transparent presentation of sustainability performance as a basis, development processes can largely be co-determined within and by institutions of higher education.

The sustainability concept drafted by the authors of the Sustainability Code focuses on the three pillars of sustainability, i.e. the ecological, economic and social dimension. It incorporates the postulate of intra- and inter-generational justice, i.e. justice among the generations living today and between those living now and in the future, both nationally and globally. This mission statement also points to change by formulating a right to play a role in policy making. When applied to institutions of higher education, this means that every key activity of an institution of higher education (teaching, research, operations and transfer) should be consistently incorporated and correspondingly transformed in light of the sustainable development mission statement.

This understanding of the concept results in a sense of social responsibility for institutions of higher education that is misinterpreted in parts of academia as conflicting with the right to research, academic and scientific freedom protected under the German constitution. Yet, the assumption of social responsibility and the protection of levels of freedom, individuality and autonomy are by no means mutually exclusive. In fact, they are mutually dependent because academia, by its very nature, is a part of society, especially – but not exclusively – given the predominantly governmental, socially legitimised and also legitimatable promotion of academia. A growing number of institutions of higher education have turned their assumption of responsibility for the future of society into one of the principles of their mission statement.

That increasing numbers of institutions of higher education are becoming aware of their social responsibility, their function as role models and the associated opportunities can be seen not only in an array of sustainability activities but also in the growing number of publicised sustainability reports. Whilst it is true that the number of institutions of higher education issuing reports is still very low, the rise in reports in recent years is an indication of the topic becoming increasingly important.

The institutions of higher education applying the Sustainability Code perceive it as a vital step in bolstering their ongoing commitment towards sustainable development and establishing a broader institutional basis that will enable even more institutions of higher education to follow the same path. Users of the Sustainability Code see it as an instrument with sufficient flexibility and openness to set their own priorities and areas of focus in

keeping with the profile and quality developments of the respective institution of higher education and the preservation of the right to scientific and academic freedom.

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The list of names and institutions of higher education listed above is not definitive. Some feedback is still pending. Amendments are possible.

Sustainability is gaining in importance. This is a pleasing development for me. I am especially pleased at the rising interest in sustainability reporting. It reveals a level of seriousness. This is true for undertakings, but also for institutions that, whilst not undertakings, must clearly assume a comparable degree of responsibility for the common good.

Institutions of higher education have frequently been vanguards of societal development. Accordingly, some institutions of higher education have already submitted their first sustainability management reports. Extra-mural research organisations are adopting this topic as well. The ongoing "Guide to Sustainability Management (LeNa)" joint project funded by the Federal Ministry of Education and Research (BMBF) and run by the Fraunhofer-Gesellschaft and the Leibnitz and Helmholtz Associations aims to entrench sustainability more firmly in extra-mural institutions. The Public Corporate Governance Code (PCGC) lays the foundation for private companies, in which the Federal Government has a financial stake, to assume corporate responsibility. Despite not being directly applicable for institutions of higher education, it does offer important guidance.

In addition to this, we are now making the Sustainability Code the decisive benchmark for the sustainability profile of all sizes of undertakings and organisations as well as public institutions. In this context, the legal and fiscal specificities under which institutions of higher education operate must be observed, of course.

During a conference organised by the German Council for Sustainable Development in the autumn of 2014, we were able to confirm the growing significance of sustainability management and sustainability reporting. The content of the conference followed on from the work of the German UNESCO Commission and the German Rectors' Conference, the work of the BMBF, the activities of the Work Group for Higher Education and Sustainability (*Arbeitsgruppe Hochschule und Nachhaltigkeit*) of the UN Decade of Education for Sustainable Development and the recommendations of the "Sustainability Made in Germany" Peer Review. Higher education representatives highlighted sustainability reporting as a vital instrument for acting on the strategic implementation of sustainability in the research, teaching and operative activities of institutions of higher education.

As a result of the conference, around 25 presidents and rectors of institutions of higher education as well as high-ranking representatives of universities of excellence and institutions of higher education using sustainability reporting – together with the German Council for Sustainable Development – initiated a process for drafting a sustainability code for institutions of higher education in the spring of 2015. The

Sustainability Code for Higher Education Institutions was compiled as part of a multi-layer process with the participation of stakeholder groups and the concerted involvement of experts from German institutions of higher education and organisations affiliated with higher education institutions. I have the deepest gratitude for the commitment shown by all those involved as well as the authors, and I trust that the Code will find widespread use in the strategic alignment of as many institutions of higher education and extra-mural research institutes as possible!

Marlehn Thieme

Chair of the German Council for Sustainable Development

<u>The Sustainability Code</u>

The Sustainability Code is a transparency standard for disclosing sustainability performance developed in Germany in 2011 following an intensive process involving a variety of stakeholder groups. The Sustainability Code is, first and foremost, geared towards undertakings and institutions. In the view of the German Council for Sustainable Development (RNE), application of the Code is in compliance with the requirements of the European Directive on Sustainability Reporting. RNE has agreed on industry-specific supplements and guides with multiple industrial sectors and associations. The standard comprises 20 criteria on the basis of which the reporting institution submits a quintessential statement on the measures it has undertaken in respect of the ecological, social and economic dimensions of sustainability. The use of the standard is voluntary.

In a declaration of conformity with the Sustainability Code, the institution discloses in what ways it meets the Code's criteria (comply) or provides plausible reasons for not fulfilling a specific criterion (explain). To this end, the German Council for Sustainable Development provides institutions with its Sustainability Code database, which can be accessed at www.nachhaltigkeitskodex.eu. For the purpose of comparability, it is important that both the system and the number of criteria are followed.

The Sustainability Code for Higher Education Institutions (beta version)

The current version of the Sustainability Code is a beta version that is being piloted by around ten institutions of higher education in 2016. At the end of the piloting phase, a final version of the Sustainability Code for Higher Education Institutions as well as a written guide – incorporating the experiences gained and examples used by participating institutions of higher education – will be drafted.

Many institutions of higher education are already in the process of disclosing data and information on some of the following criteria in accountability or similar reports. Through the deliberately very broad understanding of sustainability, institutions of higher education using the Sustainability Code for Higher Education Institutions have a means of disclosing much of the already recorded data and information in a synopsis.

Criteria 1-4 (Strategy)

1. Materiality

The institution of higher education discloses what aspects of sustainability have a material influence on its activities and how it caters to and systematically addresses these in its strategy.

a) Sustainability in teaching
The institution of higher education discloses how it promotes sustainability-related syllabuses and how issues relating to sustainability development are implemented in teaching. It demonstrates which didactical concepts are applied in doing so and how the competence to shape social developments is imparted and deepened.

b) Sustainability in research
The institution of higher education discloses how it promotes sustainability-related research and how issues relating to sustainable development are implemented in research work. The institution of higher education discloses what measures it is taking in order to eliminate structural obstacles to sustainability research and what contribution it makes to society in the process.

c) Sustainability in operations
The institution of higher education discloses how sustainability is implemented in the various areas of its operations.

The institution of higher education uses this differentiation of the aspects of significance to it in an appropriate manner when compiling its declaration of conformity.

2. Strategic analysis and action

The institution of higher education discloses how, for its main activities, it analyses the opportunities and risks related to sustainable development. The institution of higher education outlines what measures it is taking in order to operate in line with the main and recognised higher education, national and international standards.

3. Objectives

The institution of higher education discloses what qualitative and/or quantitative as well as temporal sustainability goals are set and operationalised, and how their level of achievement is monitored.

4. Coherence

The institution of higher education discloses the significance that aspects of sustainability have for the activities of the institution of higher education and how deeply within its decision-making process it reviews sustainability criteria.

Criteria 5-10 (Process Management)

5. Responsibility

The responsibilities for sustainability within the institution of higher education are disclosed.

6. Rules and processes

The institution of higher education discloses how the sustainability strategy is implemented using rules and processes.

7. Control

The institution of higher education discloses how and what indicators on sustainability are used in periodical internal planning and control. It discloses how the reliability, comparability and consistency of data applied to internal controls and internal and external communications are safeguarded through appropriate processes.

8. Incentive systems

The institution of higher education discloses how its executive organisational units promote and encourage sustainability processes both materially and immaterially – by allocating project-related or budgeted resources – as well as legitimation and support on

all (decision-making) levels. It discloses the extent to which the executive board reviews the effectiveness of such incentive systems.

9. Stakeholder engagement

The institution of higher education discloses how internal and external stakeholder groups are identified and incorporated into the sustainability process. It discloses whether and how continuous dialogue with them is nurtured and the outcomes of the dialogue are incorporated into the sustainability process.

10. Innovation and academia management

The institution of higher education discloses how, through appropriate processes, it helps to make innovations improve sustainability in terms of the internal and external use of resources. Where facts of material importance are concerned, the institution of higher education also discloses whether and how their current and future impact will be evaluated in terms of the institution's own social responsibility.

Criteria 11-13 (Environment)

11. Usage of natural resources

The institution of higher education discloses the extent to which natural resources are used for its activities. This involves materials as well as input and output concerning water, soil, waste, energy, land and biodiversity as well as emissions for the life cycle of products and services.

12. Resource management

The institution of higher education discloses what qualitative and quantitative goals it has set itself for its efficient use of resources, the use of renewable energy sources, the increase in raw material productivity and the reduction in usage of eco-system services and how these goals have been met and/or will be met in the future.

13. Climate-relevant emissions

The institution of higher education discloses its greenhouse gas (GHG) emissions in keeping with or on the basis of the Greenhouse Gas (GHG) Protocol or based on the Protocol's standards, and indicates the goals it has set itself in order to reduce emissions.

Criteria 14-20 (Society)

14. Rights and involvement of members of the higher education institution

The institution of higher education discloses how it meets nationally recognised standards relating to employee rights, and the rights of students and other members of the institution of higher education, and how it promotes participative involvement in sustainability management.

15. Equal opportunities

The institution of higher education discloses in what way it implements national and international processes and what goals it has in order to foster equal opportunities, diversity, the participation, inclusion and health of members of the institution of higher education as well as their fair pay and a work-life balance.

16. Qualification

The institution of higher education discloses what goals it has set itself and what measures it has taken to promote the ability of members of the institution of higher education to engage in the working and professional world, and in terms of adapting to demographic change.

17. Human rights

The institution of higher education discloses what measures it is taking in order to ensure that human rights are respected worldwide, and that forced and child labour as well as all forms of exploitation are prevented, and how it succeeds in raising awareness among members of the institution of higher education.

18. Corporate citizenship and transfer

The institution of higher education discloses what contribution it makes towards corporate citizenship in the regions in which it conducts its core activities and how it promotes the transfer of corporate citizenship to and the interchange with society over and above the education of students.

19. Involvement

The institution of higher education discloses its involvement in key decisions in politics and society that lies outside its institutional rights and obligations. It discloses the main aspects pertaining to the involvement of stakeholder groups within society in decisions made by the institution of higher education.

20. Conduct that complies with the law and policy

The institution of higher education discloses what measures, standards, systems and processes are in place to prevent unlawful conduct and corruption, and also to adhere to ethical standards, and how these are verified. It discloses how violations of the rules governing academic work are prevented, uncovered and penalised.

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