



THE FESTIVAL OF



Net Zero in the Supply Chain

Chris Boyle, Supply Chain Sustainability Lead at Aviva

#GSAFestivalofSourcing2023

Net Zero in the Supply Chain

Chris Boyle – Supply Chain Sustainability Lead

13th June 2023



Video placeholder

Quick-fire Quiz

How many of the UK's top 20 hottest years have been since 2000?

5

7

15

Under an 'as is' scenario, what % of the human population may have to migrate due to life threatening climatic conditions by 2100?

9%

21%

75%

194 parties have ratified the Paris Agreement. This covers 98% of human emissions. But how many have signed Net Zero into their national law?

15

22

194

Of the 194, how many countries are already certified Net Zero?

0

2

42

According to Carbon Intelligence, what proportion of a typical company's emissions come from it's supply chain?

2-5%

8-12%

80-95%

What is the top action the average individual can take to reduce their Carbon footprint?

Switch to renewable energy sources

Switch your car to Electric

One less long-distance flight per year

Whilst China's emissions increased by 353% between 1990 and 2017, by what % did the UK increase?

254%

30%

-35%

In 2000 at it's largest the antarctic ozone hole was almost 30M Km2. What was it's maximum size in 2022?

24.5M Km2

33.5M Km2

47.5M Km2

Sustainability



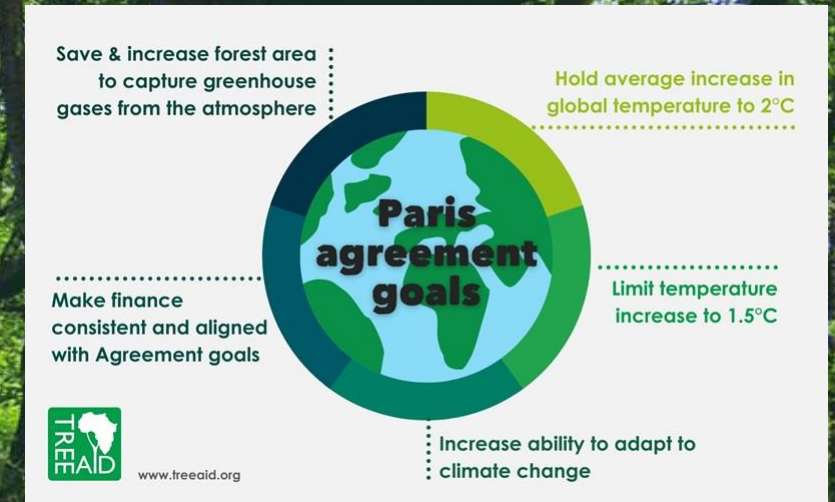
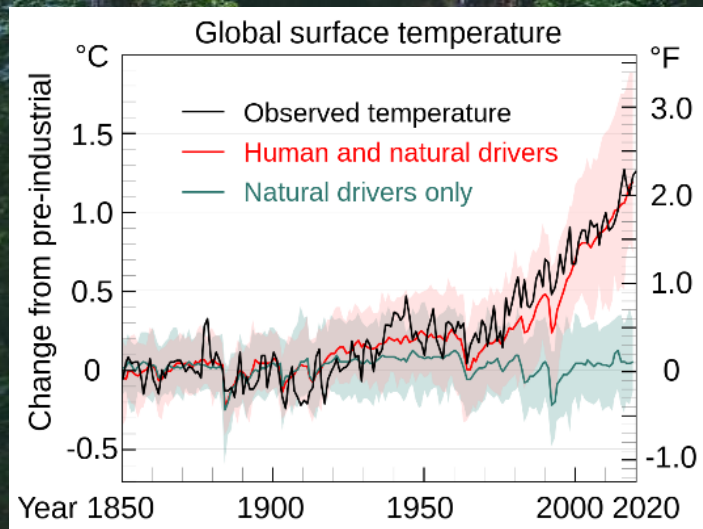
SUSTAINABLE DEVELOPMENT GOALS



Net Zero 101

Paris Climate Agreement 4th November 2016

- Recognised climate change as a global emergency, requiring international cooperation and action
- 194 parties have ratified - 98% of human emissions
- Main goal to keep rise in mean global temp to well below 2°C (preferably 1.5°C) above pre-industrial levels (1850-1900 av.)
- Emissions to be reduced as soon as possible and **net-zero** 2050
- To stay below 1.5 °C emissions need to be cut by c.50% by 2030



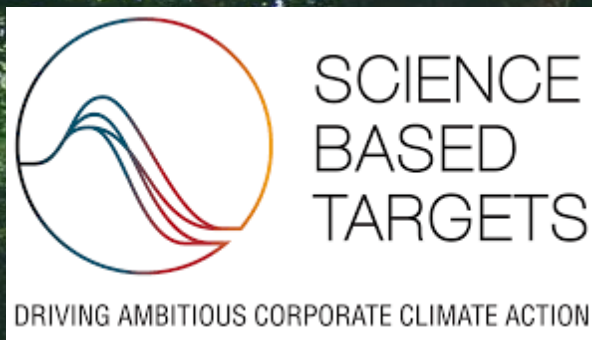
What is Net-Zero?

- Achieving a balance between the amount of greenhouse gas emissions produced and the amount removed from the atmosphere
- Reduce holistic emissions as far as possible (90%+) then sequester the balance

Net Zero 101

Science-Based Targets (SBTi)

- Partnership between CDP, UN, World Resources Institute (WRI) and WWF
- Recognises Private sector must play a fundamental role in reducing GHG emissions
- Provides an externally recognised and validated target-setting framework for companies to support Net Zero



Key aspects

- Commit to become a Net Zero company by 2050 or earlier (1.5 °C outcome)
- Set targets which are grounded in scientific method
- Reduce direct ('scope 1 & 2') emissions each year and target 100% renewable electricity by 2030
- Include relevant indirect emissions in target– e.g. purchased goods and services, investments ('scope 3' emissions)
- Report on performance annually (e.g. via CDP, sustainability report, annual report)
- Use carbon removals (not offsets) to achieve Net Zero

What have Aviva committed to?

1. Become a Net Zero company by 2040
2. Achieve a 25% reduction in carbon intensity of assets by 2025, and 60% by 2030
3. **Have Net Zero operations and supply chain by 2030**
 - 70% of spend with suppliers who have approved SBTIs by Nov 2025

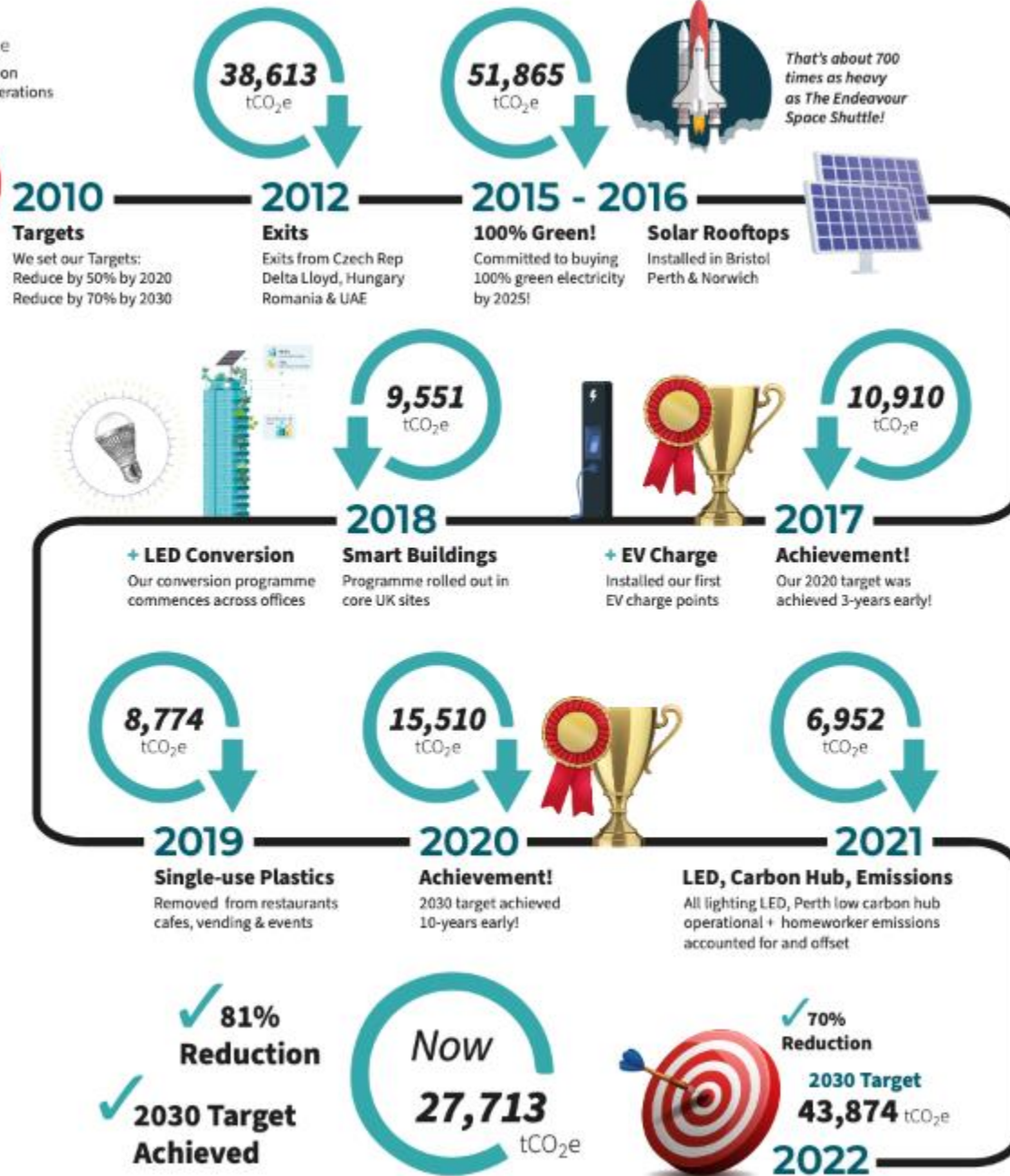


146,248 tCO₂e
Baseline tonnes of carbon emission across our operations



Carbon Reduction Journey (2010-2022)

We have reduced our operational carbon emissions by 81% since 2010, a cumulative 118,535 tCO₂e - or the equivalent of flying to the moon and back 798 times!



That's about 700 times as heavy as The Endeavour Space Shuttle!



+ LED Conversion
Our conversion programme commences across offices

Smart Buildings
Programme rolled out in core UK sites

+ EV Charge
Installed our first EV charge points

Achievement!
Our 2020 target was achieved 3-years early!

8,774 tCO₂e

15,510 tCO₂e

6,952 tCO₂e

2019

2020

2021

Single-use Plastics
Removed from restaurants, cafes, vending & events

Achievement!
2030 target achieved 10-years early!

LED, Carbon Hub, Emissions
All lighting LED, Perth low carbon hub operational + homeworker emissions accounted for and offset

81% Reduction
2030 Target Achieved

Now
27,713 tCO₂e

70% Reduction
2030 Target
43,874 tCO₂e

2022

What Aviva is asking of Suppliers



£1m+ SBTi mandate

Focus on external Net Zero targets/direction – data later



Increased ESG weightings

Product-level questions



Holistic ESG lens

Progress tracking & 'Red List'



New ESG schedule



Assessing our supply chain diversity



aviva.com supplier site

Guidance pack & summit, training

Closing Thoughts

**We are the first generation to understand climate change and the last generation to be able to stop it.
You are ideally placed to make a difference**

You should be talking to your partners about this

Be prepared for the conversation – know your own organisation's credentials

Ensure carbon considered in tenders - engage existing suppliers too

Prioritise by materiality

Leverage your position to drive change

Sourcing professionals now in central role in decarbonisation

New value frontier beyond savings, service and risk

Your role

Challenge thinking and advocate change

Make it part of your role and part of your goals

Don't leave it at the door