Corporate Engagement Program

- Enable co-creation of tools and methods across broad spectrum of companies for cost-effective, user-friendly products that builds on what you are already doing

- Get companies started on what you can do today

- Build momentum and business case for SBT for nature

- Identify barriers to setting SBT for nature and what we might do to address now

- 2 year program for companies, industry coalitions, and consultancies (~60 organizations have joined)

Minimum Requirements to Participate*

1 **Getting started:** sign up on the <u>SBTN website</u>

2 **Within one week:** submit signed terms of use & logo

3 **Within one month:** a) pay nominal one-time fee & b) review our first product - *Science-Based Targets for Nature Initial Guidance for Business* - and provide feedback

4 **Within one year of our members-only orientation session:** conduct step one of the Guidance (value chain mapping/materiality assessment) or benchmarking, and provide feedback

5 **Annually:** promote the value of SBTs for nature within your organization and with other companies, and report on activity

Companies are not committing to setting a science-based target for nature by joining our Corporate Engagement Program.

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Global Commons Alliance

Earth Commission
Coalition of scientists aiming to identify a safe and just corridor for humanity
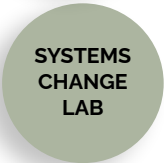
Science Based Targets Network
Aims to provide science-based targets for all global commons for all companies and cities in the world

Earth HQ
Aims to establish powerful new media partnerships to reach millions of people

Systems Change Lab
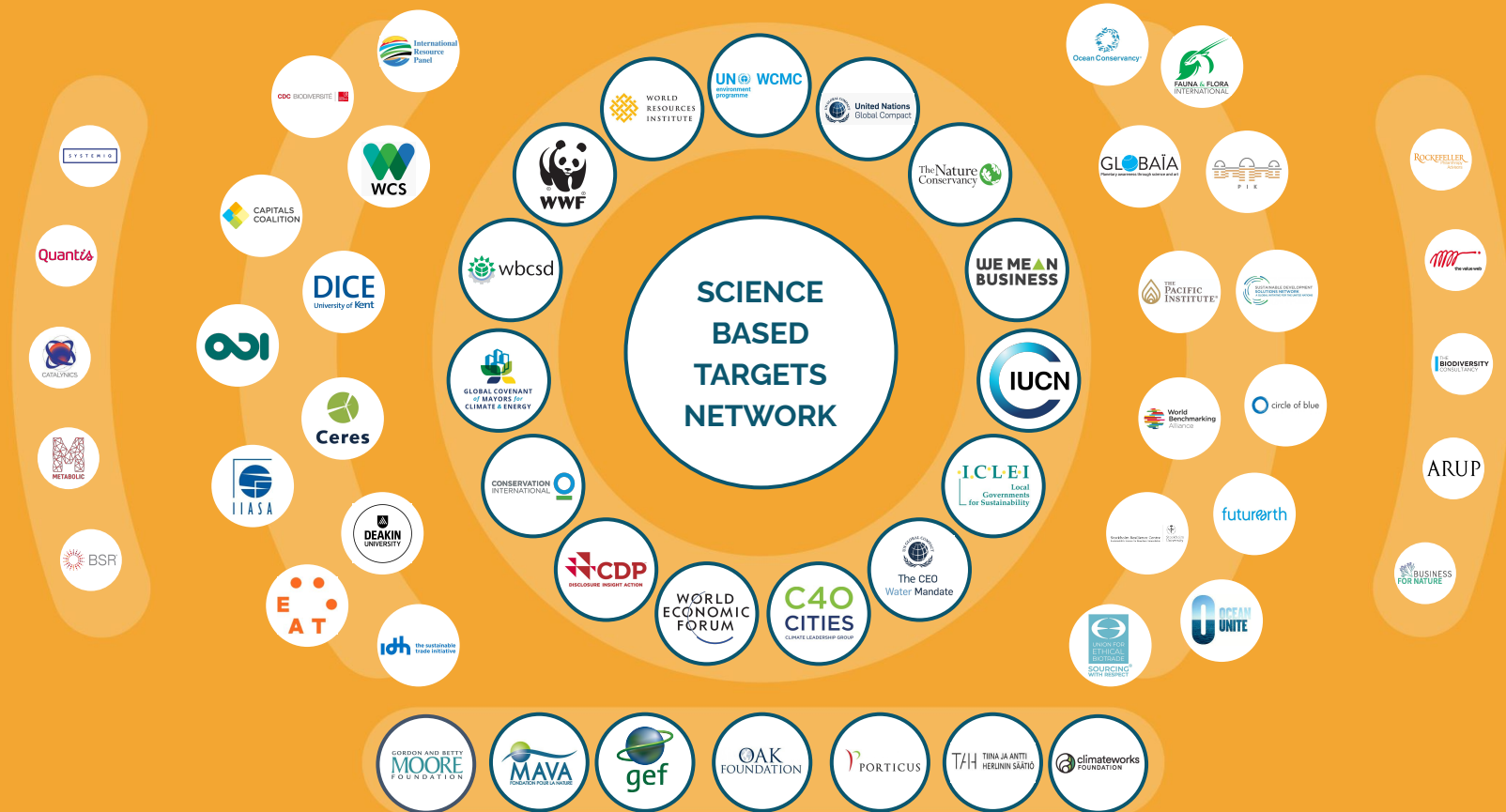Aims to build the enabling systems to scale action rapidly across cities, companies and societies

EARTH COMMISSION

SBTN

EARTH HQ

SYSTEMS CHANGE LAB

SCIENCE BASED TARGETS NETWORK
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Who we are

SCIENCE BASED TARGETS NETWORK

How We Are Organized

Group	Function
Network Hub	• Executive Director (Erin Billman) and Leads for Technical, Operational, Communications, Corporate Engagement, GCA
Technical Teams	• Cross-cutting work to create tools, guidance, and integrated methods • Issue-specific work; specifically: Biodiversity, Land, Ocean, Water • Earth Commission link
Network Council	• Sets strategic direction for the SBTN

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

*Members are listed on SBTN website

Today's Focus: Step 1 and Tools

Quick Check

Mentimeter:

- *Have you read the initial guidance?*

- *How well (on a scale of 1-5) do you understand your company's impacts and dependencies on nature?*

Directions:

1. Find a new browser window or mobile device
2. Go to menti.com
3. Enter the code **21 52 27 8**
4. Answer the questions that appear on your screen

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SCIENCE-BASED TARGETS *for* NATURE

Initial Guidance for Business

September 2020

Proposed Process of Setting SBTs for Nature

1 ASSESS
- CONDUCT MATERIALITY ASSESSMENT
- MAP THE VALUE CHAIN

2 INTERPRET & PRIORITIZE
- IDENTIFY SPHERES OF INFLUENCE
- PRIORITIZE PLACES

3 MEASURE, SET & DISCLOSE
- MEASURE BASELINE
- DEVELOP MONITORING PLAN
- SET TARGETS
- DISCLOSE BASELINE & TARGETS

4 ACT
- AVOID
- REDUCE
- RESTORE & REGENERATE
- TRANSFORM

5 TRACK
- MONITOR
- REPORT
- VERIFY

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Key Concept: Spheres of Control and Influence

SPHERE OF CONTROL

DIRECT OPERATIONS

UPSTREAM

DOWNSTREAM

VALUE CHAIN

VALUE CHAIN-Adjacent

SYSTEMS

SPHERES OF INFLUENCE

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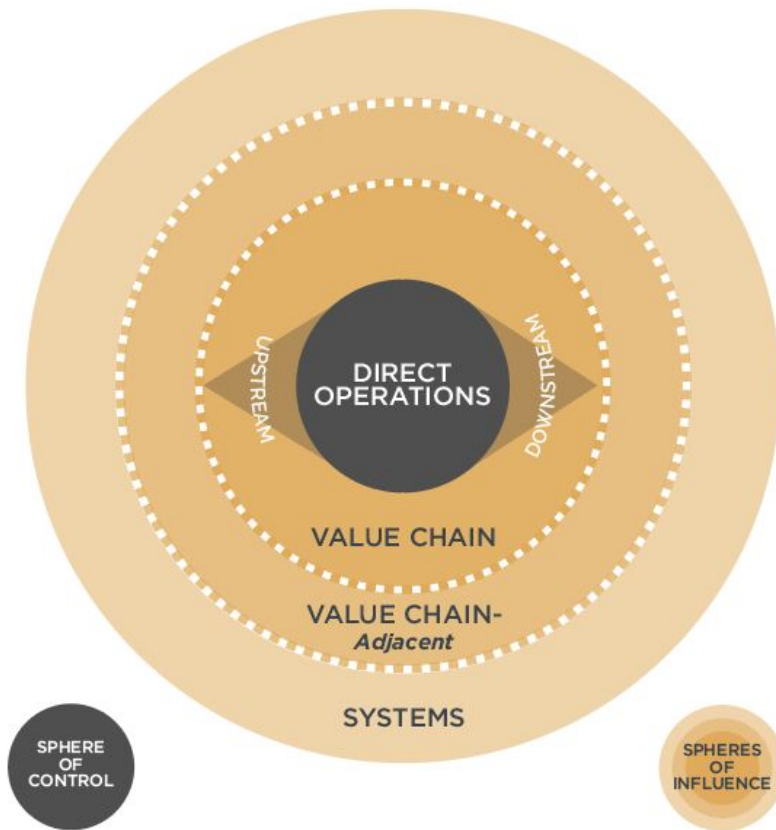
Key phases of Steps 1-2

Steps 1-2 Determine **'which'** issue areas and value chain components, **'where'** in the world to be covered by SBTs
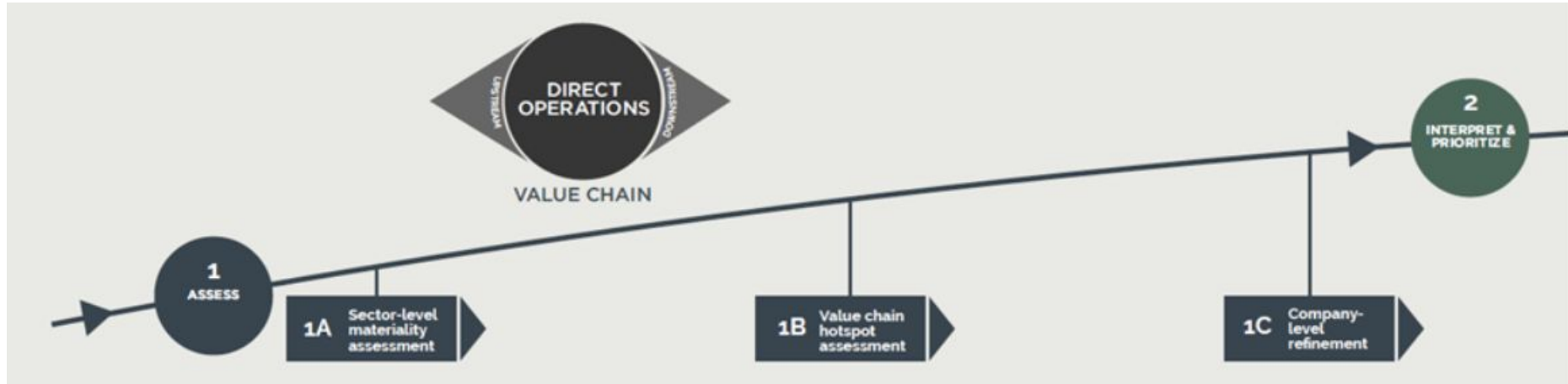
Step 1 gathers the data on your value chain's impacts and dependencies on nature

Step 2 involves judgment/normative prioritization of this data

Step 1(a): Materiality Assessment

Sector	Sub-Industry	Land/Water/Sea Use Change			Resource Exploitation	Climate Change	Pollution				Invasives and Other
		Terrestrial ecosystem use	Freshwater ecosystem use	Marine ecosystem use	Water use	GHGs emissions	Non-GHG air pollutants	Water pollutants	Soil pollutants	Solid waste	Disturbance
Consumer Discretionary	Computer & Electronics Retail	3	3	3	3	5	3	3	2	4	3
	Footwear	3	3	3	4	5	3	3	4	4	3
	Home Furnishings	3	3	3	4	5	5	5	5	4	3
Consumer Staples	Brewers	4	3	3	5	4	2	1	1	3	2
	Food Retail	4	3	3	3	5	3	2	2	4	3
	Personal Products	4	3	3	4	5	2	4	3	4	2
Industrials	Highways & Rail tracks	3	4	3	4	3	2	1	3	3	5
Energy	Oil & Gas Exploration & Production	4	3	3	5	4	3	4	5	3	4
Utilities	Electric Utilities	3	3	3	2	1	3	3	3	3	3
	Water Utilities	4	3	3	4	5	4	3	3	3	3

Legend: VERY LOW 1 · LOW 2 · MEDIUM 3 · HIGH 4 · VERY HIGH 5 · NO DATA

UPSTREAM — OPERATIONS — DOWNSTREAM

Step 1(b): Value Chain Hotspot Assessment

'Hotspot' assessments can use a variety of 'valuation' approaches to assess relative importance:

Qualitative valuation: Valuation that describes natural capital impacts or dependencies and may rank them into categories such as high, medium, or low.

Quantitative valuation: Valuation that uses non-monetary units such as numbers (e.g., in a composite index), areas, mass, or volume to assess the magnitude of natural capital impacts or dependencies.

Monetary valuation: Valuation that uses money (e.g., $, €, ¥) as the common unit to assess the values of natural capital impacts and/or dependencies.

Source: Nat Cap Protocol, S3.2.5

	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION	TOTAL IN MILLIONS
AIR POLLUTION						8% €64,5
GREENHOUSE GAS EMISSIONS						35% €272,2
LAND USE						27% €209,9
WATER CONSUMPTION						11% €83,2
WATER POLLUTION						14% €106,2
TOTAL:	7% €56,0	13% €100,0	4% €33,70	26% €197.6	50% €385,7	100% €773,0

Kering Group E P&L Results for 2013 by Environmental Impact Type and Tier of the Supply Chain
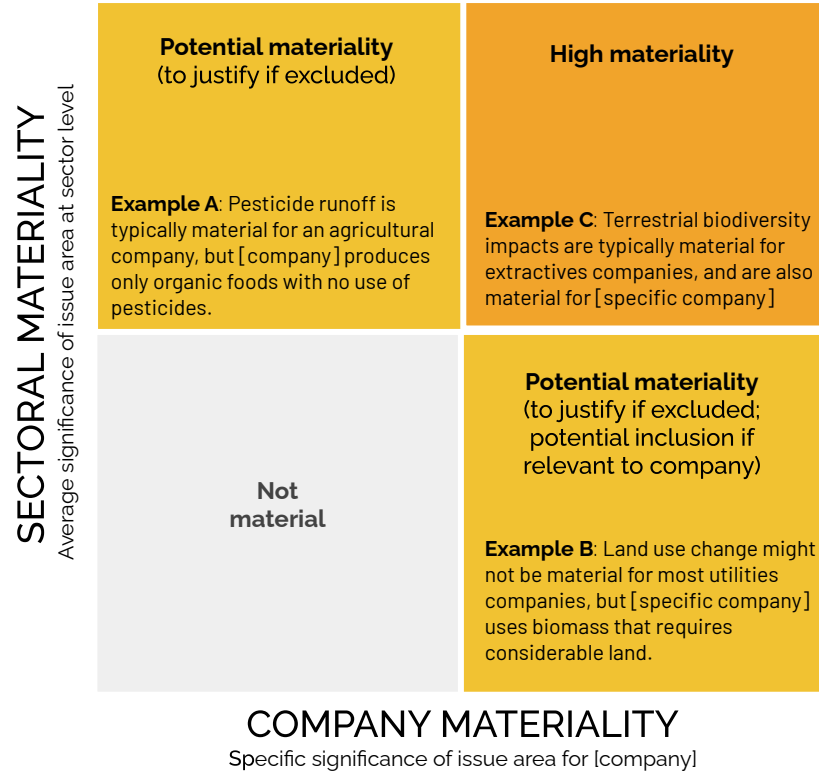
Ex using monetary valuation: Kering EP&L

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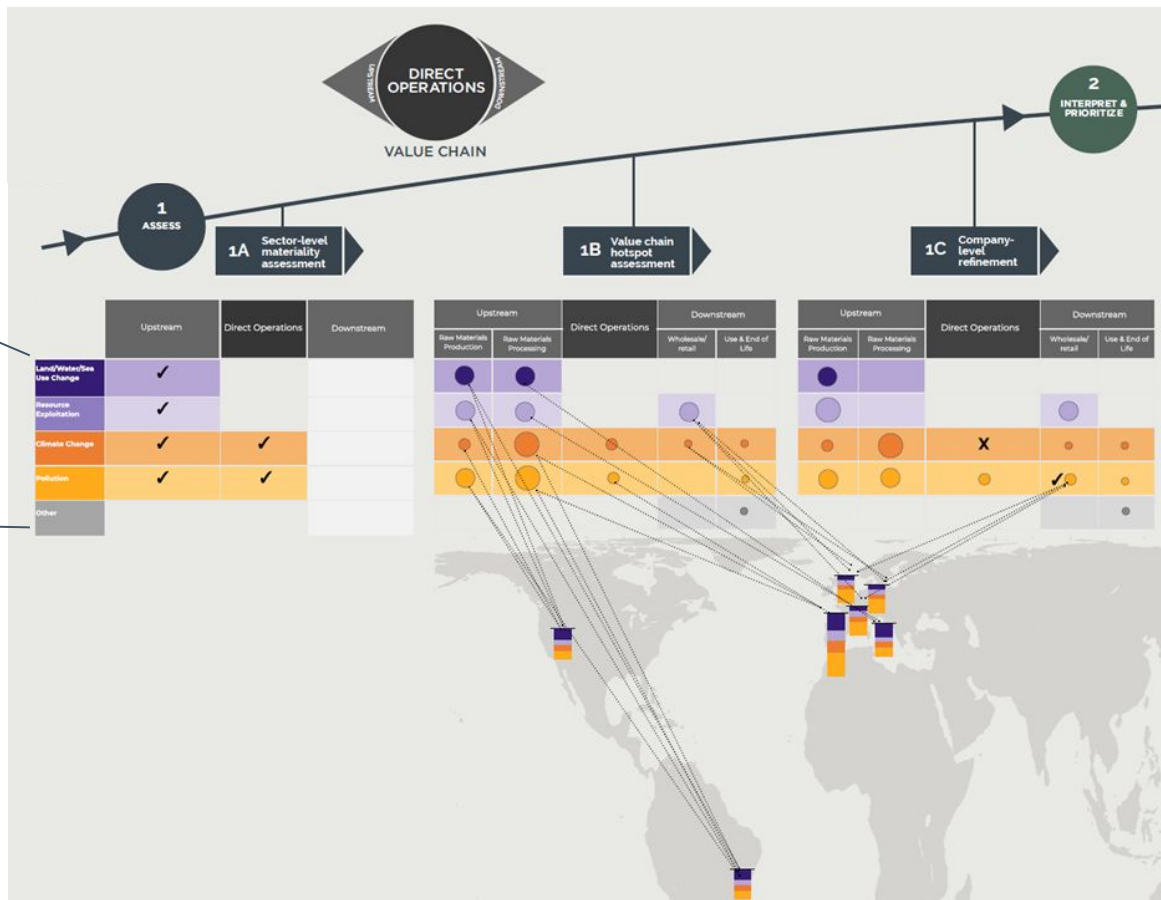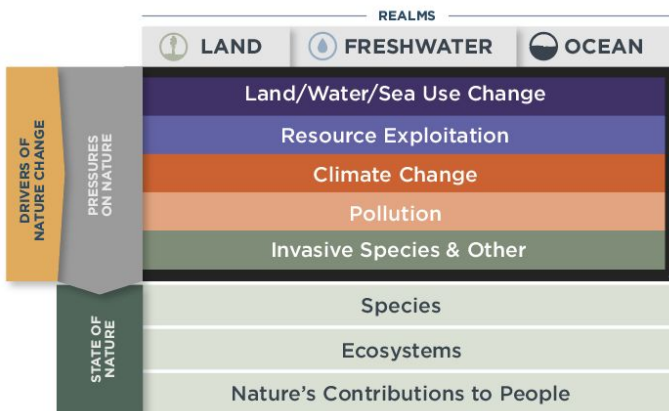GLOBAL COMMONS ALLIANCE

Step 1(c): Company-Level Refinement

SECTORAL MATERIALITY
Average significance of issue area at sector level

Potential materiality
(to justify if excluded)

Example A: Pesticide runoff is typically material for an agricultural company, but [company] produces only organic foods with no use of pesticides.

High materiality

Example C: Terrestrial biodiversity impacts are typically material for extractives companies, and are also material for [specific company]

Not material

Potential materiality
(to justify if excluded; potential inclusion if relevant to company)

Example B: Land use change might not be material for most utilities companies, but [specific company] uses biomass that requires considerable land.

COMPANY MATERIALITY
Specific significance of issue area for [company]

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Step 1 Output

Step 1 Review and Expectations

- **Time needed**
  - Depending on data availability, can take several months to do Step 1

- **Resources needed**
  - Depends on current data baselines, extent of supply chain/value chain covered, and complexity of business
  - Primary data needed for direct operations; secondary data acceptable for upstream and downstream

- **What's considered sufficient**
  - Key impact areas that should be covered in the materiality assessment include: land/sea use change, resource exploitation (biotic, abiotic), climate change, pollution, invasives and disturbances
  - Companies at a minimum should assess the spatial impacts connected to their direct operations (and key sourcing where spatial sourcing data is available)

- **What do we expect within 1 year of joining the program**
  - Complete Step 1: Access per the Guidance and complete our survey; or,
  - Benchmark your existing materiality assessment against the Guidance and complete our survey

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SBTN Toolkit: Today and Tomorrow

Initial Guidance "Toolkit"

		LAND	WATER	OCEAN
Tools by realm		Global Forest Watch	Water Risk Filter	Ocean+
		trends.earth	Aqueduct	Plastic Scan
Issue-specific tools	**Climate change**	Scope 3 Evaluator		
		GHGP Tool		
	Biodiversity (eco-systems, species, NCP)	Integrated Biodiversity Assessment Tool		
		Global Biodiversity Information Facility		

Cross-cutting Tools	**Spatial Analysis**	InVEST
		UN Biodiversity Lab (previously Nature Map)
		Resource Watch
	Supply Chain Modeling	(Environmentally Extended) Input-Output Models (e.g., EXIOBASE)
		trase.earth
	Materiality Assessment	ENCORE
		CDP (covering Water, Forests, and Climate)
	Compiled Tool Databases	Iris+
		SHIFT
		Biodiversity Guidance Navigation Tool
		Metrics Database

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Post-Initial Guidance Toolkit: Objectives

- **End of 2022:** A comprehensive toolkit that enables all types of companies to operationalise all Steps of the SBTs process.

- **December 2020 to June 2021**
  - Toolkit user needs assessment
  - Review of existing tools/data
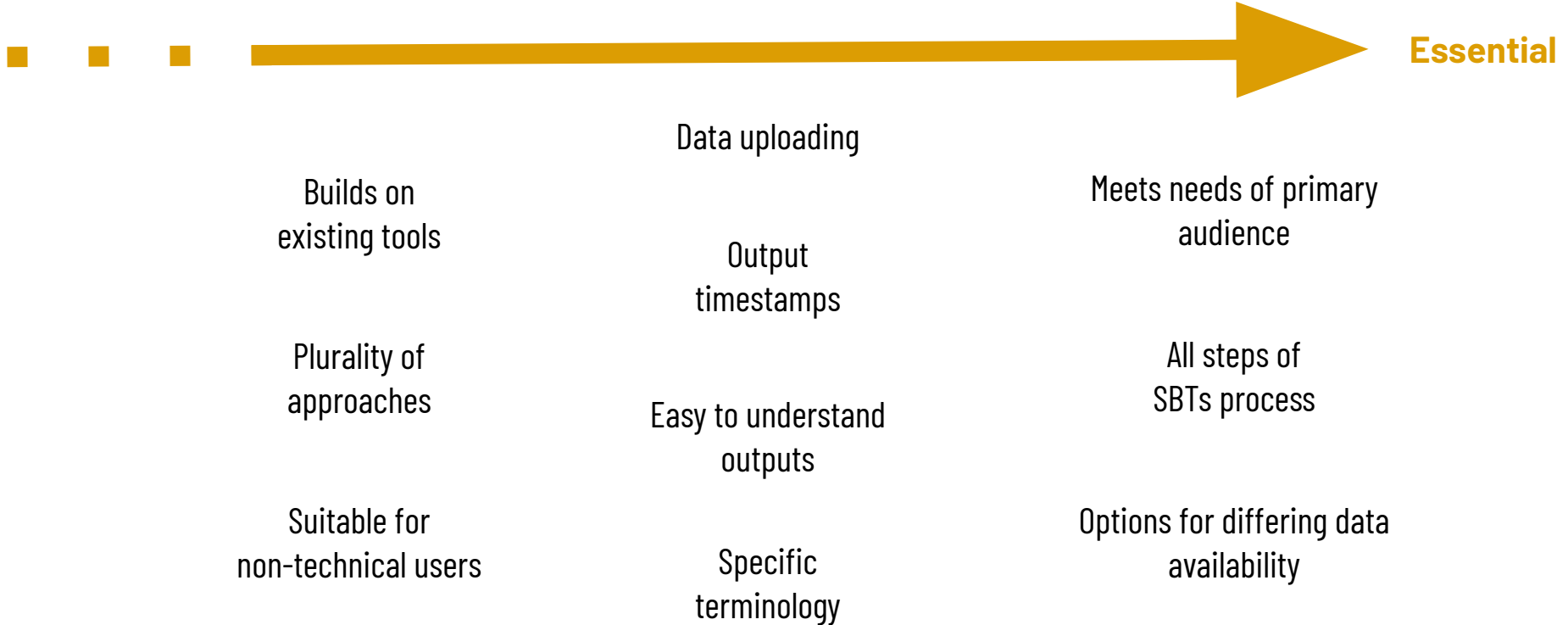 - Conceptual mock-up of tool functionalities and data required

Toolkit Design Brief - Key Considerations

- **Defining a tool** - anything that supports companies in the SBTs process

- **Audience**
  - Primary audience (target audience) - companies seeking to operationalise the Initial Guidance
  - Secondary audiences - consultants, industry coalitions, investors, rating agencies and ESG data providers, governments, academics, NGOs

- **Existing tools** - sign-post, build on, and complement (rather than duplicate/replace)

- **Resources** - Options for companies with varying data availability

Initial ideas to be reviewed based on user needs assessment and tool scoping...

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Toolkit Design Brief

Essential →

Data uploading

Builds on
existing tools

Meets needs of primary
audience

Output
timestamps

Plurality of
approaches

All steps of
SBTs process

Easy to understand
outputs

Suitable for
non-technical users

Options for differing data
availability

Specific
terminology

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Toolkit Design Brief

Desirable ←

Meets needs of
secondary audiences

Criteria for tools
published

Incentivises high
quality data

Open-access data
and outputs

Automatic data
updates

Result/output
sharing

New front-end for
Step 1A

Guidance on
uncertainty

Menti Feedback

Desirable ←─────────────────────────────→ **Essential**

Desirable					Essential
Meets needs of secondary audiences	Incentivises high quality data	Result/output sharing	Builds on existing tools	Data uploading	Meets needs of primary audience
				Easy to understand outputs	
Criteria for tools published	Open-access data and outputs	New front-end for Step 1A	Plurality of approaches		All steps of SBTs process
				Output timestamps	
	Automatic data updates	Guidance on uncertainty	Suitable for non-technical users	Specific terminology	Options for differing data availability

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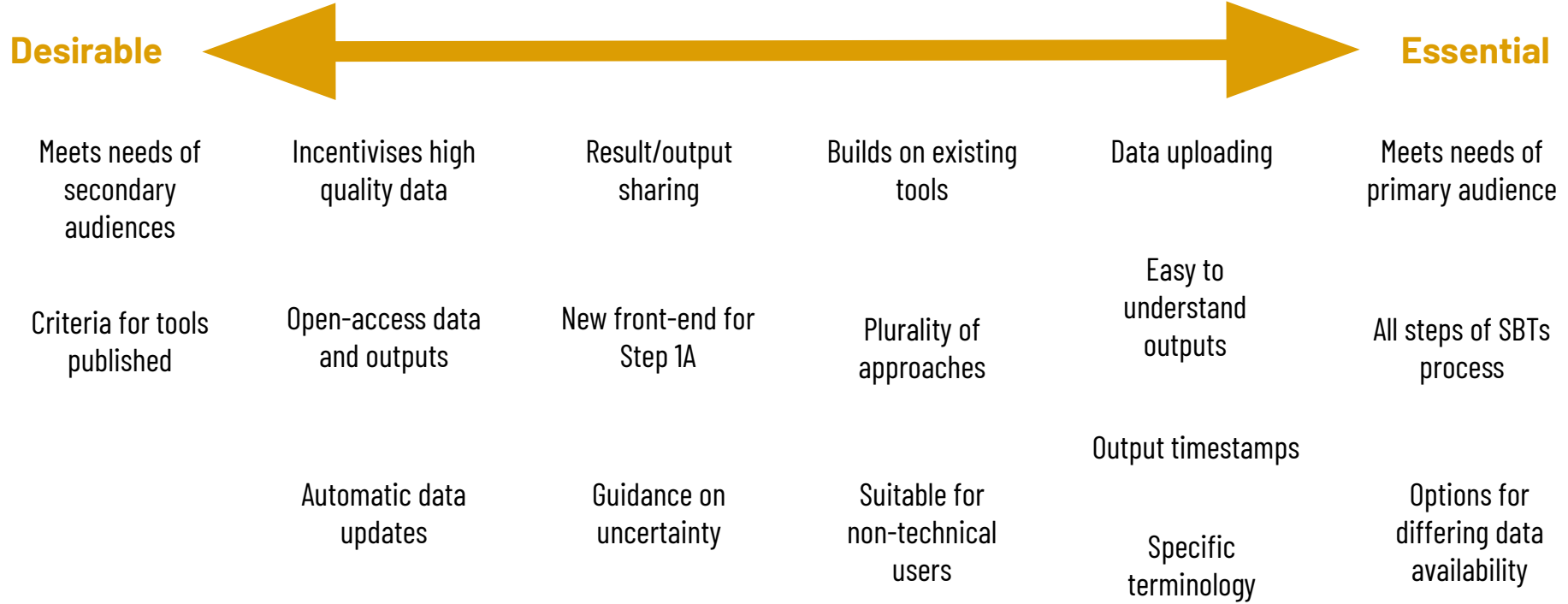
Quick-Fire Feedback

1. Find a new browser window or mobile device

2. Go to menti.com

3. Enter the code **21 52 27 8**

4. Answer the questions that appear on your screen

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Menti Questions

1. **Do you agree with the initial ideas of the technical team just presented?** *[Select one: Strongly agree, Agree, Agree with some parts but disagree with others, Disagree, Strongly disagree]*

2. **Are there any further key considerations/suggestions that you would add to the SBTs toolkit design brief?** *[Open ended: let participants submit multiple times]*

3. **Which of the following phases of Step 1 Assess in the SBTs Initial Guidance for Business has your company carried out so far?** *[Select multiple: Step 1A - Sector-level Materiality Assessment, Step 1B - Value Chain Hotspot Assessment, Step 1C - Company-level refinement, We haven't started yet]*

4. **Did you use any tools to support you in this? What were they and what did you use them for?** *[Open ended: let participants submit multiple times]*

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Engagement Program Topics and Schedule

Technical Development 2021: Key Questions

○ For which sectors (or sub-industries) should setting a target on a given issue area be mandatory?

○ How can a company get a "quick and dirty" understanding of their impacts/dependencies/restoration potential for a given issue area?

○ What types of activity data are needed for assessing hotspots (Sites/locations, spend, physical activity)? How does this vary for known vs. unknown sourcing?

○ What type of exclusions could be justified for companies in a sector defined as material?

○ What key reasons might a company from a non-material sector want to set a target for this issue area?

1

ASSESS

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Technical Development 2021: Key Questions

2

INTERPRET & PRIORITIZE

- What proportion of companies' estimated impact must be covered by their targets?

- Can corporate actions in spheres of influence ('Scope 3') compensate for inaction/time-lags on outcomes in sphere of control ('Scope 1')?

- If minimum coverage is <100% of estimated impact, how should companies prioritize value chain components (places/sites, sourced inputs, etc) for inclusion in target?

- Can prioritization criteria be weighted similarly for all issue areas? Are there circumstances in which trade offs between criteria are acceptable?

Technical Development 2021: Key Questions
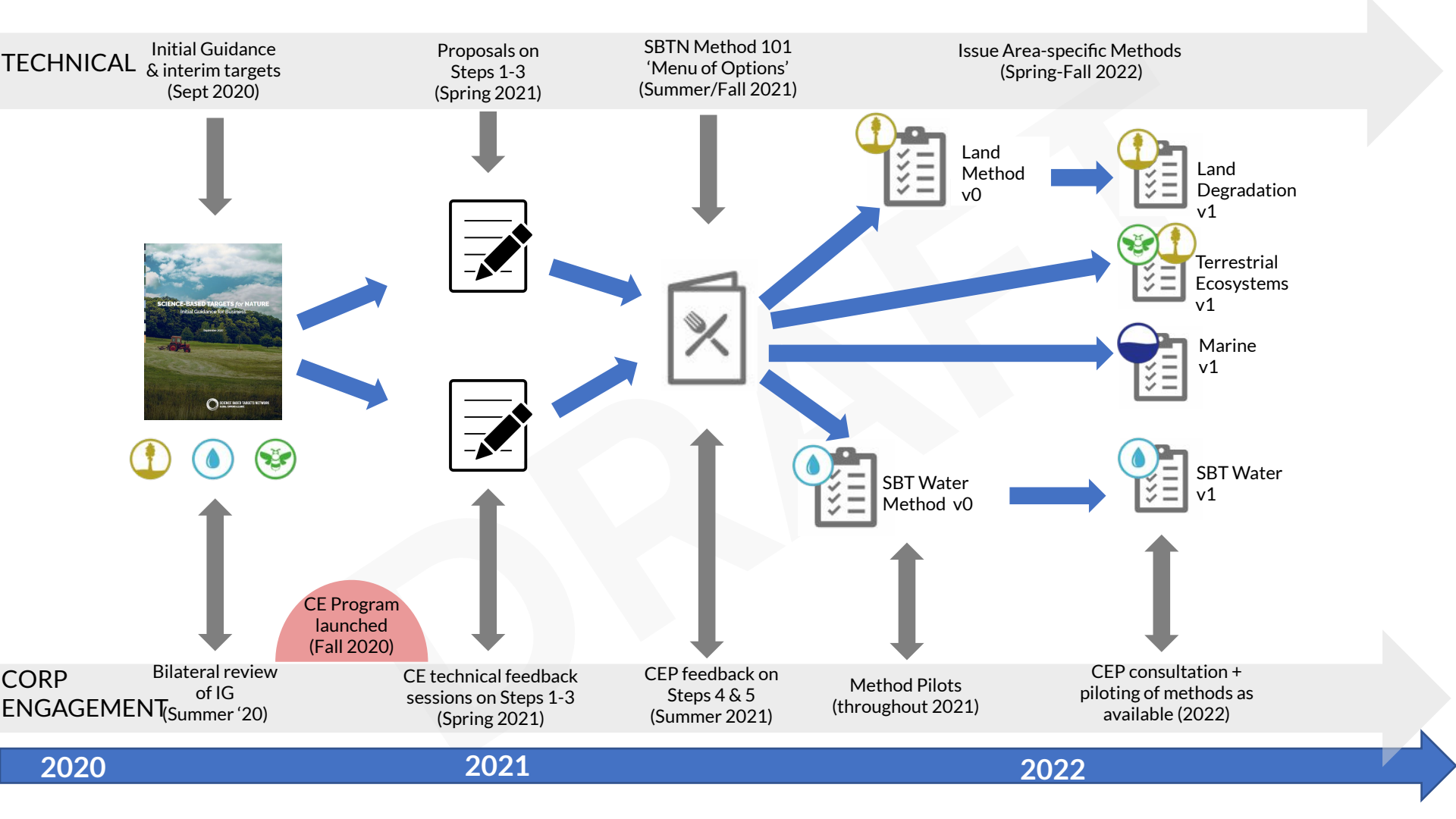
3

MEASURE, SET & DISCLOSE

- ○ For a given issue area, which key indicator(s) to be tracked by companies?

- ○ What standard methods/tools exist to describe how the indicator should be calculated at the appropriate scope (value chain, site, input, etc.)?

- ○ Can we provide standard guidance on reference levels for each issue area?

- ○ What is the science-based ambition level for a target in a given issue area?

- ○ How and where should a company disclose their target on a given issue? Who validates it?

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TECHNICAL

Initial Guidance & interim targets (Sept 2020)

Proposals on Steps 1-3 (Spring 2021)

SBTN Method 101 'Menu of Options' (Summer/Fall 2021)

Issue Area-specific Methods (Spring-Fall 2022)

Land Method v0

Land Degradation v1

Terrestrial Ecosystems v1

Marine v1

SBT Water Method v0

SBT Water v1

CE Program launched (Fall 2020)

CORP ENGAGEMENT

Bilateral review of IG (Summer '20)

CE technical feedback sessions on Steps 1-3 (Spring 2021)

CEP feedback on Steps 4 & 5 (Summer 2021)

Method Pilots (throughout 2021)

CEP consultation + piloting of methods as available (2022)

2020   **2021**   **2022**

Technical Development: Cross-cutting Engagement Opportunities

Opportunity	When	Who do we need	Why participate?
1. User needs workshop **(toolkit development)**	Early Feb 2021 2 hours	All members of the CEP - both direct tool users from company technical teams/consultancies, and users of tool outputs from corporate teams	These sessions will be critical inputs to SBTN's technical development process.
2. One-to-one user needs interviews **(toolkit development)**	Feb-March 2021 1 hour	Technical tool users - looking for perspectives from multiple sectors, value chain positions, geographies, company sizes, SBTi statuses, etc	For tool-specific opportunities, participants will shape our proposal for what a tool built for the SBTs process should look like and do.
3. Feedback session on options for Step 1 & 2 **(general technical development)**	Late March 2021 2.5 hours	All members of CEP. Looking for people close to the target setting process, e.g. someone from technical team, a consultant or NGO partner who has worked on targets.	

Technical Development: Cross-cutting Engagement Opportunities

Opportunity	When	Who do we need	Why participate?
4. Review draft user needs specification **(toolkit development)**	Early Apr 2021 1 hour	All members of the CEP - direct tool users and users of tool outputs, including both companies that have and have not participated in the one-to-one interviews	These sessions will be critical inputs to SBTN's technical development process. For tool-specific opportunities, participants will shape our proposal for what a tool built for the SBTs process should look like and do.
5. Focus groups session **(toolkit development)**	Early Apr 2021 1 hour		
6. Feedback session on options for Step 3 **(general technical development)**	Late June 2021 2.5 hours	All members of CEP. Looking for people close to the target setting process, e.g. someone from technical team, a consultant or NGO partner who has worked on targets.	

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Technical work: Engagement opportunities

Opportunity	January	February	March	April	May	June
1. User needs workshop **(toolkit development)**		■				
2. One-to-one user needs interviews **(toolkit development)**			■			
3. Feedback session on Step 1 & 2 **(general technical development)**				■		
4. Review draft user needs specification **(toolkit development)**				■		
5. Focus groups session **(toolkit development)**				■		
6. Feedback session on options for Step 3 **(general technical development)**						■

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Communications

Communications

The Science Based Targets Network's power lies in its collective voice

Storytelling

Your stories: an essential source of inspiration

- Challenges
- Business benefits
- Innovations / solutions
- Local communities
- Areas of nature with any special interest
- Inspirational people
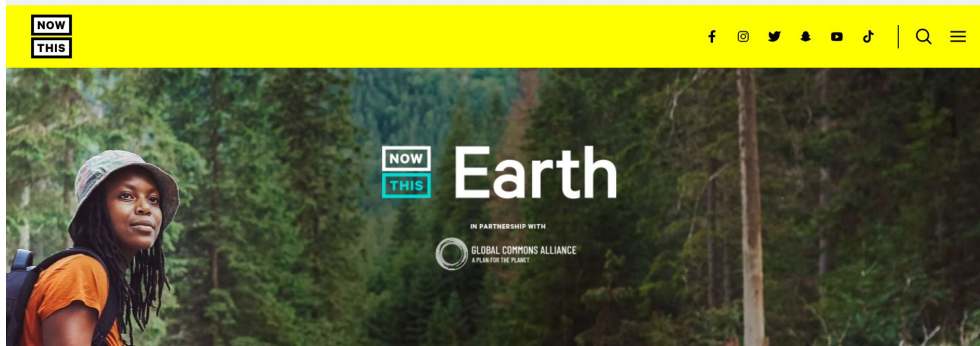
Sharing Content

Amplification is the Science Based Target Network's superpower

Social media

Other channels

Media and events
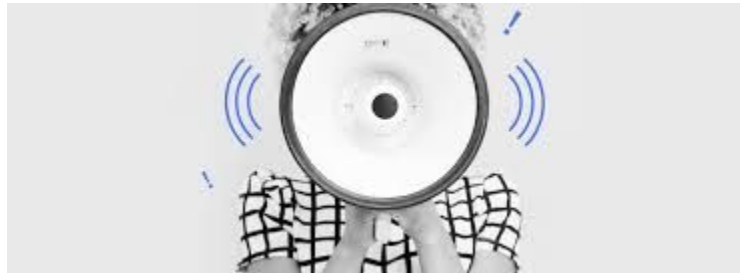
Closing

Resources

1. Within 1 year of joining, members must use the Guidance to complete (or benchmark against if already done) Step 1: Assess and provide feedback using a survey we will email you

2. Provide feedback on the Guidance using the following survey

3. Corporate Engagement Members communications pack

4. Members-only website portal contains important documents and videos,, engagement opportunities, member announcements, questions you hav, and videos.
   - Email announcements, best practices/barriers or questions to post on the page: corporate-engagement@sciencebasedtargetsnetwork.org
   - Password: SBTNProgram

Engagement and Learning Dates*

- Feb - TBD, likely 2nd week of Feb
- Thursday March 11, 8-9:30 am ET
- Thursday April 8, 8-9:30 am ET
- Thursday May 13, 8-9:30 am ET
- Thursday June 3, 8-9:30 am ET

*Dates/Times subject to change. We will strive to give you as much advanced warning as possible.

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Key Contacts

- General and administrative questions about the corporate engagement program: corporate-engagement@sciencebasedtargetsnetwork.org

- Other questions and requests: Jess@sbtnetwork.org

- Comms and Social Media: Tara@sbtnetwork.org

*Dates/Times subject to change. We will strive to give you as much advanced warning as possible.

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Appendix

Group meetings

6 collective meetings to :
- Present each step and dedicated tools
- Share best practices and gather feedback

French CEP working group by

BL évolution

Participation, information, fees : contact Sylvain Boucherand entreprises@bl-evolution.com

Individual and personalized support

- 6 to 8 work meetings between BL and each company
- Help to achieve step 1 of the methodology and first goal definition

Collective communi-cation

- Webinars
- Working group report and summary
- Feedback to the SBTN on step 1

BL évolution is a French consulting firm dedicated to biodiversity, climate and CSR strategies

Today's Speakers

Chris Weber
Technical Director,
SBTN

Jess McGlyn
Corporate Engagement Lead,
SBTN

Tara Burke
Communications Lead,
SBTN

Katie Leach
Senior Programme
Officer, UNEP-WCMC

Alex Ross
Associate Programme
Officer, UNEP-WCMC

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SBTN Team

Erin Billman
Executive Director

Chris Weber
Technical Director

Erin O'Grady
SBTN Coordinator

Samantha McCraine
Technical Coordinator

Jess McGlyn
Corporate Engagement Lead

Tara Burke
Communications Lead

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