



SCIENCE-BASED TARGETS *for* NATURE

Initial Guidance for Business

EXECUTIVE SUMMARY

September 2020



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Why SBTs for nature?

The [Science Based Targets Network \(SBTN\)](#) is publicly issuing this initial guidance on science-based targets (SBTs) for nature as a first step toward integrated SBTs for all aspects of nature: biodiversity, climate, freshwater, land, and ocean (expected in 2022). This is draft content and is open for public consultation as of September 2020.

This guidance covers the following questions:

- What is an SBT?
- Why are SBTs important?
- How will they work?

This guidance also identifies steps companies can take immediately and enables “no regrets” actions consistent with the urgency of the challenges we face.

The loss of nature poses a direct threat to economic activities currently responsible for generating over half of GDP. Each year, ecosystems provide services estimated to be worth more than US\$ 40 trillion (around half of global gross domestic product [GDP]). Local and global pressures on nature like landscape conversion and pollution are decreasing ecosystems’ ability to function and, consequently, their ability to provide contributions to the well-being of human and nonhuman life. Businesses are waking up to this. Biodiversity loss is increasingly being recognized as one of the most important and most likely business risks, alongside climate change and water crises. Business leaders know that the activities associated with “business as usual” are fueling the loss of nature, and that our way of doing business must change.

This change must occur in multiple ways and at multiple levels. The key questions for businesses are how to change and by how much. Science-based targets are designed to provide the answer.

The [Science Based Targets Initiative \(SBTi\)](#) is already helping businesses set ambitious science-based targets for climate so that they can reduce their companies’ greenhouse gas (GHG) emissions. This will cut global emissions and can drive positive feedback loops for policy ambitions on climate change (Figure ES1).

By expanding the scope of SBTs from tackling only climate change to tackling both the loss of nature and climate change, we can foster synergies between public and private sector action on these two fundamentally connected issues. Neither issue can be solved without action on the other.

For companies, SBTs will help you

- get ahead of regulation and policy changes
- strengthen your reputation among consumers, employees, and society
- increase the confidence of your investors, parent companies, subsidiaries, and other stakeholders
- catalyze innovation that’s good for the planet, and for business
- open opportunities to collaborate with other stakeholders
- improve your medium-to-long-term profitability.

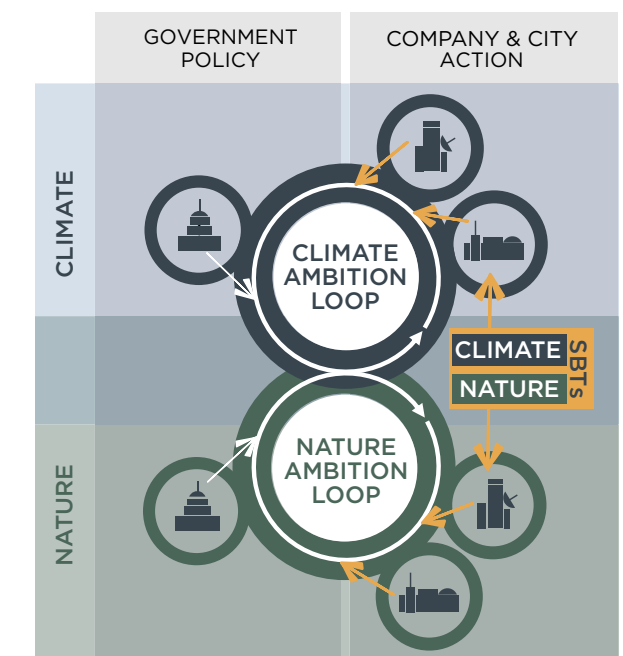


Figure ES1. Combined “nature” and “climate” ambition loops, which collectively create stronger policy and voluntary action for both climate and nature; adapted from the concept of the climate ambition loop, <https://ambitionloop.org>. Note that although we treat climate and nature as separate issues in this graphic, they are biophysically, politically, and economically intertwined.

What are SBTs for nature?

We define SBTs as *measurable, actionable, and time-bound objectives, based on the best available science, that allow actors to align with Earth's limits and societal sustainability goals*. By setting SBTs, actors—for the purposes of this guidance, companies—can align their actions to both the scientific boundaries that define a safe operating space for humanity in terms of Earth's limits and the societal sustainability goals that set out global objectives for equitable human development.

This report provides initial guidance on how companies can set SBTs for nature. Nature-focused SBTs as currently designed will allow companies to take action that aligns with a subset of the goals set out in the UN conventions on biodiversity (UNCBD), climate change (UNFCCC),

land degradation (UNCCD), and the 2030 Agenda for Sustainable Development (SDGs). To understand more about the scope of SBTs for nature, please see Section 1.4 in our Initial Guidance.

A critical component of these societal goals for nature is in flux: The Convention on Biological Diversity is currently negotiating its post-2020 Global Biodiversity Framework and its high-level goals for species, ecosystems, and “nature’s contributions to people”—the life-sustaining services that nature provides. While the ambition of these goals is still under discussion, a group of leaders from many organizations working with SBTN has moved forward to suggest the following global goal for nature: “Nature-positive.”

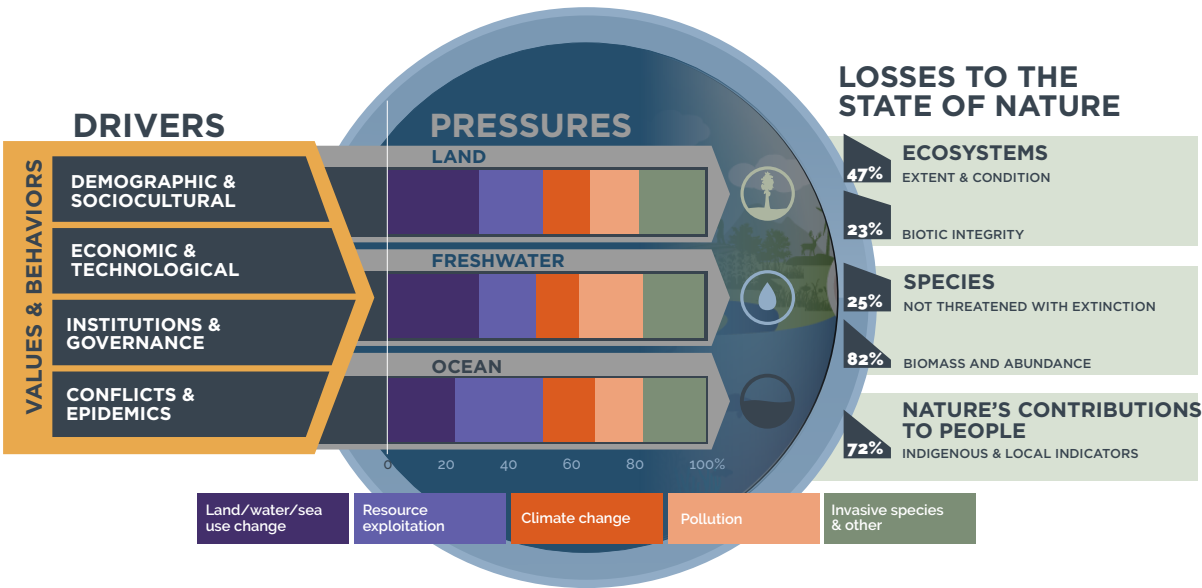


Figure ES2: Drivers, pressures, and states of nature loss, adapted from the IPBES Global Assessment, 2019. The “drivers” feed into “pressures,” which then fuel the degradation and loss of nature (measured in state variables) within the land, freshwater, and ocean realms. The percentages on the bars represent the approximate global importance of different pressures in each realm; see the [IPBES Global Assessment](#) for more details. The right-hand side highlights some of the key “states” of nature loss related to ecosystems, species, and nature’s contributions to people.

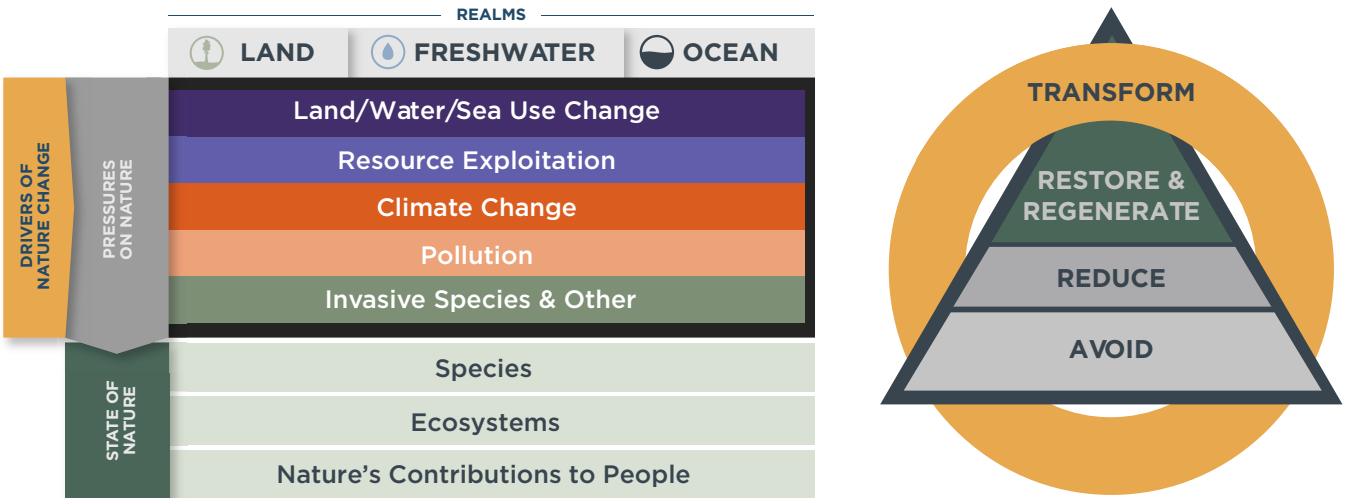


Figure ES3: High-level target categorization for SBTs for nature (left)—how SBTs take aim at the drivers and pressures fueling the degradation of nature and the state of nature itself. At right, SBTN’s Action Framework (AR³T) summarizes the types of actions that companies will take to align to Earth’s limits and societal goals for nature.

As defined by this group, a nature-positive world requires no net loss of nature from 2020, a net-positive state of nature by 2030, and full recovery of nature by 2050.

Achieving a nature-positive future—and defining corporate alignment to it—must start with understanding the science of nature loss. The key governmental panel on nature science, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, otherwise known as IPBES, has found (Figure ES2) that globally, declines in the state of nature (measured in terms of ecosystems, species, and nature’s contributions to people) were the result of five key **pressures**: land and sea use change; direct exploitation of organisms; climate change; pollution; and invasion of alien species. These pressures in turn have resulted from underlying **drivers**, fueled by human values and behaviors. These pressures and drivers are core components of SBTN’s framework for measurement of corporate environmental impact and our framework for positive corporate action.

If we wish to live in a nature-positive world, we need urgent and ambitious action by all stakeholders. In our guidance, we highlight key types of action—summarized as our Action Framework (AR³T)—that companies can get started on today:

- a) **Avoid** and **reduce** the pressures on nature loss, which would otherwise continue to grow.
- b) **Restore** and **regenerate** so that the state of nature can recover (e.g., the extent and integrity of ecosystems and species extinction risk).
- c) **Transform** underlying systems, at multiple levels, to address the drivers of nature loss.

These types of action and our understanding of the dynamics behind the loss of nature give structure to SBTs for nature—both in terms of the actions required of companies and the ambition level of targets that must be set *and* achieved (Figure ES3). Within this structure, each company will set different targets, depending on its sector and specifics of its business.

Readers should note that in our guidance, we emphasize the actions that companies can undertake on their own because these are often easier for companies to get started on today. However, the science is clear that the problems facing business and society are system-wide, intertwined, and connected to a broad array of actors. The problems we face therefore demand that companies go beyond individual action to push action through their value chains and explore **system-level collaboration and transformation**, such as through landscape and jurisdictional initiatives.

How can my company set SBTs for nature?

Section 2 of this report presents a five-step process that companies can follow to supplement their current understanding of environmental issues or to begin exploring these issues for the first time. Wherever possible, we draw on existing practice and point to work that companies may have already done that gives them a strong starting point for setting SBTs for nature. In short, companies will:

Assess. To begin, you gather and/or supplement existing data to estimate your value chain-wide impacts and dependencies on nature, resulting in a list of potential ‘issue areas’ and value chain locations for target setting.

Interpret & Prioritize. You then interpret the outputs of Step 1, prioritizing key issues and locations to take action. You will consider actions across different ‘spheres of influence’—from your operations, to the landscapes surrounding your value chain(s).

Measure, Set & Disclose. You then collect baseline data for prioritized targets and locations. Using the data from this and previous steps, you can set targets aligned with Earth’s limits and societal sustainability goals and then disclose these publicly.

Act. Once targets are set, you utilize SBTN’s Action Framework (AR³T: Avoid, Reduce, Regenerate, Restore, and Transform) to make a plan and begin to address your contributions toward the unsustainable use and loss of naturekey impacts.

Track. Finally, you monitor progress toward your targets, and report publicly on this progress, and adapt your approach as necessary.

Figure ES4 shows these five steps, including the outputs from each step. As shown, the process should be seen as both a linear, step-by-step process, and an iterative, circular process of ongoing improvement.

SBTN is only one year into an initial three-year sprint (see timeline in Table ES1) to develop key methods in partnership with the Global Commons Alliance for each of the target types shown in Figure ES3. Different methods are at different stages of development, given differences in the underlying science, existing corporate accounting and reporting, and other factors.

Companies can already set SBTs for climate through the [Science Based Targets initiative](#). For other issues like land use change, water resource exploitation and ecosystem integrity, companies can get started with ambitious targets today that are likely to count toward their SBTs once methods are ready in 2022. Specifically, companies can start setting targets on:

- **Climate change**, through the [Science Based Targets initiative](#),
- **Land use change**, specifically deforestation and conversion, using the [Accountability Framework Initiative](#), and [IFC Performance Standard 6](#)
- **Resource exploitation**, specifically water withdrawal and consumption, using [contextual targets for water](#)
- **Ecosystem integrity**, specifically on working lands using [regenerative agricultural practices](#) in line with guidance from the European Commission.

What's next?

2020		2022			
	What SBTN is providing in this guidance	What companies can do now	What SBTN will aim to provide with future products	What companies can do in 2022	
1	ASSESS	<ul style="list-style-type: none">• Preliminary decision tree and tools for completing materiality and value chain mapping	<ul style="list-style-type: none">• Conduct a hotspot assessment of your value chain• Gather spatial data for high-impact features of your operations (facilities or inputs)	<ul style="list-style-type: none">• Final decision tree guidance• Tools repository aligned with decision tree• Materiality screening tool• Interface for reporting value chain data	<ul style="list-style-type: none">• Conduct a full value chain and materiality assessment, supported by digital tools
2	INTERPRET & PRIORITIZE	<ul style="list-style-type: none">• Preliminary guidance and criteria for prioritization	<ul style="list-style-type: none">• Begin prioritizing locations for action and value chain partners for collaboration• Begin mapping and working with stakeholders in locations key for action	<ul style="list-style-type: none">• Prioritization and boundary setting guidance• With support from the Earth Commission, target setting guidance that incorporates a dual lens of safety and justice	<ul style="list-style-type: none">• Refresh your prioritization of locations and value chain partners for action• Align issue areas and ambition levels with needs of global and local stakeholders
3	MEASURE, SET & DISCLOSE	<ul style="list-style-type: none">• Initial proposed impact areas and indicator framework	<ul style="list-style-type: none">• Measure baselines for well-established indicators• Pilot emerging indicators and measurement techniques• Set SBTs for climate	<ul style="list-style-type: none">• Final indicator framework• Measurement guidance and/or standards across issue areas	<ul style="list-style-type: none">• Complete baseline measurement and SBT setting for all nature-related issue areas
4	ACT	<ul style="list-style-type: none">• The SBT for nature action framework: avoid, reduce, regenerate, restore, transform (AR³T)• Guidance on types of action that can be taken	<ul style="list-style-type: none">• Commit to high-level corporate goal for nature• Begin action planning for nature• Take “no regrets” actions	<ul style="list-style-type: none">• Refinements to our action framework (AR³T)• Guidance on how to increase synergies and decrease trade-offs across targets	<ul style="list-style-type: none">• Develop and implement synergistic and science-based action plans for nature that can deliver on multiple objectives, e.g. for climate and land, biodiversity and water availability
5	TRACK	<ul style="list-style-type: none">• Initial guidance on types of monitoring and potential reporting options	<ul style="list-style-type: none">• Disclose results of materiality and value chain assessment through your own reporting• Disclose baseline data for targets through your own reporting• Begin trialing monitoring methods	<ul style="list-style-type: none">• Final monitoring and verification framework• Interface for reporting targets and progress	<ul style="list-style-type: none">• Monitor progress across your value chain• Upload data on your progress to a shared interface that tracks the targets and progress of your collaborators and peers

Table ES1: Summary of contents of current guidance.

This guidance is meant to catalyze the corporate push toward a nature-positive future. With our guidance in hand, companies can begin setting targets and taking action today. Beyond this document, there are other opportunities for companies to engage with SBTN as method development continues. In Table ES1 we

summarize what we provide in this guidance and what companies can already do today, versus what we will make available and possible for corporate action by 2022. Other targets are in active development and will be available soon, so companies are encouraged to engage with SBTN to stay up to date.

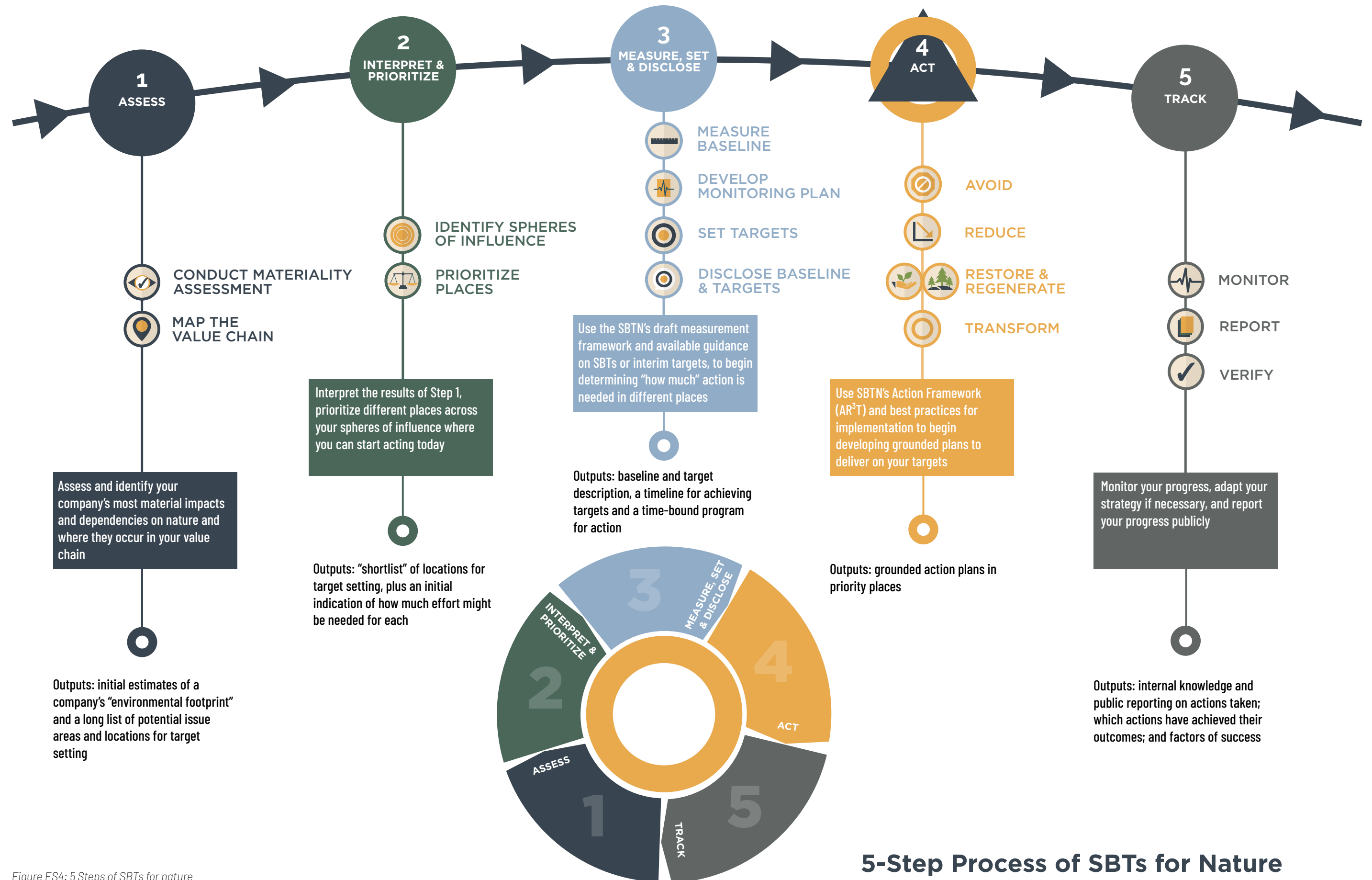


Figure ES4: 5 Steps of SBTs for nature

How companies can get started today

Companies need to begin taking action now so that we can collectively begin “bending the curve” on nature loss. By starting the process of SBT setting today, companies can get prepared for final methods in 2022, gather critical data, make business changes that can save them money,

shape the tools SBTN creates to support the target setting process and build credibility with customers, employees, regulators, and investors. Below, we list a series of “no regrets” actions that companies can take today to help achieve these goals.

Engage with SBTN to develop and finalize methods.

- 1. Join SBTN’s [Corporate Engagement Program](#).
- 2. Share your experiences in testing the guidance with us, through use cases we can publish on our website.

Begin gathering data.

- 3. Use recommended tools to gather data on your value chain impacts and dependencies, particularly spatial information, which is key for the hotspot assessment (see Section 3.2 in the Initial Guidance).
- 4. Collaborate with other stakeholders within your value chain or the landscapes/seascapes where you operate in order to collect data.

Where possible, measure and set targets.

- 5. Measure your impacts and dependencies on nature with proposed indicators, and disclose them (see Sections 3.2 and 3.4 in the Initial Guidance).
- 6. Set SBTs or ambitious targets where methods already exist (e.g., for climate, land use change, water resource exploitation, and ecosystem integrity; see Section 2.4.1 in the Initial Guidance).
- 7. Integrate SBTN’s principles for target implementation into your operations to the extent possible (see Section 2.5 in the Initial Guidance).

Start transforming your business.

- 8. Commit to an ambitious, high-level goal for nature at your company.
- 9. Support nature-friendly policy through [businessfornature.org](#)

Who we are

The SBTN is one of four components that make up the Global Commons Alliance (GCA). GCA represents the world’s most influential and forward-looking organizations in business, advocacy and campaigning, science, and philanthropy. For the first time, we are identifying a safe and just corridor for humanity, creating science-based targets for all global commons, and building the advocacy and information systems to take this to scale. Our mission is to empower citizens, cities, companies, and countries to become stewards of our global commons. Alongside the SBTN, which is a network of international environmental nonprofit organizations, international agencies, and mission-driven entities working to turn the science into targets for companies and cities to work toward across all the global commons, the other components of the Alliance are:

The Earth Commission: A group of leading Earth systems and social scientists working to identify a safe and just corridor for humanity.

Earth HQ: A creative agency building major media partnerships, new products, and advocacy campaigns.

Systems Change Lab: A lab to provide the Alliance with essential intelligence on systems transformation.



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