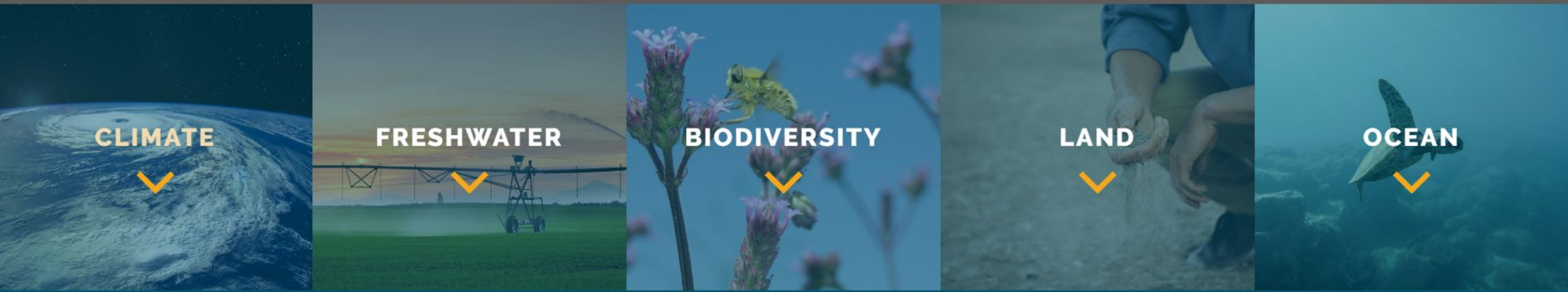


Welcome!

1. Please keep yourself on mute.
2. Put your questions in the chat. We will address them during Q&A.
3. Rename yourself: Name - Org

Corporate Engagement Program: Freshwater Science Based Targets Methods Internal Consultation

May 11, 2021



Agenda

1. SBTN announcements
2. Freshwater Hub presentation
3. Q&A
4. Land Hub presentation
5. Q&A

SBTN Announcements

Terms of use updates

- 1) *extended Program end date to 2023*
- 2) *extended Step 1 requirement deadline*
- 3) *removed requirement to provide feedback on IG*

Antitrust statement

“It is the policy of SBTN to comply strictly with the letter and spirit of all applicable federal, state, and international trade regulations and antitrust laws.”

Full text available in here and on the SBTN website:
Corporate Engagement Program Terms of Use

Questions? Email us: corporate-engagement@sbtnetwork.org

SBTN Antitrust Statement

It is the policy of SBTN to comply strictly with the letter and spirit of all applicable federal, state, and international trade regulations and antitrust laws. Any activities of the SBTN or SBTN-related actions of its staff, partners, or members, that violate these regulations and laws can be detrimental to the interests of SBTN and are contrary to SBTN policy. Antitrust law violations may result in civil and criminal penalties and/or imprisonment.

Participation in the SBTN Corporate Engagement Program by its very nature brings competitors together. Accordingly, it is necessary to avoid discussions of sensitive competitive topics and especially important to avoid recommendations with respect to such subjects. Illegal, anti-competitive practices include agreements to fix prices, fees or wages, to allocate markets, to reduce the output of services or products, to engage in product boycotts and to refuse to deal with third parties.

It does not matter what the reason for the agreement might be. An antitrust violation does not require proof of a formal agreement. A discussion of a sensitive topic, such as fees, followed by parallel action by those involved in or present at the discussion is enough to show a price fixing conspiracy. Participants must avoid discussions about prices or fees, including elements of prices such as payment terms, quality ratings of suppliers, statements or discussion that might be interpreted as a dividing up of territories or customers, and statements or discussions which may cause a competitor to cease purchasing from a particular supplier, or selling to a particular customer.

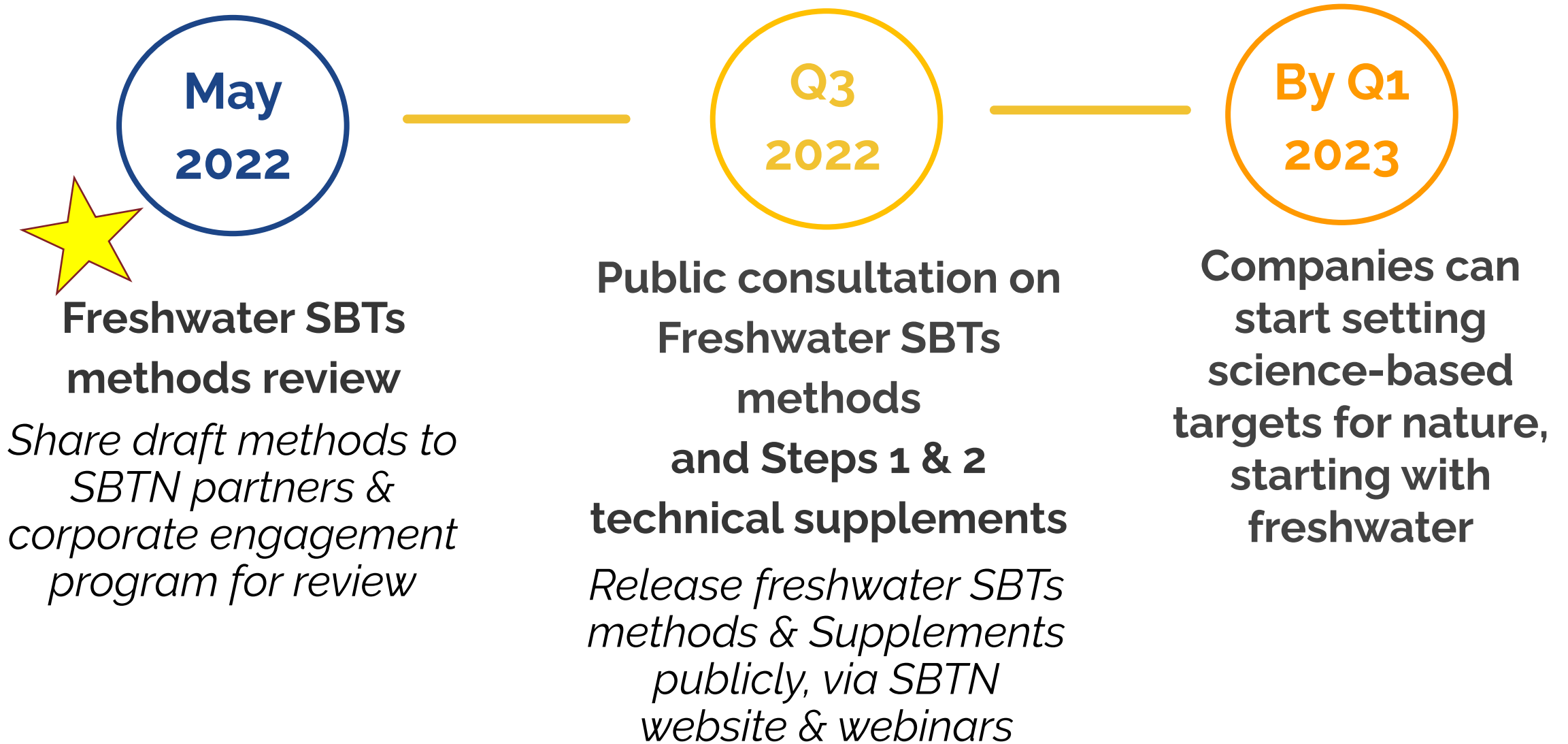
Participants are reminded that they are not bound by opinions expressed, conclusions reached, recommendations made, or practices proposed at any SBTN-sponsored event and should confer with their legal counsel before implementing any actions that have the potential to be perceived as anti-competitive.

SCIENCE-BASED TARGETS FOR NATURE: FRESHWATER METHODS



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Upcoming Key Milestones




[About Us](#) [How It Works](#) [Take Action Now](#) [Resources](#) [News and Events](#) [Members-Only Corporate Engagement](#)

Members-Only Corporate Engagement Program


This page contains the latest information on and opportunities for SBTN Corporate Engagement Program members. Do not share the information on this page publicly, as these are draft materials and are subject to change.

Latest news

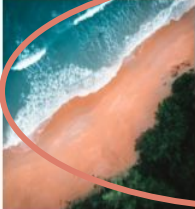
1. **REGISTER HERE** for the CEP session on 11 May, during which the SBTN Freshwater Hub will be presenting the draft freshwater methods for target-setting and explain the internal consultation process for these methods. The SBTN Land Hub will also provide a high level overview of their technical development work.
2. **FRESHWATER METHOD INTERNAL REVIEW:** On 4 May 2022, SBTN opened a 4-week internal consultation period for the initial methods for science-based targets on freshwater issues. More information available in the [SBTN Engagement Opportunities section](#).




Completing Your Program Registration



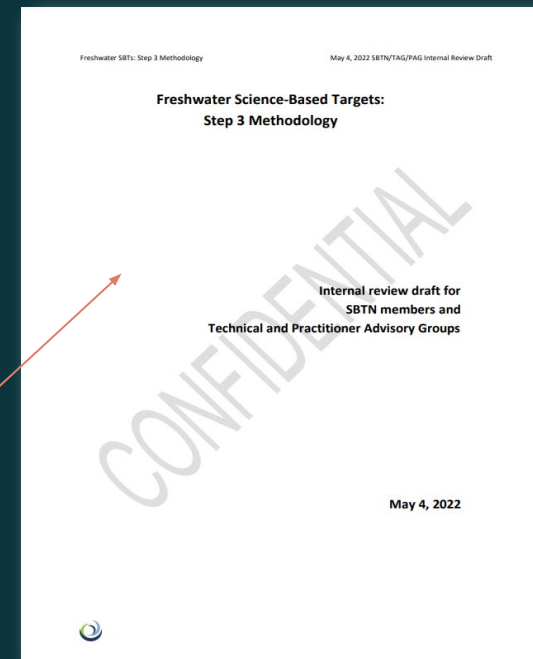
Target-setting Tools and Guidance



SBTN Engagement Opportunities



Learning Session Recordings



Corporate Feedback Form: Freshwater Target-Setting Methods Internal Review

This is the Corporate Feedback Form for the internal consultation of the initial methods for freshwater science-based targets. This form will be accepting responses from May 4, 2022 until June 3, 2022.

The review is open to the SBTN partner community, Corporate Engagement Program members, and a small set of select external experts. We expect the primary audience of this document to have the technical knowledge necessary to review the content. This content is in draft form and will become available for public consultation in August 2022 with a corporate-friendly version released publicly in early 2023.

The purpose of this 4-week internal consultation is to solicit feedback from technical experts and corporate practitioners on the scientific rigor and robustness, as well as usability of the initial freshwater methods. These methods focus on freshwater quality and quantity and will be part of the first release of science-based targets for nature in early 2023.

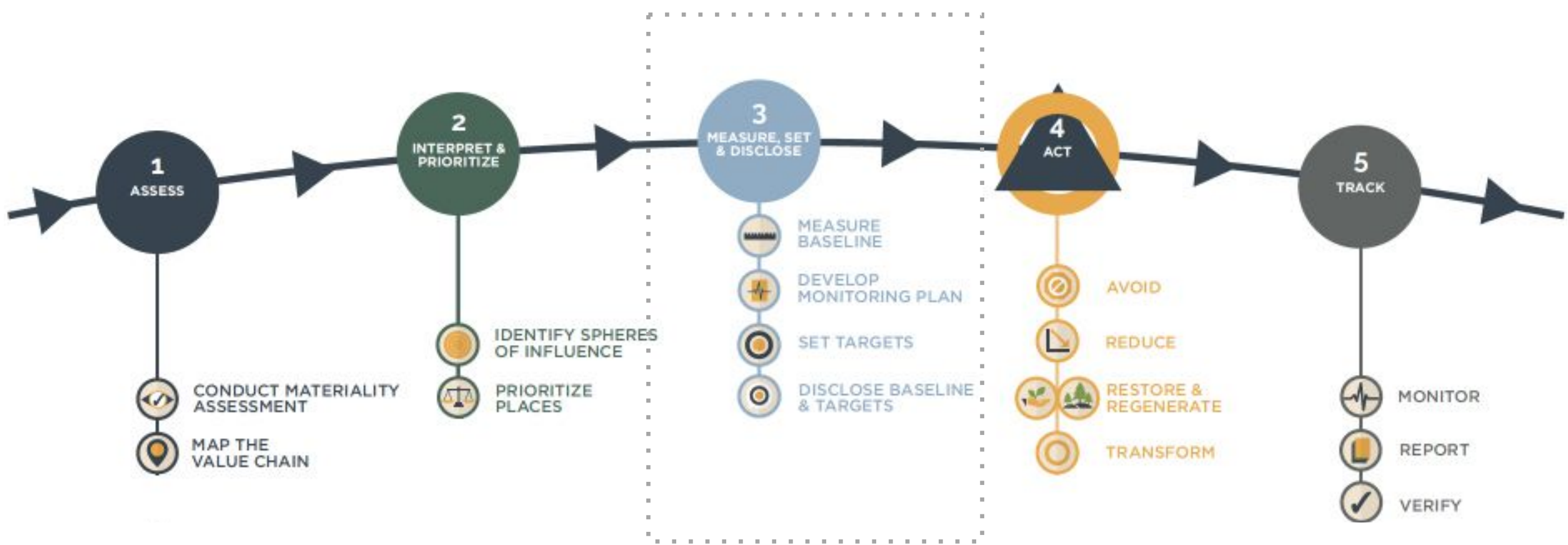
For your review:
https://sciencebasedtargetsnetwork.org/wp-content/uploads/2022/05/Draft_Freshwater_Science-Based_Targets_Step_3_Methodology_for_Internal_Review_RELEASED_4May2022.pdf

Note that this form is for Corporate Engagement Program members and internal corporate practitioners only – partners and other technical experts will fill out a separate feedback form. Please ensure that you have filled out the applicable form before submitting.

If you have any questions about this review process or the work of SBTN, please reach out to us at corporate-engagement@sciencebasedtargetsnetwork.org.

Thank you in advance for your feedback; we look forward to your contributions.

Steps for Setting a Science-Based Target for Nature



Freshwater SBTs (version 2023)

Included in this version:

Not included in this version:

Water quantity

- Surface water flows
- Groundwater levels
(only if local models/thresholds exist)

- Groundwater levels
(global models)

Water quality

- Nutrient pollution

- Toxic chemicals
- Other water quality parameters

Scope

- Upstream
- Direct operations

- Downstream

Step 3's 4 components

Step 1 and 2 Assessment and Prioritization



1. Define spatial domain (i.e, basin)



2. Define company's present-day level of pressure



3. Calculate maximum allowable level of basin wide pressure



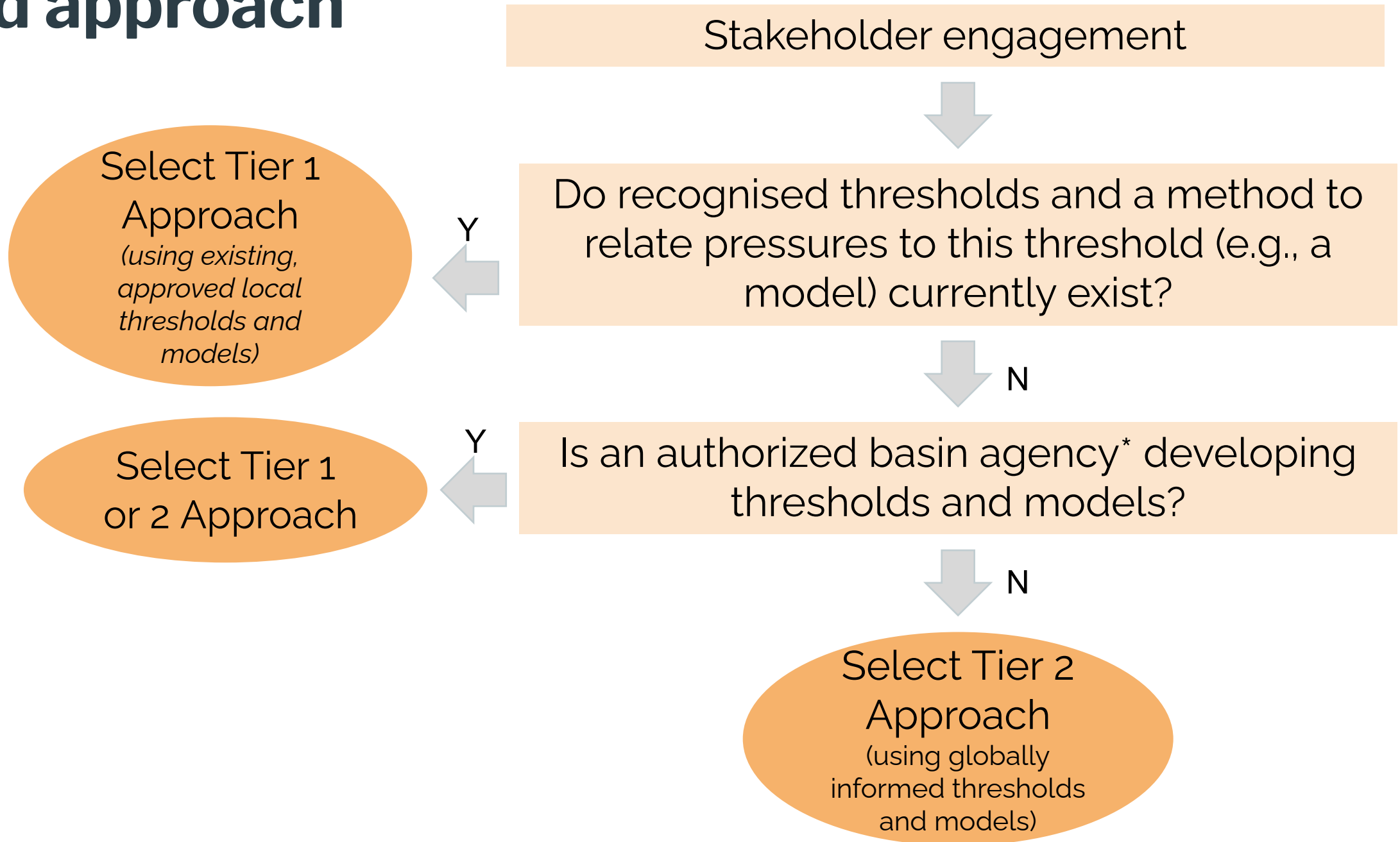
4. Set targets

Target template

“Company X will reduce its water extraction in the _ basin to _ km³/yr by the year _”

“Company X will reduce its nutrient load in the _ basin to _ kg P (or N)/month for each of the following months. The reductions will occur by the year _.”

Tiered approach



Questions for CEP reviewers

Flow and clarity of the document

1. What did you like about the “Science-Based Targets for Nature: Freshwater” methodology document? Please include specific page or section references, as appropriate.
2. Did you find that the general structure/flow of the document coherent? What if any adjustments would you make to improve?
3. From your perspective, are there any parts of the document that could benefit from further clarification? Please explain and include specific page or section references, as appropriate.

Models and thresholds

4. The method requires that companies provide proof that Tier 1 models/thresholds do not already exist before companies are allowed to use Tier 2 models/thresholds. Are these criteria sufficiently clear and achievable for companies like yours? If not, please explain why and provide suggestions for improving these criteria.
5. Would your company have interest in developing Tier 1 models and thresholds with an authorized basin agency and other stakeholders for priority basins where none such model/thresholds exist?
6. Are proposed criteria for stakeholder engagement feasible to meet? If not, please suggest any modifications that would make the process more achievable for your company, while still ensuring that stakeholders will be supportive of the targets.

Implementability of the methodology

7. Are there any challenges that you foresee with the data needed in order to set targets? Do you have any suggestions for overcoming these challenges?
8. Are there any aspects of the steps of the calculation process in the methodology which you would find especially difficult to implement? Please explain why. Do you have any suggestions on how to overcome any hurdles related to implementation?
9. What additional support or information would you need to implement this methodology to set targets, either from SBTN or from other parties?

Other

10. On a scale of 1-10, with 1 being least and 10 most, how likely is your company to use this methodology to set targets, once it has been approved for use? If less than 10, please explain what hesitations you might have today
11. Please note any additional feedback you'd like to provide.

Questions?



Science Based Targets Network Land Hub Update

CORPORATE ENGAGEMENT PROGRAM

May 11, 2022

The Science Based Targets Network is part of the [Global Commons Alliance](#), a network of organizations, businesses and governments aiming to positively transform the world's economic systems and protect the global commons.

SBTN LAND HUB

Who are we?



Craig Beatty
WWF



Alex Zvoleff
CI



Martha Stevenson
WWF



Caitlin Clarke
TNC



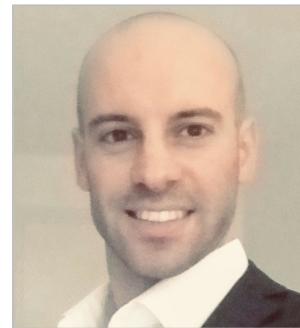
Amelia Meyer
WWF



Morgan Gillespy
FOLU - WRI



Rich Waite
WRI



Marco Daldoss Pirri
FOLU - SYSTEMIQ



Scarlett Benson
FOLU - SYSTEMIQ

Led by:



SteerCo members:



Supported by:



AGENDA

- Land Hub Outlook
- Advancing Land SBTs
- CAMEL pilot
- Q&A



Land Hub Support to the STBN Network Hub

Technical review of Network Hub documents and processes

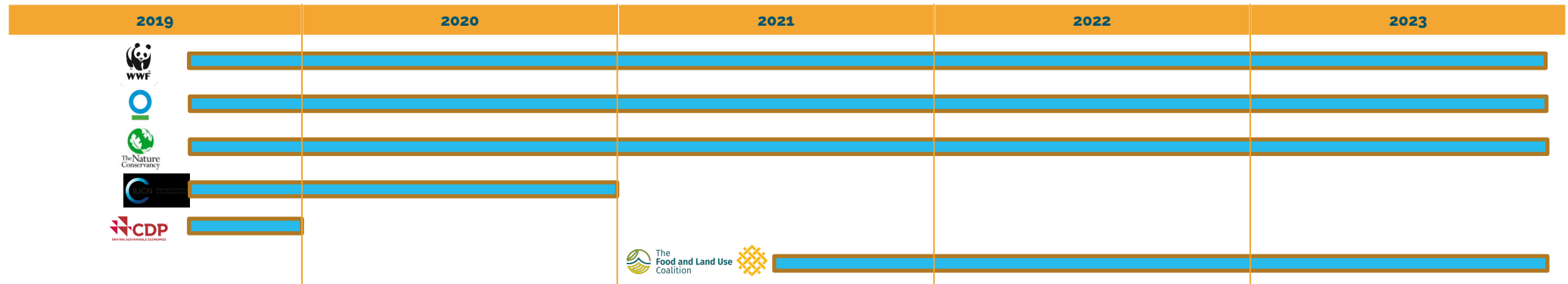
Materiality and dependency

Initial guidance for business

Developing 2022
interim land targets

Hub development and workplans

Step 1 & 2 Guidance



Land Hub Method Development

Understanding the role places will have in target setting

Ensuring proper hub governance

Developing corporate impact estimation tools

Understanding corporate actions and selecting effective land indicators

Fundraising for method development

Full SBTN Land Method Development

- Land indicators & corporate response options
- Thresholds and understanding what nature needs
- Tools and resources to apply methodology and set targets

Aligning with SBTi and other existing corporate target-setting frameworks and methods

ADVANCING Land SBTs

What are we doing?

Developing methodologies, guidance and tools for companies to set science-based targets for nature linked to land occupation and land transformation.

Why is this work critical?

- There is corporate demand for it with >80 companies with \$4 tn market cap involved in the SBTN Corporate Engagement Program already.
- There is a need to “course correct” companies towards system-level, holistic solutions with climate and nature outcomes.
- There is a risk that costs and benefits of tech-based climate solutions versus NBS are not fully considered.
- Net zero climate commitments are putting pressure on the land sector for deliver carbon credits for purchase by non-agriculture/ forest sector.

5 streams of work:

- 1) Align land indicators across Hubs & NCPs
- 2) Create regionalized ‘draft’ thresholds
- 3) Develop Land target-setting methodology
- 4) Provide technical guidance and resources for companies
- 5) Launch SBT Land Hub methodology and promote uptake

CAMEL PILOT LAUNCH



CAMEL will test the effectiveness of the SBTN Land Hub draft indicators for land transformation and land occupation and provide companies with a way to estimate their land impacts whether they have specific sourcing locations or not.

Pilot includes 16 companies and will run until May 27

INPUT DATA									
Describe the company sourcing by filling pink cells. Each row corresponds to a specific commodity.									
SOURCING DESCRIPTION									
Commodity	Co-product	Granularity	Country	Sub-national level	Quantity	Unit	Supplier	Business Unit	Market
cotton	Cotton lint	Global			10,00	metric ton	Supplier A	Dairy	USA
maize	Maize stover	Country	France		10,00	metric ton	Supplier B	Cereals	USA
oilpalm	Palm oil, crude (CP	Sub-national level 1	Indonesia	Jakarta Raya	10,00	metric ton	Supplier C	Beverages	Canada
soybean	Soybean	Global			10,00	metric ton	Supplier A	Dairy	Germany
		Global							
		Country							
		Sub-national level 1							
		Location-specific - Fill location specific impact factors (column AA to AI)							

Questions?

Thank you!

Questions? Email us at
corporate-engagement@sbtnetwork.org

APPENDIX

RECAP: April 20 CEP session

Key themes from Technical Supplements 1 & 2 feedback survey

1

Simplify!

2

Reduce data requirements

3

Align with existing company operations/systems

Overview

The feedback survey saw a fair degree of divergence on key issues, indicating that stakeholder engagement will be important for coming to solutions on certain topics, particularly on the approach to Step 1b.

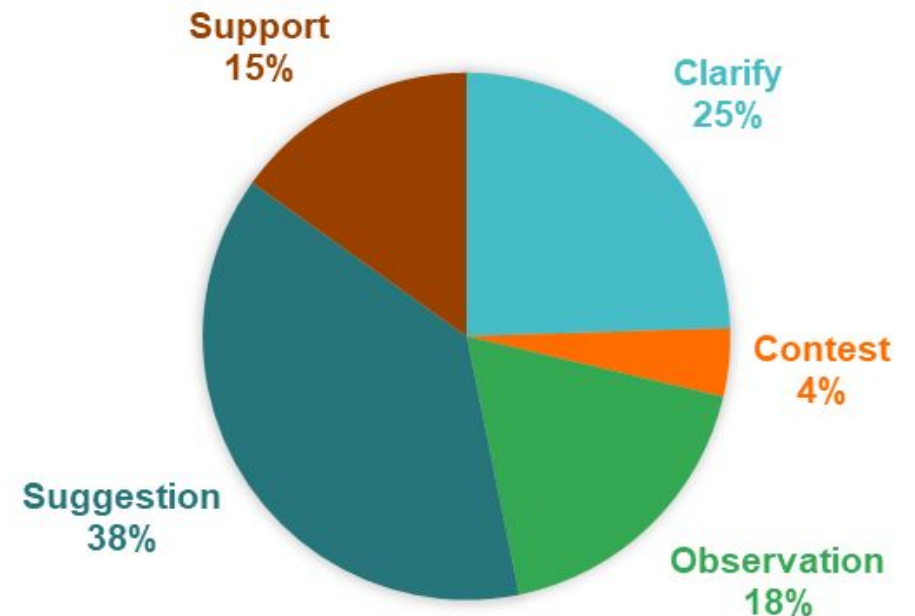
Survey responses:

47 submissions, from
25 companies & **19** partners

Likes	Dislikes
Communications - particularly the boxes, e.g. on validation criteria, and clear purpose and outputs of steps	Indicator selection provoked a higher proportion of “contest” comments
Output templates were generally well received	Volume of data required - too extensive and impractical
Focus on building out the Initial Guidance with much-needed detail	Disconnect between methodology and how companies operate

Mixed opinions
• Requirements for spatial data
• Flexibility within the methodology
• Scope of assessment
• Language and clarity

Types of comments received:



So what does all this mean?

1. **THANK YOU!**

2. We are now working on addressing this feedback and improving the guidance
3. Expect updates and check our roadmap for CEP members (next slide) for the coming months
4. We will extend the Step 1 completion deadline

CEP Roadmap for April - June: Key actions

1. **Take climate action** - Set climate targets with SBTi if you haven't already and if you are in the food, land or agriculture sectors get up to speed with [SBTi's draft FLAG guidance](#) (final version due June 2022).
2. **Prepare your data** - Start collecting location information (at least country-level) for your direct operations, tier 1 goods suppliers and for as much as you can of your high risk commodity supply chains (i.e. those with the biggest volumes/ impacts on nature). SBTN is preparing more guidance to support you with this.
3. **Explore your impacts** - Try using the Sectoral Materiality Tool (SMT) to explore which types of pressures on nature your business could be contributing to if you are just getting started on this topic. Note: We have received a lot of feedback on the SMT and are continuing to develop both the tool and how it sits within the target-setting methodology, however it is already a useful starting point for investigating your impacts on nature.
4. **Share your thoughts** - SBTN's draft freshwater target-setting methods will be released in May for CEP member feedback.

Resources to help you

- Roadmap 1-pager for you to download
- Office hours resources - slide decks and Q&A
- Technical FAQ document

All available in the Members-Only section of the website (password: SBTNProgram)

General guidance for finding ISIC codes:

1. **Review the UN Stats guidance document** (4th revision) that supports in the chat.
2. **Remember that there might be more than one relevant ISIC code** for recycled paper manufacturing there are separate codes for the collection of recycled waste so you will need to check which parts of the value chain
3. **Ask for help** - your company secretariat or finance teams may be good as they may have come across this or something similar before.
4. **Take the highest scores** - if you are still not sure and are trying to choose, take the highest materiality score among the two for each pressure category. Please just document the approach taken here in your 1a Output
5. **Review your ratings in the sense-check** - if some of the the scores do not seem to be based on average data rather than your company. The sense-check Supplements will help you to review them.

• Please can you clarify the business unit concept?

Definition:

'Business units' can be defined by a company on the basis of regions, industries or brands and should be a well-established part of the company's organisational structure (i.e. used in core business processes and communications, not delineated solely for the purpose of setting SBTs)



- Cement
- Aggregates
- Ready-Mix Concrete
- Solutions & Products



- Beauty & Personal Care
- Foods and Refreshment
- Home Care



- Zone Americas
- Zone Europe, Middle East and North Africa
- Zone Asia, Oceania and sub-Saharan Africa
- Nespresso
- Nestlé Health Science

Tip: Start by looking at the Financial Review section of your company's Annual Report. What operating segments are reported on here?