

# SCIENCE BASED TARGETS NETWORK

## GLOBAL COMMONS ALLIANCE

### **SBTN OFFICE HOURS**

- Rename yourself with your name and organization
- Please add your question in the chat
- When we get to your question, feel free to unmute to join the discussion
- Any questions we can't answer during the hour, we will follow up with you afterwards
- All questions and answers will be documented and made available after the session. This session will be recorded for internal use only, to allow us to document all Q&A.

Extra resources:

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## QUESTIONS SENT IN BEFORE THE SESSION

- How precise need to be the division of the company's business units/activities (geographic: country scale or region scale within one sector/activity).
- Going through the process of testing the tech supplements for step 1 and hoping to get clarity on which sector a recycled paper manufacturer falls into.
- Which scoring should be chosen for the assessment in step 1a: High, Very High scale (from ENCORE for example) or the significance criteria (Frequency, Timeframe and Severity), or both?
  
- How exactly are determined SoNGs and SoNPs ? (are they values to be read on data layers?)
- For climate change boundaries : why all the step of value chain are not included (if we refer to SBT for climate, all the step are split in scope 1 or 3)?
- Are all the six life cycle steps represented on figure 1 mandatory or is it up to the company to define them?
  
- Is there a standardized approach that you recommend for measuring a companies land use and impact (to use for deforestation and regeneration of working land targets) e.g. a commodities approach using standardized data of land use per tonne of material?
- What would be the pollution indicator that would fit with any industrial activity? (The one proposed are focused on biological wastewater treatment).
- We need more tools to estimate Nature's Contributions to People (NCPs).

## QUESTIONS SENT IN BEFORE THE SESSION - Step 1a

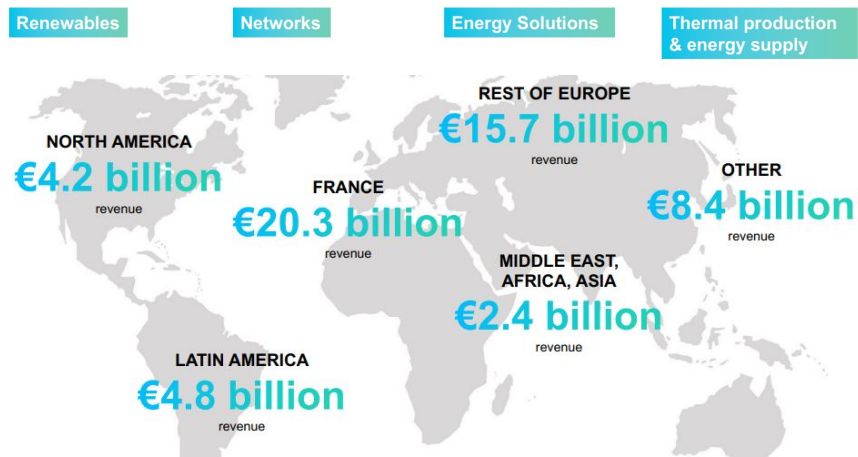
- How precise need to be the division of the company's business units/activities (geographic: country scale or region scale within one sector/activity)?

This was not specified because it needs to align how your company operates and is not a case of “one size fits all” (although we recognise that more guidance is needed and this is coming!).

These should be the major strategic operating units your business is delineated into (if at all) and also those that make logical sense for setting targets on. They can cover multiple ISIC codes/activities.

Example of options from Engie’s current corporate presentation:

### By focusing on our 4 core activities



## QUESTIONS SENT IN BEFORE THE SESSION - Step 1a

- **Going through the process of testing the tech supplements for step 1 and hoping to get clarity on which sector a recycled paper manufacturer falls into.**

General guidance for finding ISIC codes:

1. **Review the [UN Stats guidance document](#)** (4th revision) that supports the classifications.
2. **Remember that there might be more than one relevant ISIC code** for a particular part of your business, i.e. for recycled paper manufacturing there are separate codes for the collection, treatment and manufacturing of recycled waste so you will need to check which parts of the value chain are covered by your company.
3. **Ask for help** - your company secretariat or finance teams may be good places to go to ask for guidance here, 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 between two ISIC classes, you can take the highest materiality score among the two for each pressure category rather than choose between them. Please just document the approach taken here in your 1a Output Template.
5. **Review your ratings in the sense-check** - if some of the the scores don't look right to you, don't worry, they are based on average data rather than your company. The sense-check guidance in the Technical Supplements will help you to review them.

## QUESTIONS SENT IN BEFORE THE SESSION - Step 1a

- Which scoring should be chosen for the assessment in step 1a: High, Very High scale (from ENCORE for example) or the significance criteria (Frequency, Timeframe and Severity), or both?

These are the same. The Technical Supplements criteria refer to any impacts with a score of 6 or above, i.e. Medium or higher.

### *Sectoral Materiality Tool methodology*

Each category of the above criteria was assigned a value of 1-3 as follows:

- Frequency: High = 3, Medium = 2, Low = 1
- Timeframe: <1 year = 3, 1-3 years = 2, >3 years = 1
- Severity: High = 3, Medium = 2, Low = 1

A score is derived by summing these three values. This is used to assign the resulting rating from Very Low to Very High as follows:

Score	Rating
3	VL
4	L
5	L
6	M
7	H
8	H
9	VH

### *Technical Supplements*

Where significance is defined as meeting TWO OR MORE OF the following:

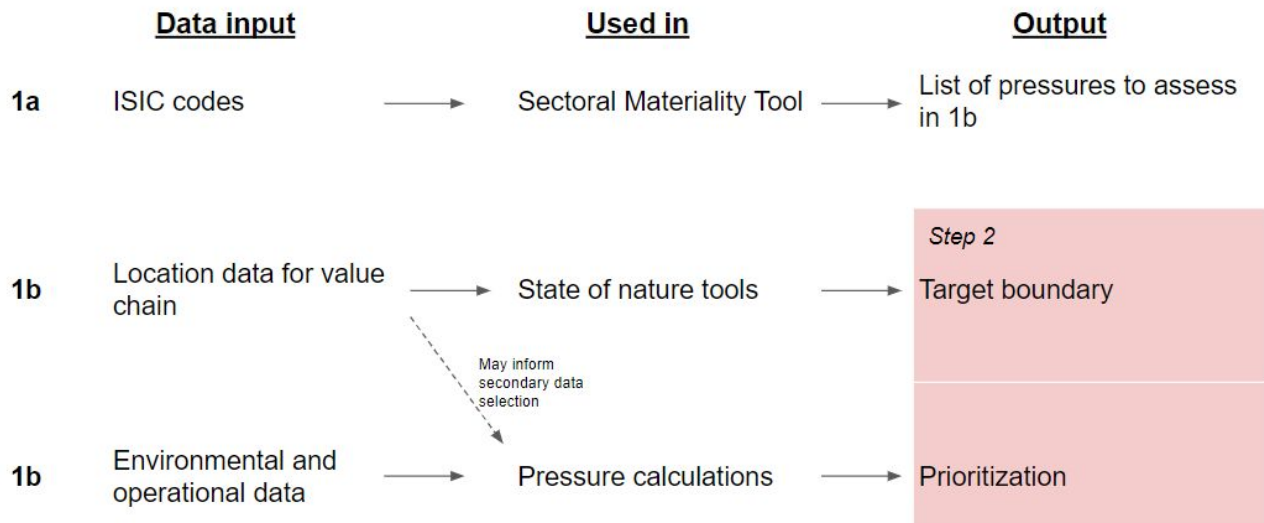
- Frequency: Continuous or regular impact
- Timeframe: Impact within 3 years of the business activity
- Severity: Irreparable, long-lasting damage or significant, lasting damage

i.e. a score of 6 or above

## QUESTIONS SENT IN BEFORE THE SESSION - Step 1b/2

- How exactly are determined SoNGs and SoNPs ? (are they values to be read on data layers?)

Yes, values to be read on data layers is correct - although you should be able to export these values in a single step from the tools, rather than reading one by one. Step 2 contains guidance for how to interpret these values to set your target boundary.



### Call for CEP members

We are also looking for example outputs from the middle step in this diagram to create worked examples in the guidance. If you are interested in getting involved, please comment in the chat.

## QUESTIONS SENT IN BEFORE THE SESSION - Step 1b/2

- For climate change boundaries : why all the step of value chain are not included (if we refer to SBT for climate, all the step are split in scope 1 or 3)?

Feedback received on the Technical Supplements has highlighted that additional guidance is needed on climate data and the interaction with SBTi.

For now, if your materiality assessment in Step 1a highlights that greenhouse gas emissions are material to your business then we recommend starting to investigate setting climate targets through SBTi (if you haven't already done so).

With respect to Step 1b and beyond in the SBTs for nature process, we recommend waiting for further guidance updates in the next iteration of the Technical Supplements before collating your emissions data for this purpose. We will work to clarify this section further.

## QUESTIONS SENT IN BEFORE THE SESSION - Step 1b/2

- Are all the six life cycle steps represented on figure 1 mandatory or is it up to the company to define them?

No, these are not all mandatory to start with. Please follow the guidelines in the Technical Supplements for which categories you should focus on first.

Again, this is an area where feedback has highlighted we need to clarify the guidance further and we will be working on this over the coming weeks.

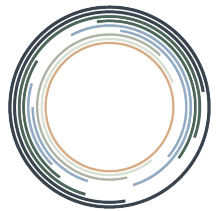




## QUESTIONS SENT IN BEFORE THE SESSION - Still TBC

- Is there a standardized approach that you recommend for measuring a company's land use and impact (to use for deforestation and regeneration of working land targets) e.g. a commodities approach using standardized data of land use per tonne of material? *Land Hub*
- What would be the pollution indicator that would fit with any industrial activity? (The one proposed are focused on biological wastewater treatment). *Water Hub*
- We need more tools to estimate Nature's Contributions to People (NCPs). *Biodiversity Hub*

Work is underway to develop robust, science-based methodologies for these questions. We will share more as soon as we can!



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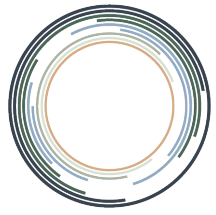
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**THANK YOU FOR JOINING!**

*Watch out for an invite to SBTN's March CEP session. We will be giving updates on how we are addressing the feedback received on the Technical Supplements and introducing the Water Step 3 guidance documents.*