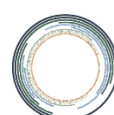


# SBTN GUIDE FOR READERS

## ACCOMPANYING TEXT FOR STEPS 1-3



May 2023



**SCIENCE BASED TARGETS NETWORK**  
GLOBAL COMMONS ALLIANCE

## Background

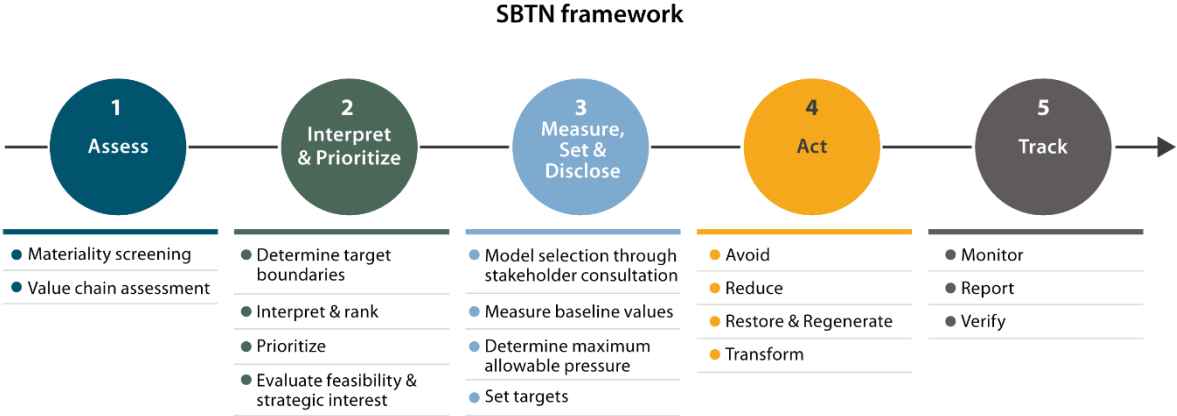
In 2020, the Science Based Targets Network (SBTN) released its Initial Guidance for Business. This foundational guidance introduced readers to the process of setting science-based targets (SBTs) for nature and the essential elements of the conceptual framework that underpins the Network's approach to developing target setting methods. Companies that are interested in learning about SBTN's conceptual framework are recommended to consult the [Initial Guidance](#).

Building on the Initial Guidance, SBTN developed technical guidance to provide the methodological detail to set targets. As technical guidance is released, it *supersedes* the Initial Guidance. Companies should use the technical guidance on Steps 1: Assess, 2: Interpret & Prioritize, and 3: Measure, Set, Disclose found in the first release of science-based targets for nature. Companies are suggested to refer to the Initial Guidance on Steps 4 and 5 in addition to resources provided with the first release, until future guidance is released.

Each method or guidance document provides detail to a specific step in the full target setting process and is accompanied by explanatory figures, tables, and glossaries. The scope of environmental impacts and value chain activities addressed within the methods reflects the best available science and data, the feasibility of action by companies, and the responsiveness of target indicators to company actions. SBTN methods and guidance will grow with new scientific, technological, and implementation developments that increase the ability of companies to implement and achieve science-based targets for nature throughout their business activities.

# The Science-Based Target-setting Process

To set and take action on SBTs for nature, companies *must* follow five steps: (1) assessment of environmental impacts; (2) interpretation of pressure and state of nature data and prioritization of locations with the aim of addressing; (3) baseline data collection, target setting, and disclosure; (4) action to meet targets; and (5) monitoring, verifying and reporting on progress over time.



## SBTN Development Process

The technical documents published by SBTN have been developed through rigorous review and piloting involving SBTN’s NGO and corporate partners, as well as a public consultation process. SBTN guidance is developed iteratively, constantly evolving with feedback from partners, stakeholders, and experts in our multi-stakeholder review process. All methodology within the first release of science-based targets for nature has undergone the following stages of review: internal technical consultation, corporate engagement consultation, public consultation, and an external expert review panel. The first release of SBTs for nature endeavors to address that feedback while balancing rigor with end-user feasibility. SBTN will release the themes raised in these consultations and SBTN’s related responses as a supplementary document following the first methods release.

## Scope for the first release

In the first release of SBTN methods, technical guidance is available for *Step 1: Assess*, *Step 2: Interpret & Prioritize*, and *Step 3: Measure, Set, Disclose* (for land and freshwater). These are accompanied by a paper describing biodiversity inclusion within the Step 1, 2 and Step 3 land and freshwater

methods and a more detailed analysis on biodiversity to follow. Subsequent method releases will incorporate further coverage of pressures on biodiversity, informed by the detailed biodiversity analysis, and across realms, including new marine targets.

The Step 1 and 2 methods can be used by all companies to start their SBTN journey and assess and quantify pressures impacting biodiversity across realms (on land, freshwater and oceans) as well as on climate. Companies that seek to validate and make claims on their science-based targets for nature will be expected to have completed the environmental and societal materiality screening and assessment (as outlined in Step 1), to justify why they have excluded some pressures and economic activities from target-setting. Companies will also be expected to support their prioritization of locations for science-based targets based on the needs of nature and biodiversity as outlined in Step 2. Step 2 is also used to determine the companies' eventual requirements for spatial coverage of science-based targets, through a concept called the target boundary.

When companies use the Step 3 guidance to set and validate land and freshwater science-based targets they use the data, knowledge and expertise gained in the earlier methods (Steps 1 and 2) and incorporate additional data reflecting local ecological and social conditions to increase the effectiveness of their targets. The current Step 3 target setting methods have been developed to address the primary anthropogenic pressures driving biodiversity and nature loss. These include land use change (conversion of natural ecosystems, and land use and management), resource exploitation (freshwater use), and pollution (freshwater pollution). Certain Step 3 target setting methods can be applied to most companies, no matter the sector, geography, or size. This includes the freshwater quantity target and the landscape engagement target. Other targets (e.g., the water quality for nitrogen and phosphorus, land footprint reduction, and no conversion of natural lands) have a narrower sector applicability. Together, the release of these methodologies from SBTN will guide companies through the target-setting process, enabling them to process, assess, and manage key material pressures within their value chains.

In recognition of the importance of stakeholder engagement, particularly for communities and stakeholders affected by company actions, companies are strongly *recommended* to follow SBTN Stakeholder Engagement Guidance when applying methods for setting science-based targets for nature. This guidance accompanies all steps of the SBTN framework (Steps 1-5). This guidance is also referenced within the Steps 1, 2, and 3 methods as either recommendations or validatable requirements. The scope of

requirements for stakeholder engagement will be increased with the release of Step 4 guidance.

The full release of the methodology for science-based targets for nature includes the following resources:

- **Methods**
  - *Step 1: Assess* – an integrated assessment method to identify key issues and locations to focus on for target setting
  - *Step 2: Interpret and Prioritize* – a method for prioritization of target setting, using a mix of environmental, social, and financial considerations
  - *Step 3: Measure, Set, Disclose* – methods for setting land and freshwater targets, addressing some of the dominant drivers of biodiversity loss and climate change
- **Guidance**
  - *Biodiversity Paper* – summarizes the coverage of biodiversity within the first methods for science-based targets for nature and next steps for SBTN biodiversity methodology
  - *Stakeholder Engagement Guidance* – guidance focused on human rights and stakeholder engagement best practices for work with Indigenous Peoples and other affected communities
- **Tools**
  - *SBTN Materiality Screening Tool* – tool for a quick screening of all environmental issues covered by SBTN using sector-level data
  - *SBTN High Impact Commodity List* – resource to enable companies to quickly identify priority inputs (upstream) and activities (direct operations) to focus on during target setting, based on known environmental impacts of commodities
  - *Other tool and data offerings* – specialized resources created to enable the implementation of the SBTN methods, such as the Natural Lands map for Step 3: Land and the unified water quantity and quality map layers for Step 2
- **Other Resources**
  - *Ursus Nourishment Case Study* – fictitious example of a food and beverage company following the SBTN methods

- o *SBTN Data Needs Table* – standalone resource to readily identify step-by-step data needs for companies
- o *Interim Targets* (actions companies can take to round out their environmental strategy, complementing the application of the first SBT for nature methods)

To complement this technical content, later this year we will release a *Corporate Manual*, a document which will serve as an executive summary to guide companies through method implementation, a summary document of the *Validation Criteria* embedded in the methods, and *Claims Guidance* to help companies accurately and transparently communicate validated targets.

## Connection with other frameworks, standards, and regulations

SBTN aims to create a streamlined target-setting process for companies that enables progress towards multiple sustainability objectives in tandem. Companies can identify points of connection between SBTN methods and other common sustainability frameworks, standards, and regulations in the “Connections to other frameworks” sections of our methods. Companies can use that information to leverage their existing work to set SBTs for nature, and to understand how science-based targets for nature support other related frameworks. In most cases companies will find that science-based targets for nature exceed the ambition of current policy frameworks but if there are exceptions, SBTN encourages companies to adopt more stringent targets in line with the science-based target indicators for freshwater and land and submit these for validation.

Within our documents SBTN connections to other relevant organizations including: Science Based Targets Initiative (SBTi)\*, the Taskforce on Nature-Related Financial Disclosure (TNFD), the Accountability Framework Initiative (AFi), the Alliance for Water Stewardship (AWS), the Natural Capital Protocol (NCP), the Biological Diversity Protocol (BDP), the Global Reporting Initiative (GRI), CDP, Organisation for Economic Co-operation and Development (OECD), United Nations (UN), International Organization for Standardization (ISO), ESRS/EFRAG and emerging EU requirements.

\*Please note that SBTN methods complement but do not supersede the guidance and requirements provided by SBTi, e.g., for assessing GHG impacts throughout all material value chain activities.