Corporate Engagement Program
June 20, 2024

CLIMATE

FRESHWATER

BIODIVERSITY

LAND

OCEAN
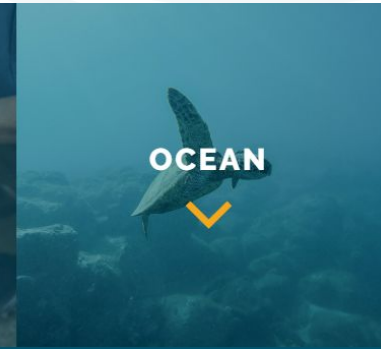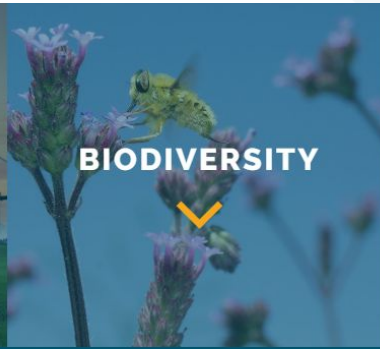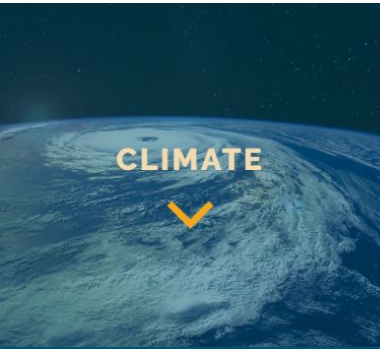
Welcome!

- Rename yourself: Name - Org

- This session is being recorded.

- Keep yourself on mute until Q&A.

- Put your questions in the chat.

- We will share slides and recording after this call.

Agenda

1. Method Revisions - Varsha Vijay, SBTN Technical Director

2. Alpro's SBTN journey - Juliane Greff – Global Plant-based Sustainability Manager

3. Reminder: Internal & External Release Content

4. Farewell to Sarah

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Method Revisions
Varsha Vijay, SBTN Technical Director

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Lessons Learned | Revisions to the guidelines have 4 objectives

Revision Rationale		Objective
🔍	**Clarity**	Improve company **ability to clearly interpret** the method guidelines and validation requirements
🖱️	**Feasibility**	Improve company **ability to implement** the method guidelines and meet the validation requirements (includes access to tools and ability to collect required data)
📋	**Robustness**	**Strengthen validation requirements** to ensure the method has been completely and correctly applied, protecting the **method integrity**
🏔️	**Ambition**	Strengthen validation requirements to support **sufficient ambition level of action**

Lessons Learned & Revisions | Step 1: improved feasibility of materiality and value chain assessments

Step 1a - Materiality Assessment

Insight: Materiality screening tools are fundamental to start on the right foot as they provide a strong foundation for identifying key material pressures

Revision: **Developed an enhanced version of the Materiality Screening Tool:** new interface and upstream function of the MST

Step 1b - Value Chain Assessment

Insight: The value chain assessment is the **most resource intensive step** requiring an **effective data management strategy**, yet is also one of the **most eye-opening steps** that can help companies uncover impacts on nature.

Revision: **Changed the required scope of the value chain assessment:** narrowed scope of economic activities to **production inputs only** (services, capital goods and nonproductive goods are excluded)

Revision: **Changed the requirement for the inclusion of HICs:** allowing the exclusion of up to 10% of volumes, across HIC (instead of up to 10% for each in the previous version

Insight: The value chain assessment has advanced company biodiversity impact assessments, yet there's a **need for more guidance and standardization** to protect its relevance

Revision: Clarified the guidance for the s**election and interpretation on SoNB indicators**, and developed a new appendix to help companies navigate and better understand the coverage and limitations, when selecting SoNB indicators.

Lessons Learned & Revisions | Step 2: further guidance provided to improve traceability and prioritization process

Step 2a - Determine Target Boundaries

Insight: The lack of traceability was the most pervasive challenge and a limitation to implementing Step 3: companies struggled to identify the locations for their upstream activities and commodities for the most impactful stage of the value chain, and raised a number of challenges associated with collecting this information.

Revision: Created new guidance and **proposed prioritization approach** for commodities or activities with insufficient traceability for target-setting to **implement alternative measures alongside gaining more traceability**, such as product design.

Revision: Introduced timelines in Step 2 (Requirement 6) to move upstream volumes of commodities in scope, to the level of traceability required in Step 3 methods. This will help companies develop **time-bound plans to gain traceability.**

Step 2c - Prioritize

Insight: A phased-approach to target-setting is sometimes necessary to address the challenge of feasibility when companies have numerous locations in their target boundary; however, a more prescriptive approach is necessary to ensure transparency and consistency.

Revision: Introduced new rules and guidance for Step 2 optional prioritization **protecting its rigorousness.** These must be used after completing impact-based rankings, which may incorporate factors beyond environmental and societal materiality (stakeholder engagement, human rights, business dependencies on nature, and financial or strategic interests).

Lessons Learned & Revisions | FW Revisions focused on stakeholder consultations and target dates

Stakeholder Consultation for Hydrological Model Selection

Insight: Stakeholder consultation for model selection can be time and resource intensive

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Revision: Changed the requirement for top priority basins consulting only one relevant local-level stakeholder (instead of 3 in the previous version). The same SBTN list of relevant local-level stakeholder types still applies, and consulting with more than one stakeholder is recommended, even if the requirement is one.

Revision: Introduced new recommendations and resource materials on how to complete stakeholder consultations

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Target Dates

Insight: Companies may need to set longer (or shorter) target dates for various internal and external reasons.

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Revision: Increased flexibility for the 5 year target date:

- For a pressure reduction target of 25% or less: 5 year target date applies, (up to 10 years with adequate justification)
- For a pressure reduction target above 25%, up to a 10-year target date applies.

Questions?

ALPRO, PROUD EUROPEAN DANONE PLANT-BASED PIONEERS SINCE 1980'S !

Our story began in the 1980's when we were founded with the belief that there's

A BETTER WAY TO FEED THE WORLD

ALPRO JOURNEY & PLEDGE TO BOLSTER OUR ENVIRONMENTAL STRATEGY PIVOTING TO SCIENCE-BASED APPROACH TO DRIVE IMPACT

FROM DOING WHAT WE KNOW WAS RIGHT FOR NATURE…

… TO A SCIENCE-BASED APPROACH TO DRIVE IMPACT

WEVELGEM factory Biodiversity protection program

SOYA certified No deforestation non-GMO

Mediterranean ALMONDS vs Californian
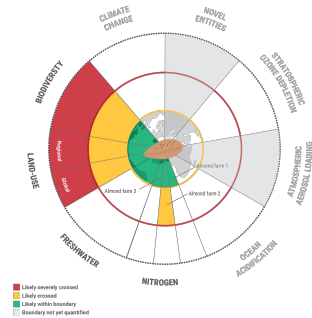
ALPRO'S JOURNEY ON SBTN

Q2 2021 – Q2 2022

Q2 2023

WE ARE HERE

| 1 Assess | 2 Interpret & prioritize | 3 Measure, set & disclose | 4 Act | 5 Track |
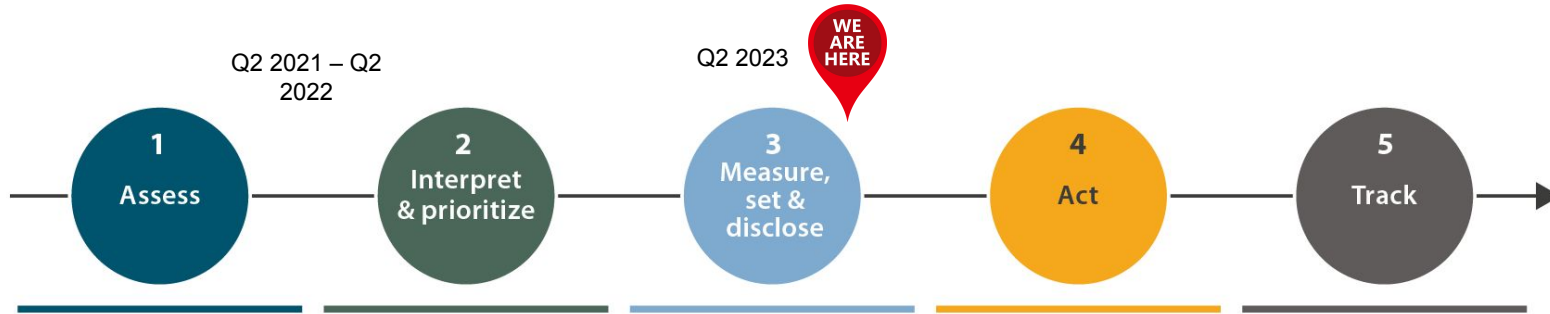
STATE OF NATURE ASSESSMENT

Identify main pressures of business on Nature impact metrics

Hotspot assessment combining impact (LCAs) & landscape analysis

SET TARGETS

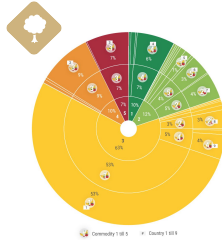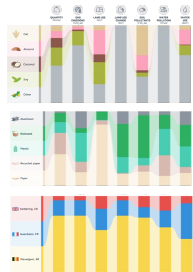- Define science-based targets on priority region
- develop action plan and monitoring plan

Key partners

WWF   METABOLIC

DANONE
ONE PLANET. ONE HEALTH

AS PART OF THE PILOT, ALPRO SUBMITTED 7 TARGETS FOR VALIDATION :
4 FRESHWATER TARGETS AND 3 LAND TARGETS

Freshwater quantity

Target 1
FRESHWATER QUANTITY DIRECT OPERATIONS

Target 2
FRESHWATER QUANTITY UPSTREAM

Freshwater quality

Target 3
FRESHWATER QUALITY DIRECT OPERATION

Target 4
FRESHWATER QUALITY UPSTREAM

Target 1
NO CONVERSION OF NATURAL ECOSYSTEMS

Target 2
LAND FOOTPRINT REDUCTION

Target 3
LANDSCAPE ENGAGEMENT

DANONE
ONE PLANET. ONE HEALTH
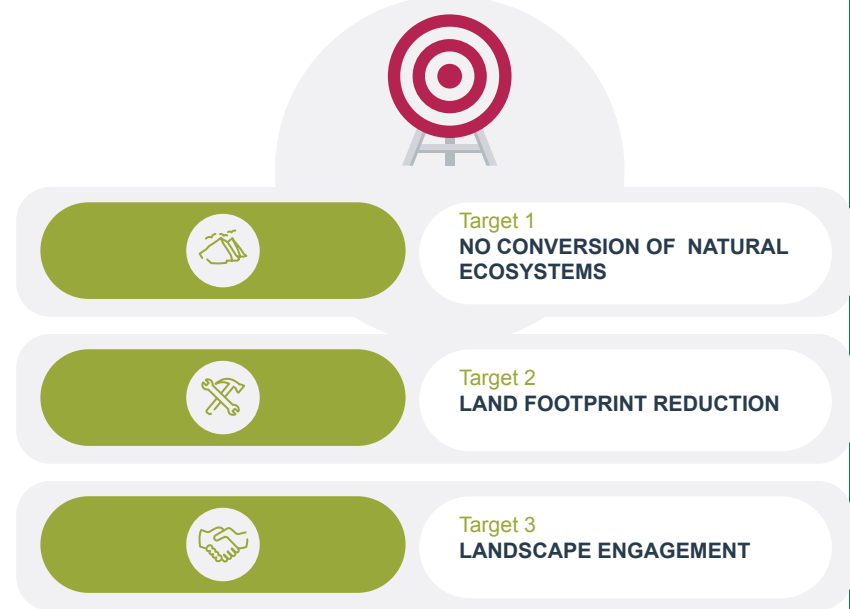
HOW TO SET SCIENCE BASED NATURE TARGET – EX OF FRESHWATER

1. **Selection of priority bassins** based on global double materiality combined with other criteria

2. **Identify local targets & tools**: existing and to come, via Stakeholders consultation: Suppliers, local NGO, local agencies, industries

3. **Data collection** to set the baseline (+ supplier engagement on target, action plan, and feasibility of monitoring)

4. Calculation with SBTN guidance of **maximum allowable pressures** To be cross-checked with local reality/ target

5. **On going validation** of proposed targets by SBTN

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KEY LEARNINGS FROM ALPRO ON SBTN PROCESS

+ LEARNINGS ON SBTN METHODOLOGY – inc. Step 1&2

- **Act where it matters most** to mitigate nature risk through a Science-based facts to prioritize actions

- **Acculturate internally** on nature topics

- **One standard**: KPIs on nature comparable between companies

- **Anticipate disruption** & secure resilience of supply

    (!) Focus on the 80/20 to reach impact quicker
    (!) Large scope of data reporting > time vs action on the ground

+ LEARNINGS ON TARGET SETTINGS – step 3

- Engagement of suppliers through the local stakeholder consultation & landscape approach

- **Credibility** for application to external fundings

- Framework and KPI for Regenerative Agriculture **aligned** with SAI

- **Co-building** : test, learn and input through pilot

    (!) Scalability, Data access & Traceability,
    (!) Complexity & reliance on consultancy / resources
    (!) Pilot methodology: still evolving

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THANK YOU FOR YOUR ATTENTION

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Reminder: internal release content

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Release schedule planned in 2 stages:

June – Internal release

- ✅ **29th May:** EOI for companies planning to submit targets
- ✅ **7th June:** Step 1 & 2 v1.1 Methods (incl. HICL)
- ✅ **7th June:** v1 to v1.1 changes document
- • **c.25th June**: Step 1 & 2 v1.1 Submission forms
- • **c.25th June:** Step 1 & 2 v1.1 Req. & Rec. document
- • **c.25th June:** Step 1 & 2 Technical FAQs

July – External release

- • Step 1, Step 2, Freshwater, & Land methods
- • All "internal" release deliverables from May
- • Steps 1 – 3 Ursus case study
- • Corporate Manual
- • Stakeholder Engagement Guidance v0.3
- • Updated SBTN website
- • Pilot Summary Report
- • Data templates Step 1 & 2 v1.1
- • Claims Guidance
- ≈ **c.25th July:** Self-Assessment tool v1.1
- ≈ Data templates FW & Land

✅ *Materials available on the CEP Portal*

≈ *Potential delay*

Thank you Sarah!

Questions?

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RESOURCES

In the [Members-Only site](#) you can find:

- Latest slides and recordings from monthly CEP learning sessions

- Form to add contacts from your organization to the CEP mailing list

- Latest target-setting tools and guidance

- And more!

Password: SBTNProgram

[**SBTN FAQs**](#)
[**Need expert help?**](#)

Corporate Engagement Program: Members-Only

This page contains the latest information 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:

- **New tool to support SBTN Steps 1 and 2** – Access the SBTN Self-Assessment Tool here, and find the launch recording and slides here. Co-developed by SBTN and BSR, this tool is designed for companies looking to assess their level of readiness against Steps 1 & 2, and will help companies check what they need to do before moving onto Step 3. The tool is also helpful for internal coordination between corporate teams, business functions and external consultants.
- **[DRAFT] Ursus Case Study** – to be published externally later this year – is now available internally here. Please note that this case study is currently in draft form, only available to CEP and Partners, and is subject to change before publication.
- **Missed the latest CEP learning session?** View the recording and slides here.
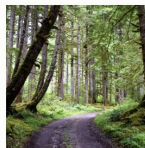
Completing Your Program Registration

Target-setting Tools and Guidance

SBTN Engagement Opportunities

Learning Session Recordings