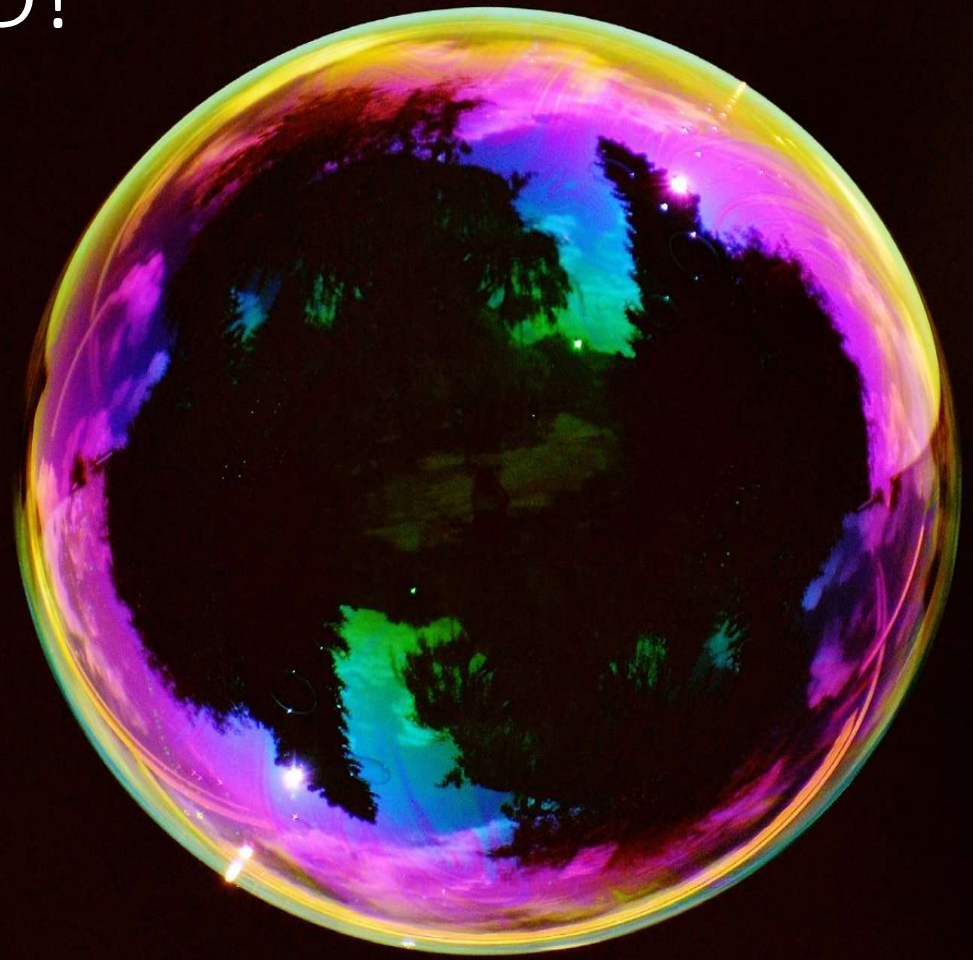
WEBINAR SERIES

READY > SET > GO BEYOND!

The 3 strategic phases of a science-aligned corporate sustainability journey



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READY > SET > GO BEYOND!

The 3 strategic phases of a science-aligned corporate sustainability journey

1 | **READY your metrics for business resilience**
Corporate Footprinting (incl. Scope 3 Assessment) + Executive Buy-in

2 | **SET goals aligned with science + build your climate action plan**
Science-Based Targets + Climate Action Plan

3 | **GO BEYOND carbon toward planetary boundaries and context-based goals**
Absolute Sustainability + Planetary Boundaries + Context-based Goals

Charlotte Bande
Senior Sustainability Consultant
Climate Strategy & SBT Lead

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Christina Copeland
Senior Manager,
Water Security

CDP
DISCLOSURE INSIGHT ACTION

Randall Krantz
Head of Corporate Engagement

Science-Based Targets Network

Marcial Vargas Gonzales
Senior Sustainability Consultant
Planetary Boundaries Lead

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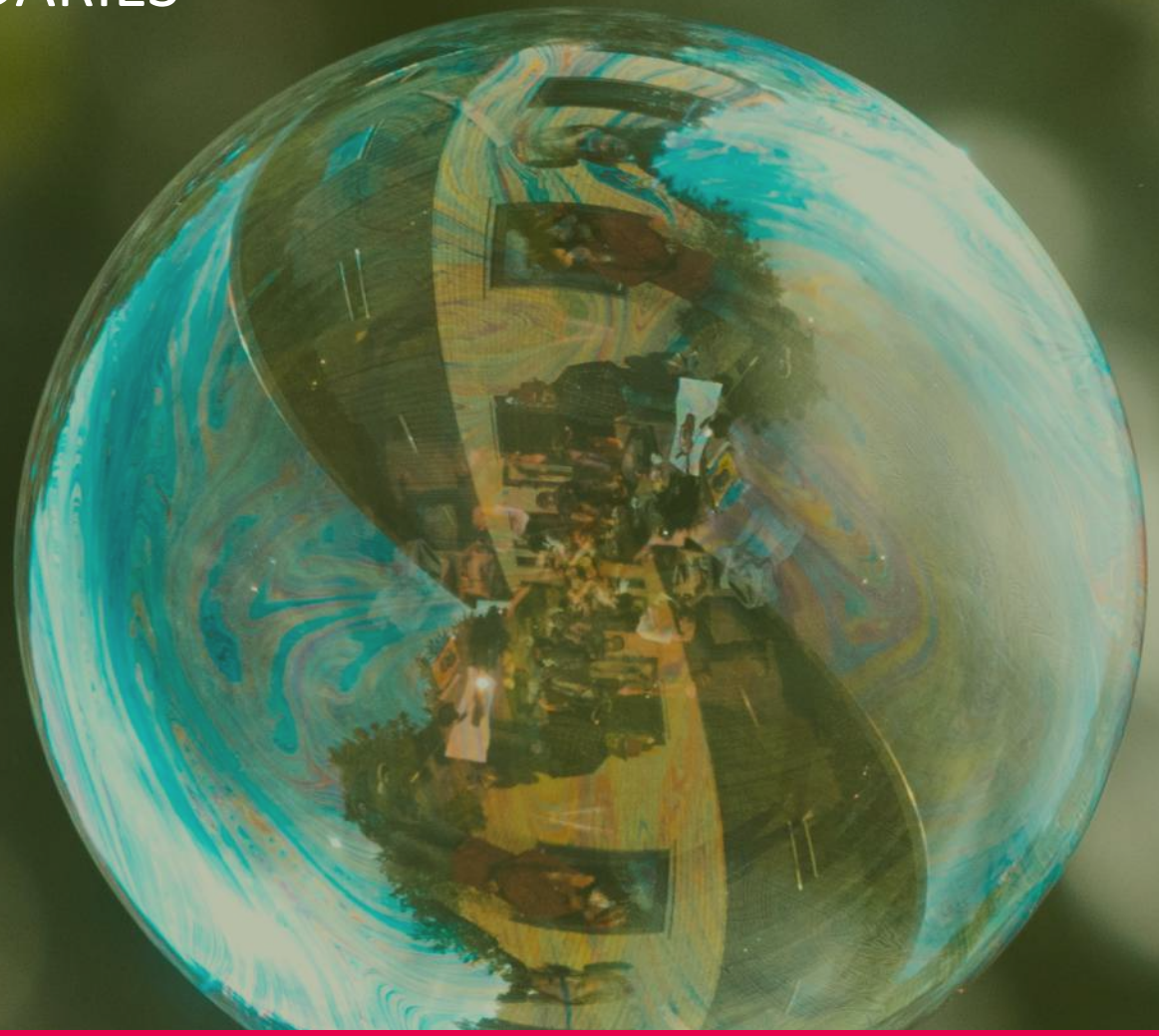
Building the bridge between the **science of sustainability** to its **application in business**

Now…
Tell us a bit about you!

> GO BEYOND CARBON

WEBINAR #3/3

TOWARD PLANETARY BOUNDARIES
+ CONTEXT-BASED GOALS



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Recap of previous webinars:
The sustainable climate strategy journey

Corporate footprint

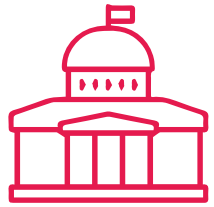
Climate hotspots

Business case

Buy-in

Science-based trajectories

Climate roadmap



Governance

Risk assessment

Communication

> GO BEYOND CARBON TOWARD PLANETARY BOUNDARIES + CONTEXT-BASED GOALS

Absolute Sustainability + Planetary Boundaries

- > Absolute Sustainability explained
- > How targets are set based on Planetary Boundaries

Contextual Water Targets

- > Setting site-level water targets with CDP

Coming Soon: Other Science-Based Targets

- > Collaboration through the Science-Based Targets Network

Actions your company can implement now to > Go Beyond!

- > TASC: The Absolute Sustainability Commitment

Absolute Sustainability + Planetary Boundaries

Are you familiar with the concept of Absolute Sustainability?

And, what about Planetary Boundaries?

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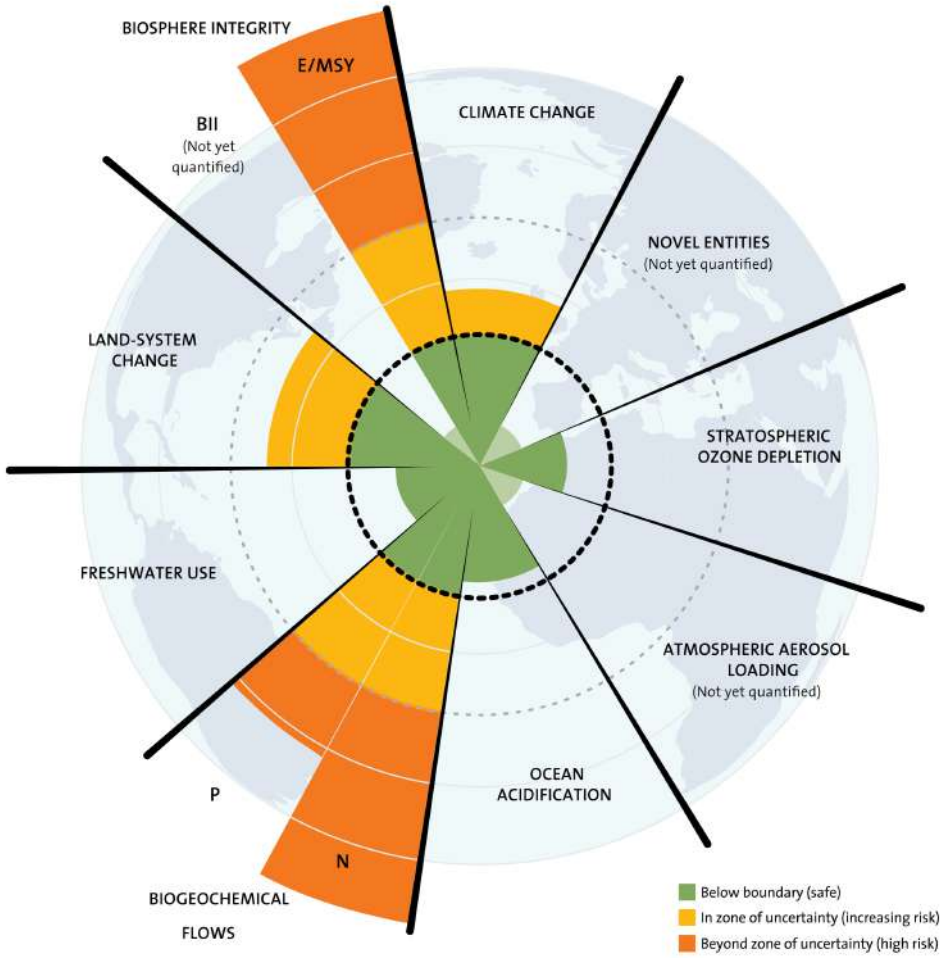
"Healthy ecosystems are essential in any strategy for climate change adaptation. One can say that conservation of biodiversity is our life insurance for the future."

– Stavros Dimas,
EU Environment Commissioner

What are Planetary Boundaries?



- Planetary boundaries is a comprehensive framework to understand the Earth System.
- The framework reveals that our current system is not sustainable. We are reaching a tipping point.
- Applying this framework can help us tackle Earth's environmental challenges.

https://stockholmuniversity.app.box.com/s/avnyhh4xzshxb19j82hn5mf3hxyuvqj0

What is Absolute Sustainability?

It’s better.

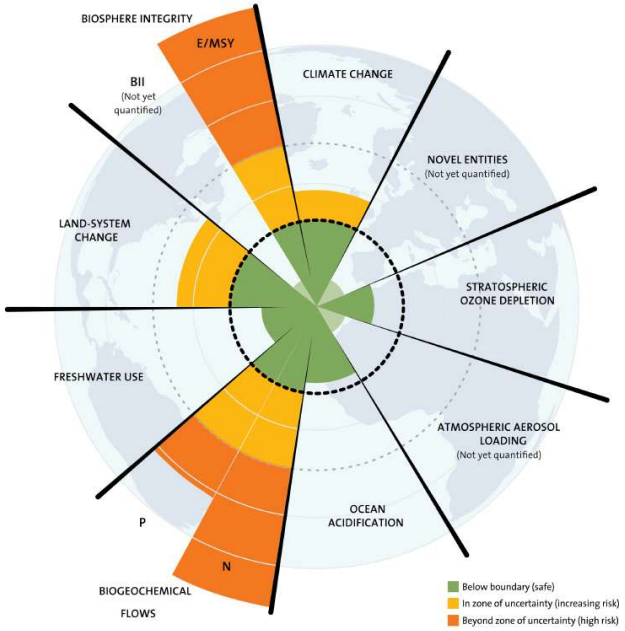
> Traditionally, companies built **corporate sustainability goals around** incremental improvements to “**do better.**”

But is it good enough?

> With **Absolute Sustainability**, companies look to science to know what is necessary.

Absolute Sustainability targets will see the same global dynamic as other efforts that are resetting the goals of the system.

We need to apply Absolute Sustainability concepts to corporate-level goals



Global long-term sustainability targets

S cience-based
M oving the pack
A mbitious
R elevant
T imely
E arth-bound
R eaching out

SMARTER Goals = long-term corporate sustainability strategies

What SBTi has done for setting carbon reduction targets…

CLIMATE CRISIS

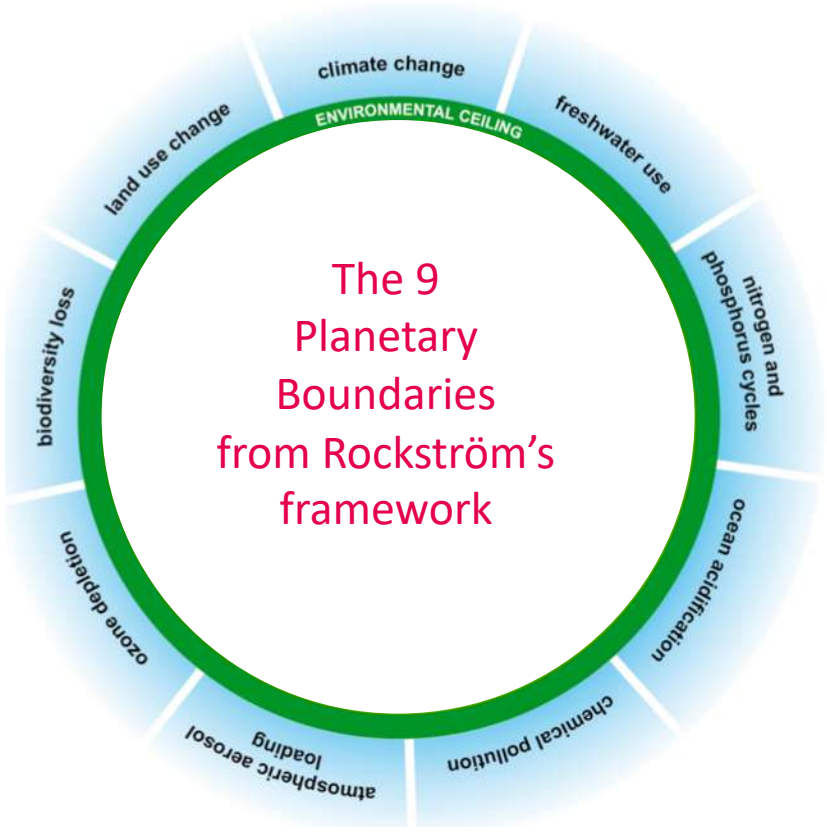
189 companies have **approved** science-based targets

MARS · DANONE · KERING · Sands LAS VEGAS SANDS CORP. · Nestlé · COMPASS GROUP

The SBT initiative demonstrates how science-based targets can actively tap the potential of the private sector

1-1-2009. **Planetary Boundaries**: **Exploring the Safe**. **Operating Space for Humanity**. Johan Rockström. Stockholm University. W. L. Steffen. Stockholm University.

… we can do with other planetary boundaries.



The beyond carbon dimensions of the Earth System lack overall science-based targets

- CLIMATE CRISIS
- LAND USE
- OCEAN ACIDIFICATION
- BIODIVERSITY LOSS
- OZONE DEPLETION
- PARTICULE POLLUTION
- FRESHWATER USE
- CHEMICAL POLLUTION

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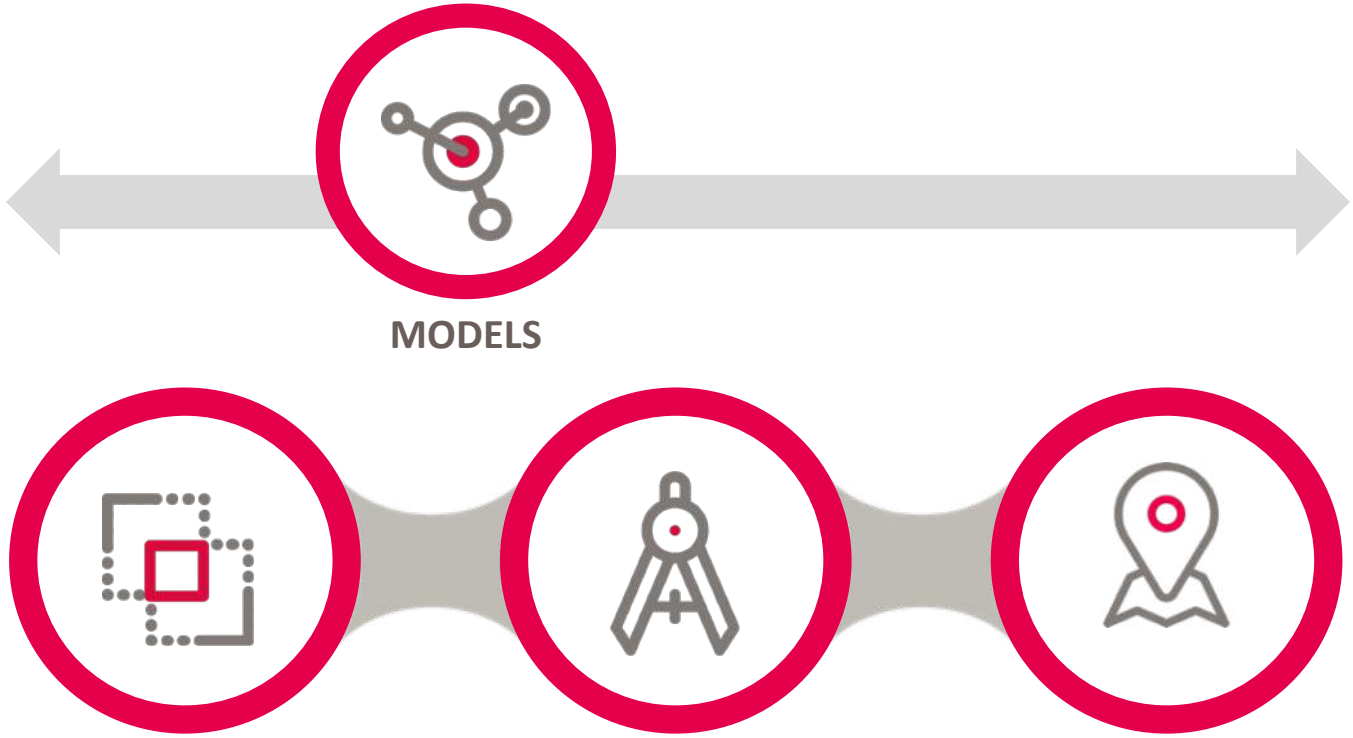
Planetary boundaries: the carbon example



MODELS

THRESHOLD

+2°C by 2100

CARRYING CAPACITY
(planetary allowance)

11 GtCO2eq/yr

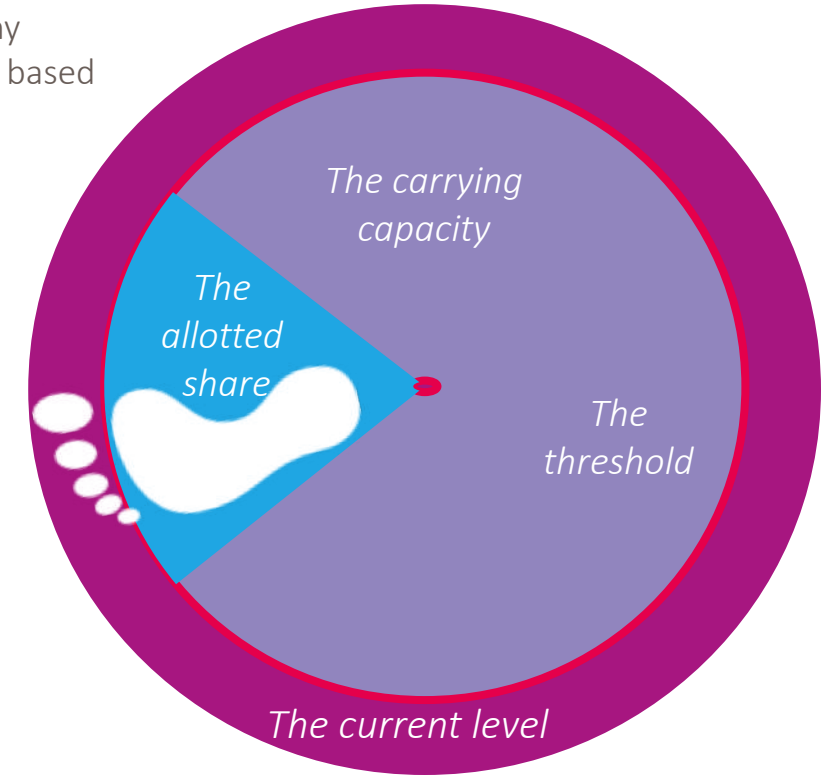
CURRENT LEVEL and FAIR SHARE

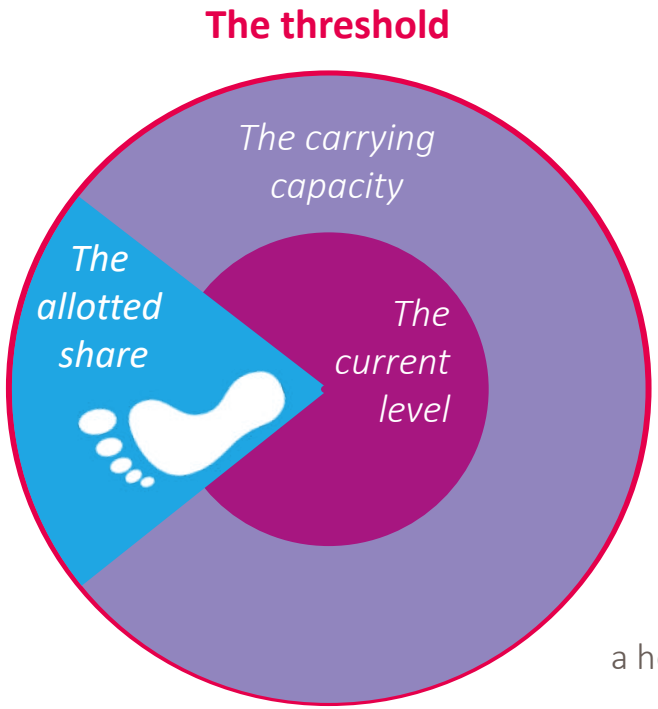
49 **GtCO2eq/yr**

For instance:
(climate change)

How a company's impact fits into the planetary boundaries framework

Representation of a unhealthy environment based on Planetary Boundaries





Representation of a healthy environment based on Planetary Boundaries

Process: setting targets based on planetary boundaries

Define threshold and carrying capacity (planetary allowance)

Identify current emissions (footprint) and allotted share

Define targets and reduction path

VS.

Most dimensions beyond carbon need to be managed at a different scale and time frame.

Contextual Water Targets

How’s your water strategy?

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Contextual water targets international project team












CDP

PACIFIC INSTITUTE

UN GLOBAL COMPACT

The CEO Water Mandate

The Nature Conservancy

UNEP-DHI PARTNERSHIP
Centre on Water and Environment

UNEP

DHI

WORLD RESOURCES INSTITUTE

WWF

Why contextual?

- Companies need a *reliable* supply of water resources.
- Water issues are primarily *local*— each catchment has an unique characteristics.
- Risks to site level access to water manifest at the *catchment*-level.

Water targets must reflect operating conditions at catchment level to: (1) reduce risk, (2) realize new opportunities, (3) contribute to overall water security & sustainability

CDP · PACIFIC INSTITUTE · UN GLOBAL COMPACT · The CEO Water Mandate · The Nature Conservancy · UNEP-DHI PARTNERSHIP Centre on Water and Environment · UNEP · DHI · WORLD RESOURCES INSTITUTE · WWF

The reality

Analysis of ~800 company respondents to 2018 CDP questionnaire:

- 30% have goals set at the company and site level
- Only 5% set goals at: company-wide, site, and catchment-level

Targets typically focus on absolute reductions / water efficiency / quality

But:

- Are these targets in line with the desired end state of the catchment?
- Do targets address the true priority shared water challenge?

CDP · PACIFIC INSTITUTE · UN GLOBAL COMPACT · The CEO Water Mandate · The Nature Conservancy · UNEP-DHI PARTNERSHIP Centre on Water and Environment · UNEP · DHI · WORLD RESOURCES INSTITUTE · WWF

Success criteria for the contextual water targets guidance

Approach

- Based on the desired end state
- Covers multiple water challenges
- Relevant for any geographic location
- Informed by best available science, policy objectives, and leading practice
- Simple, flexible

Audience

- Site level managers (sustainability, public affairs, operational managers)
- Relevant to companies at various stages of the stewardship journey

Other approaches

- Readily mapped to commonly used guidance and initiatives
- Uses pre-existing metrics and indicators

CDP · Pacific Institute · UN Global Compact · The CEO Water Mandate · The Nature Conservancy · UNEP-DHI Partnership Centre on Water and Environment · World Resources Institute · WWF

Contextual water targets project timeline

Guidance for Setting Water Targets (Site)

Dec 2018
Hold in-person workshop for project team

April 2019
Revise guidance and send to expert advisory group

Jun 2019
Revise site level guidance

Aug 2019
Launch site level guidance

Dec 2019
Synthesize lessons from all pilots

CDP · Pacific Institute · UN Global Compact · The CEO Water Mandate · The Nature Conservancy · UNEP-DHI Partnership Centre on Water and Environment · World Resources Institute · WWF

Definitions

Contextual water targets:

Specific time-bound ambition that sets the desired outcome to include both a component that speaks to the **company's** water performance and a component that speaks to the **basin's conditions**

Shared water challenges:

The **water-related issues** that are of interest or concern to both the site and to other stakeholders in the catchment and which, if addressed, will provide positive impacts or prevent negative impacts. Shared water challenges are not necessarily unique and may be the same for multiple sites or stakeholders (Alliance for Water Stewardship). The **six water challenges** include:

- Water sanitation and hygiene, water quality, water quantity, water governance, ecosystem/important water-related areas, and extreme weather events including floods and droughts

Desired end state:

Future vision of the catchment where the priority **water challenges** have been **reduced or eliminated**

Three step approach (revised, draft)

1. Determine scope and prioritise shared water challenges	2. Determine the catchment end state and analyze the gap	3. Set site-level water targets
1.1 Understand operational risks including impacts and dependencies	2.1 Determine the desired end state for all priority shared water challenges	3.1 Determine site's contribution to desired end state for the catchment
1.2 Determine the spatial scope for target setting through a catchment risk assessment	2.2. Assess the gap between the desired end state and the current state for the catchment	3.2 Set site level targets and encourage others in the catchment to do so
1.3 Prioritize shared water challenge(s) for the site		3.3 Determine implementation strategies
		3.4 Measure progress
Outcome: Develop list of priority water challenges and related issues, indicators (current state)	Outcome: Understand gap between current and desired end state for all prioritized water challenges	Outcome: Set site-level targets and develop an implementation and measurement plan

Progress of pilot tests

Pilots	Watershed	Feasibility	Step 1: Determine scope and prioritize shared water challenges	Step 2: Determine catchment end state and analyze the gap	Step 3: Set site-level targets
United States Santa Ana CA	Santa Ana				
India	Cauvery				
South Africa	Western Cape, Upper Vaal				
Brazil	Piracicaba, Capivari, and Judai, Tiete				

*Does not include all pilots by the project partners.

CDP PACIFIC INSTITUTE UN GLOBAL COMPACT The CEO Water Mandate The Nature Conservancy UNEP-DHI PARTNERSHIP Centre on Water and Environment UNEP DHI WORLD RESOURCES INSTITUTE WWF

Laying the foundation for Science-Based Targets

Contextual Water Targets

- **Type:** Best practice guidance
- **Organizations:** CDP, CEO Water Mandate, The Nature Conservancy, UNEP-DHI, WRI, WWF
- **Pilot locations:** US, India, South Africa, Brazil
- **Description:** targets that respond to shared water challenges with the basin and to use them to inform ambition.

Note: includes local and enterprise level target setting

Science-Based Targets for Water

- **Type:** Methodology
- **Organizations:** Science Based Targets Network
- **Pilot locations:** TBC
- **Description:** targets that respond to shared water challenges within the basin, use the shared water challenges and allocation of responsibility to inform ambition, and ensure scientifically quantified water thresholds within the a basin are respected.

Thank you!

Contextual water targets partners

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Coming Soon: Other Science-Based Targets

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The Science-Based Targets Network

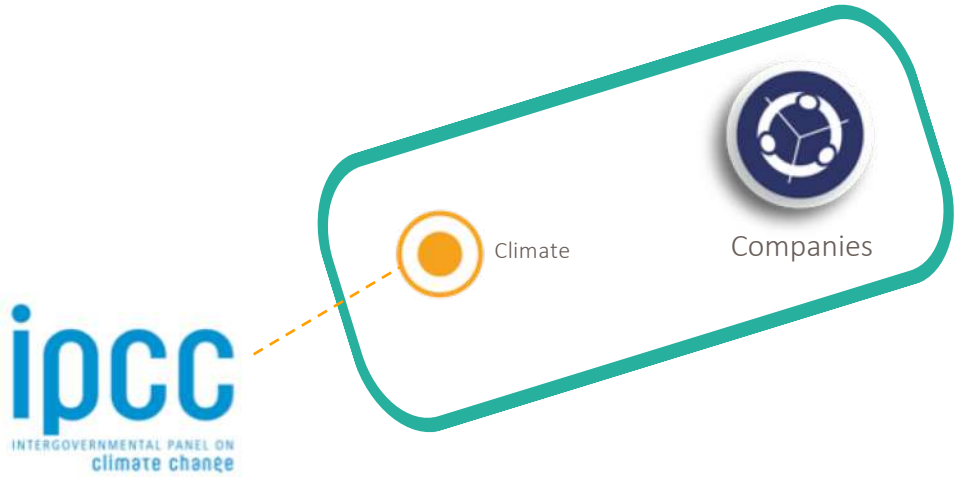
More than **500 companies** have set SBTs for climate.

This has boosted brand reputation and competitive advantage.

What about SBTs for other issues?

- **Water**
- **Land**
- **Biodiversity**
- **Ocean**

Targets beyond climate



The Science-based Targets initiative is a proven concept that is ripe for replication.

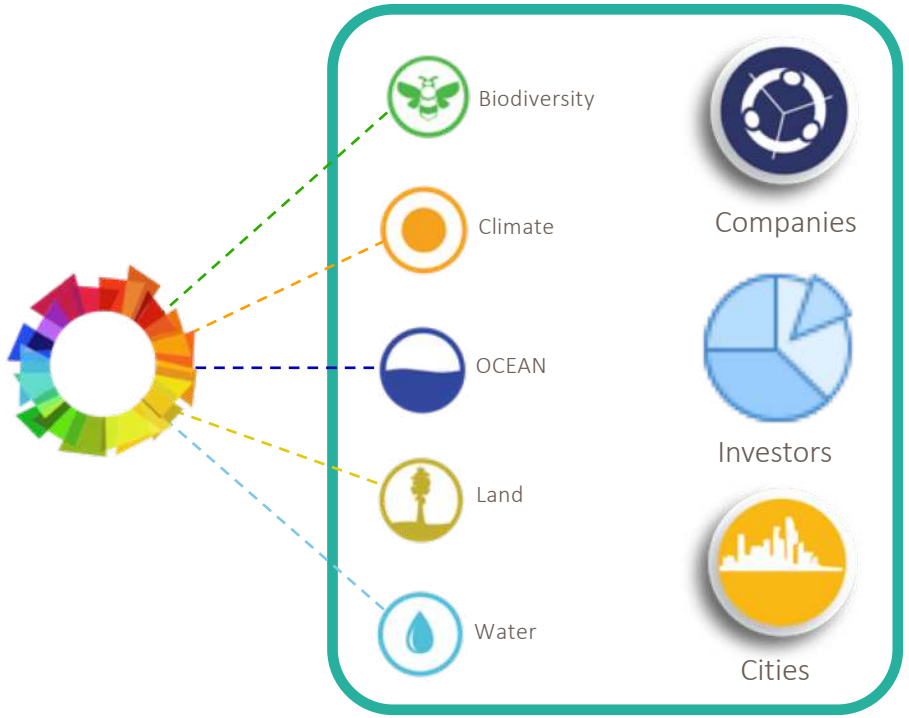
SBTs level the playing field, and are based on science, not speculation.

IPCC Science

Science-Based Targets initiative

Systems Actors

Science-Based Targets Initiative (SBTi)



Science base provided by independent, global scientific assessment

Multi-stakeholder constellations to translate science

Member-based organizations to perform outreach and engagement

Earth Commission

- Identify Metrics,
- Assess Risk,
- Define Ranges

Science-Based Targets Network

- Translate,
- Develop Methodologies,
- Create data architecture

Systems Actors

- Promote,
- Engage,
- Mobilize

Key Economic Systems

- Systems view
- Co-benefits
- Tradeoffs

Science-Based Targets Network

Who is the SBTN?

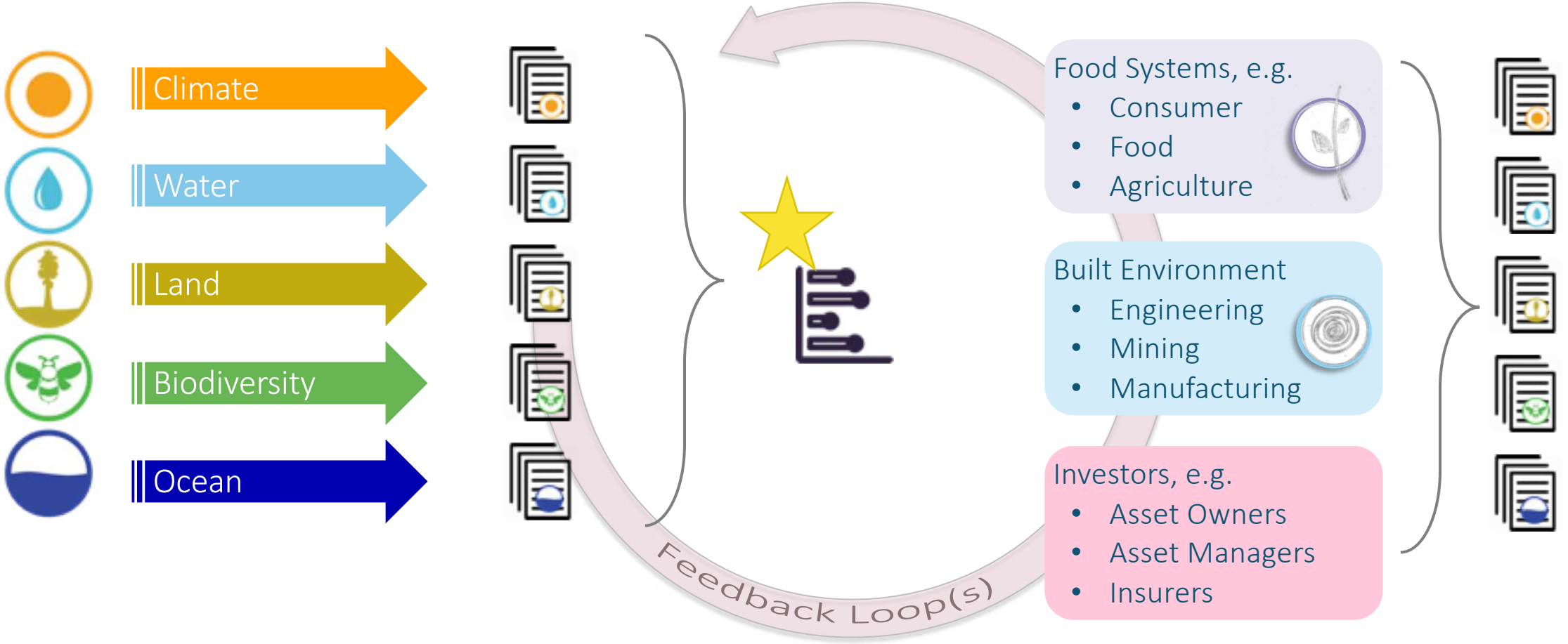
Issue Hubs
Development of target setting methodologies

Method v0.1
Rough design of allocation method

Science ✓
Sense check from scientific leader(s)

Biz Input
Company feedback thru "Prototyping" & "Piloting"

Method v1.0
Business-ready method for "Production" rollout



Getting to Methods v1.0

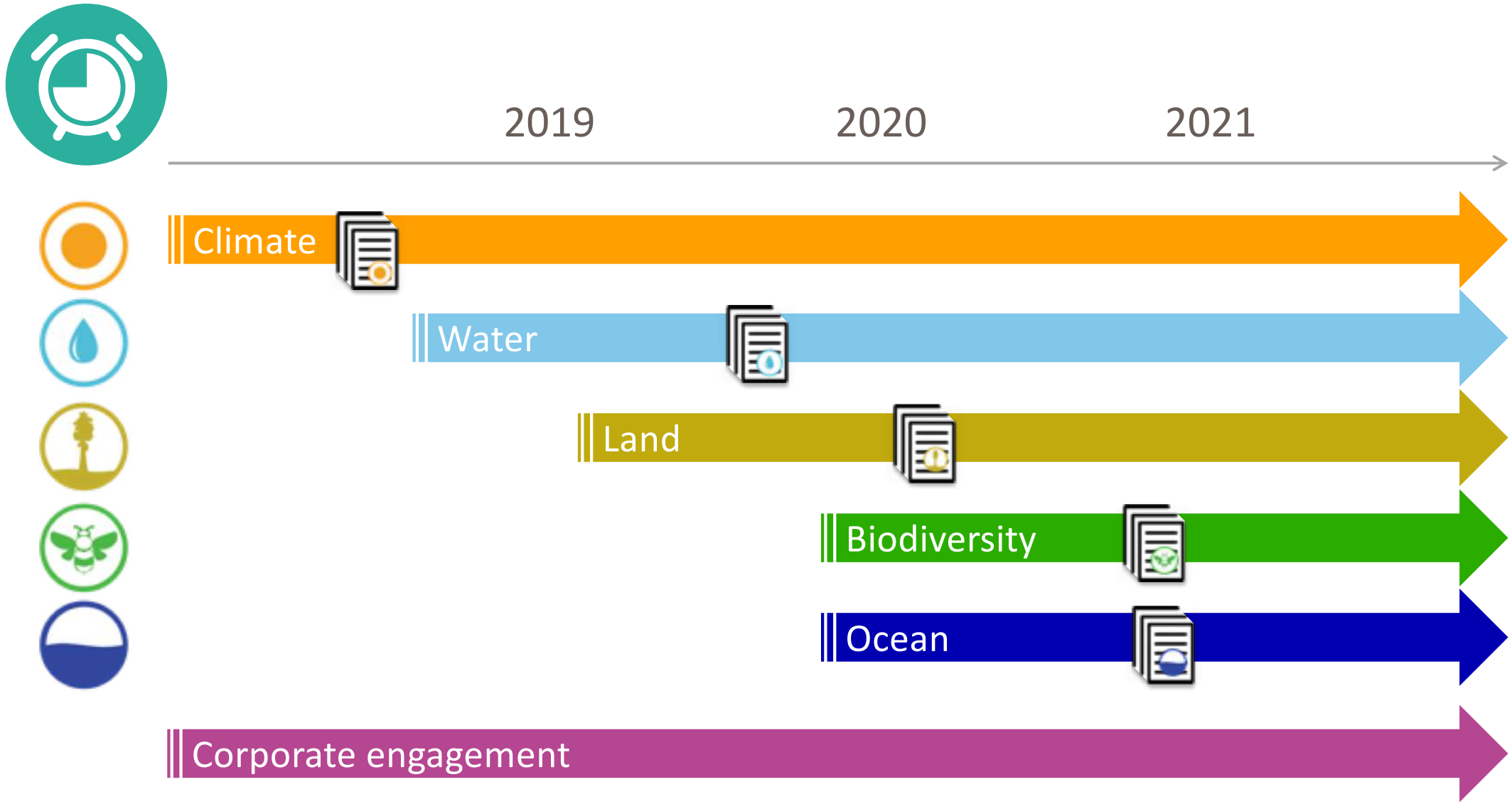
- Initial engagement w/ companies to gauge interest;
- Introduce concepts & process of SBTN;
- All without commitment or resource costs.

- Work closely w/ select companies to provide iterative input;
- Feedback on potential metrics, measurement strategies;
- Explore co-benefits and tradeoffs across issue areas.

- Contribute to the design of SBT methods across issue hubs
- Feedback on SBT methods and target calculation tools;
- Input on implementation guidance, target validation criteria, etc.

- New SBT Methods launched pubicly;
- Public commitment to v1.0 of new SBTs;
- Targets developped validated, announced;
- Embarking on the journey of delivery.

Launch Phase: Corporate Engagement



Timelines – A staged approach

How to Engage

Want to learn more?

Want to provide input?

Join us!

randall.krantz@thevalueweb.org

www.sciencebasedtargetsnetwork.org
(coming soon)

Businesses Getting Ready!

Have you explored setting Science-Based Goals beyond carbon?

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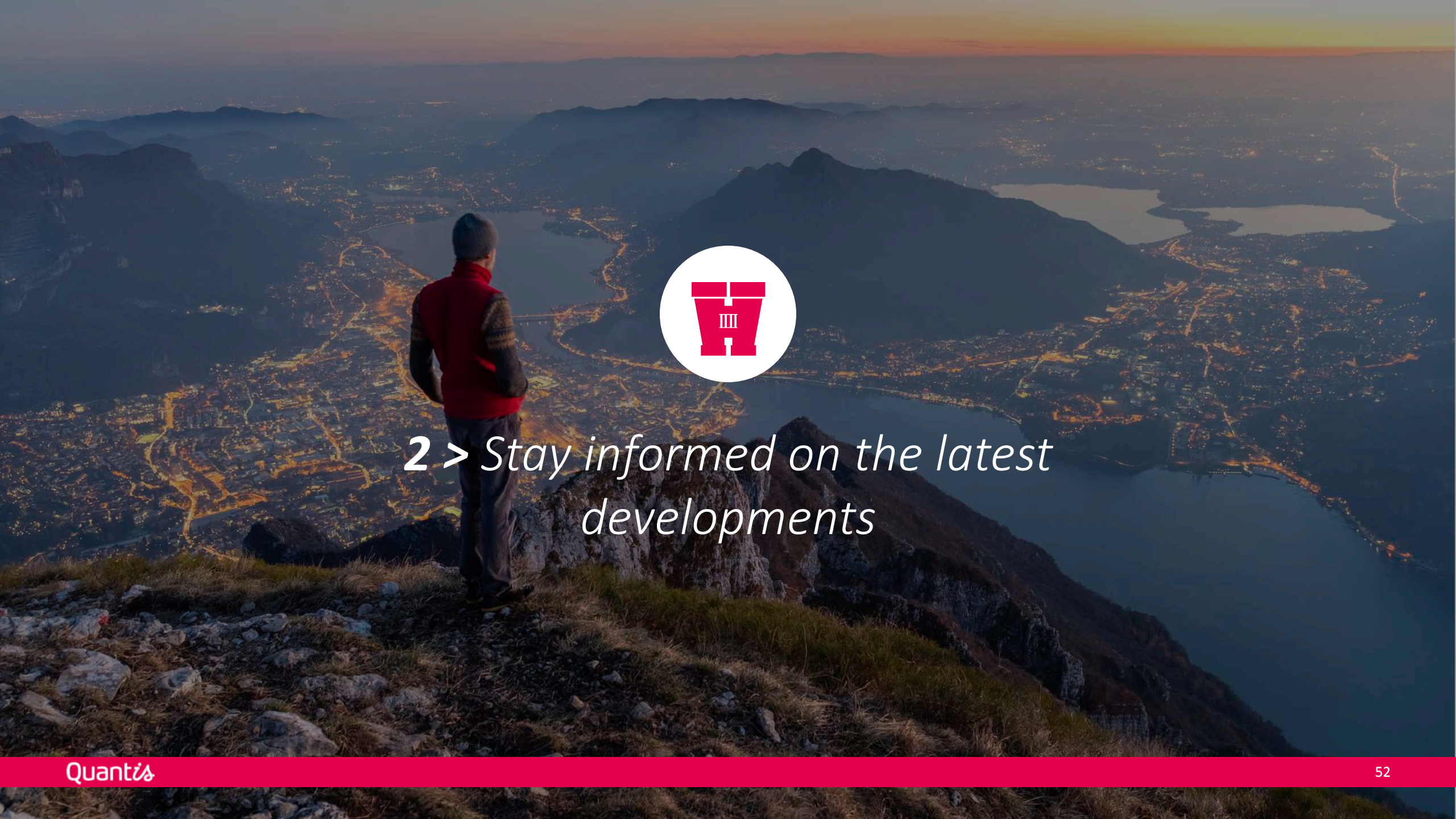
Actions your company can implement now to > Go Beyond

1 > *Build knowledge and engage your team on this topic*



2 > *Stay informed on the latest developments*

3 > *Test available methodologies (through case studies & pilot projects)*

4 > *Assess the data + reporting you have and understand the gaps*

Introducing TASC
> The Absolute Sustainability Commitment

A service platform designed to build capacity in organizations committed to work towards a common goal:

set corporate targets aligned with planetary boundaries

The Absolute Sustainability Commitment

Our vision

A world where companies don’t have sustainability goals but **goals to be sustainable**

Our purpose

To **accelerate the integration of Absolute Sustainability** in businesses decision making

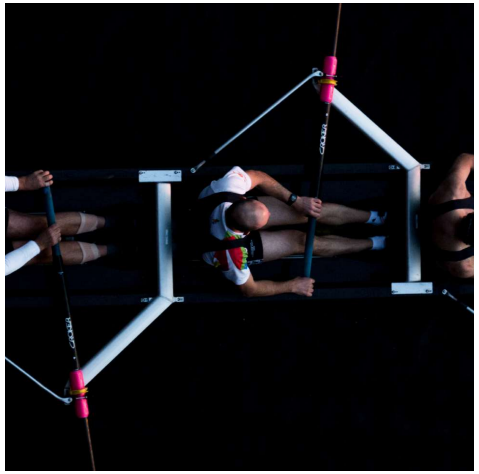
Our mission

To build corporate knowledge and prepare the shift needed to move towards Absolute Sustainability

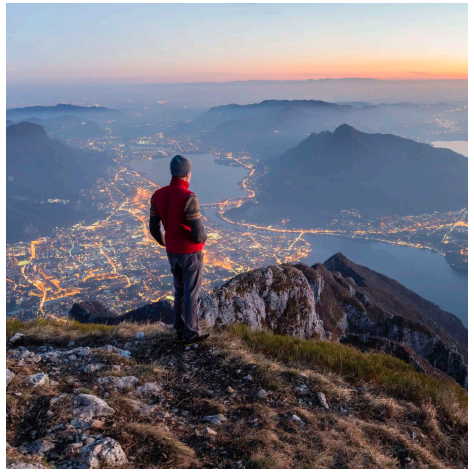
To open a feedback loop between businesses and international organizations & experts

To spark a shift on how businesses set targets to be truly sustainable

The Absolute Sustainability Commitment



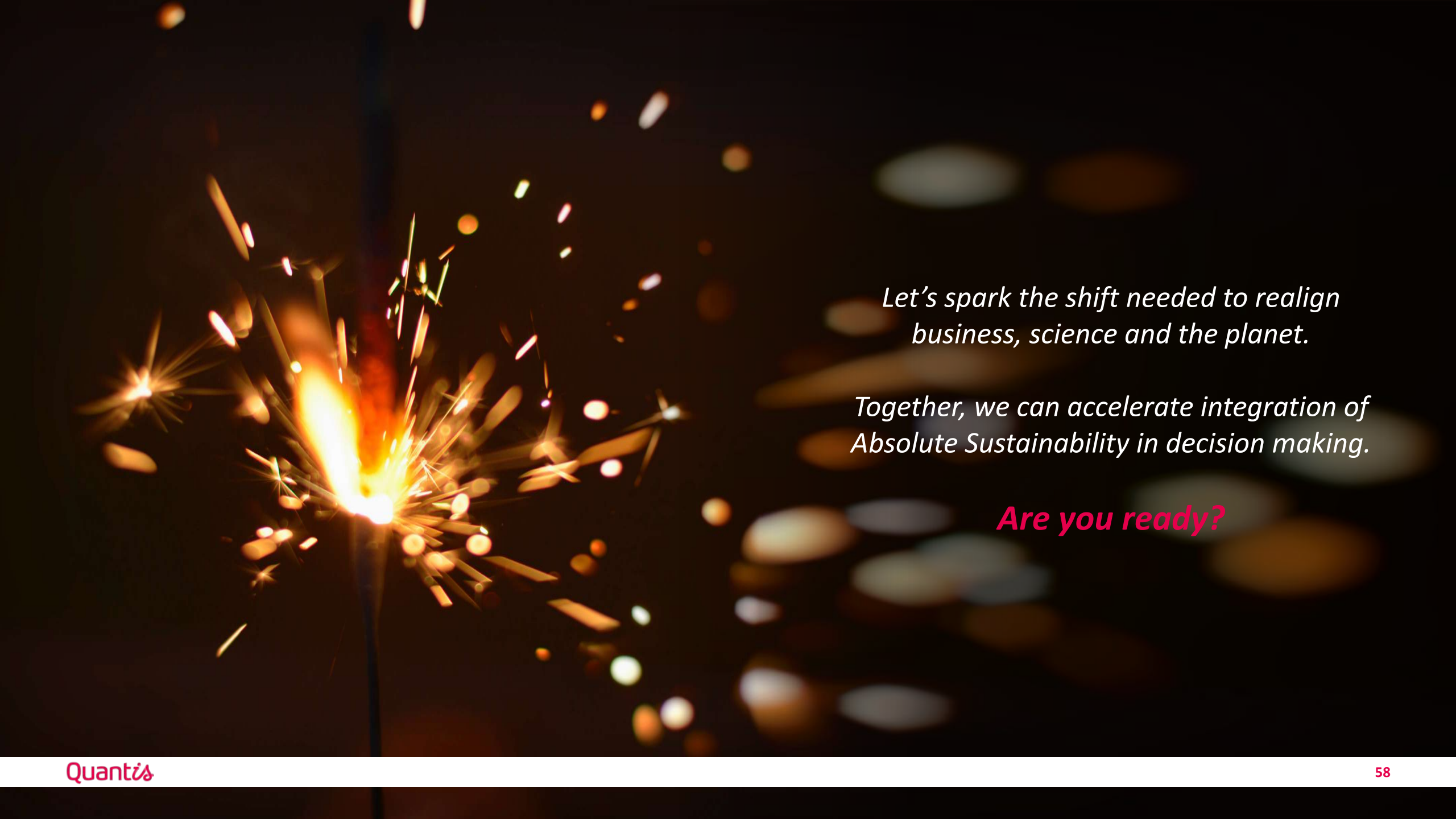
1 > TRAINING



2 > CONTINUOUS TREND WATCH

3 > CASE STUDY

4 > STRATEGY, COMMUNICATIONS, and REPORTING SUPPORT


Let's spark the shift needed to realign business, science and the planet.
Together, we can accelerate integration of Absolute Sustainability in decision making.
Are you ready?

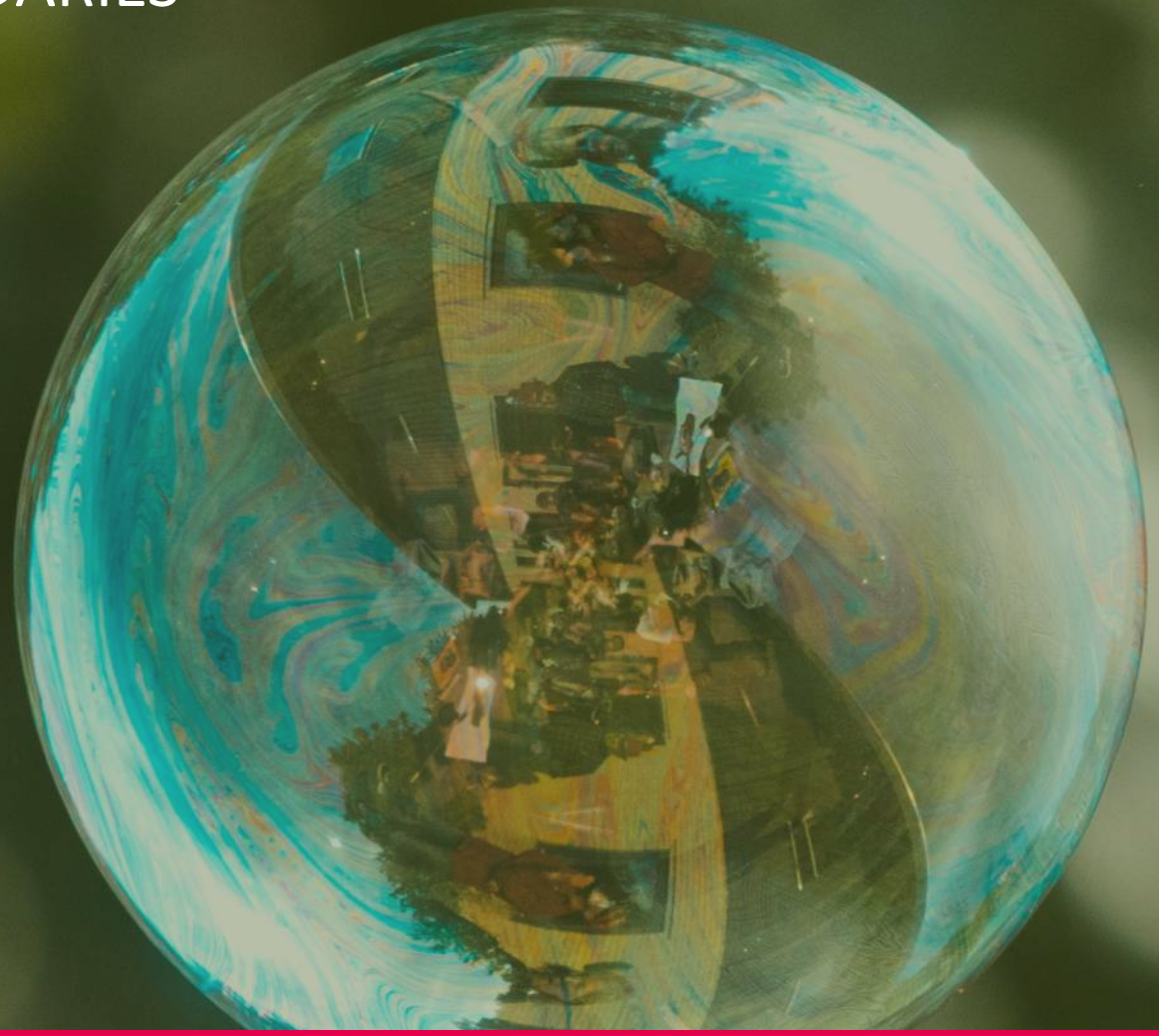
Q&A with the panel

> GO BEYOND CARBON

WEBINAR #3/3

TOWARD PLANETARY BOUNDARIES + CONTEXT-BASED GOALS

Thank you for joining us today!



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