



## Science-Based Target Setting Manual

### Opportunity

Despite the multiplication of climate change mitigation measures by governments, corporates, civil society and other actors, total anthropogenic greenhouse gas (GHG) emissions have continued to increase over the past decades. Under the current trajectory, global mean temperatures are projected to increase by 3.7 to 4.8 °C by the end of this century, far beyond the levels of global warming that the scientific and international community have identified as safe. In order to reverse this trend, the level of ambition for climate action needs to be significantly increased.

In a joint collaboration, CDP, the UN Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) have launched the Science Based Targets initiative. This initiative intends to increase corporate ambition on climate action by changing the conversation on GHG emissions reduction target setting and creating an expectation that companies will set targets consistent with the level of decarbonisation required by science to limit warming to less than 2°C compared to pre-industrial temperatures.

### Vision

The Science Based Targets initiative seeks to increase the ambition of companies and reduce the barriers in setting targets aligned with current climate science.

There are a set of activities underway through this project to support companies in setting science based reduction targets. Current projects include:

- **Methodology and tool:** The initiative intends to contribute to the body of science-based target setting methodologies by developing the Sector Decarbonization Approach, a sector-based method that allows companies to set emission reduction targets in line with climate science according to sector-specific decarbonisation pathways drawn from existing scientific literature and models.
- **Mind the Science report:** A report analysing the potential contribution of the corporate sector to closing the 2°C emissions gap, looking at corporate targets and emissions data across a global sample.
- **Corporate performance assessment and tracking:** Corporate ambition and progress towards meeting targets will be collected via disclosures to CDP and tracked via a web-based tool, the Target Tracker (a module of WRI's CAIT Business), together presenting the

'go-to' places for corporate emissions and targets information. CDP's 2016 questionnaire will also be revised to incentivise companies to commit to science-based targets.

- **Call to action:** As part of the Science Based Targets initiative, the partner organizations intend to run a series of activities throughout 2015 with the purpose of creating awareness about setting emission reduction targets that are consistent with a 2°C decarbonisation pathway and providing information about the different methodologies and tools available. Partner organizations will also engage with companies to advise them in the process of developing and communicating their targets and showcasing them to inspire other companies to follow suit.
- **A website with the latest research, guidance, tools and case studies on science based target setting:** a website will be maintained as a focal point for all the thinking and work developed on GHG's science-based targets.

The Science Based Targets initiative will also develop a good-practice guide for companies on how to set science based targets. This guide will identify a set of recommended good practices, rather than set a standard. The manual will walk companies through the steps to develop a target, communicate it to stakeholders and track performance over time. This manual will be developed through a multi-stakeholder process.

## **Goal of the manual**

The goal of the manual is to create an understanding of the need for more ambition in corporate GHG reduction target setting and also provide companies with the knowledge needed to effectively integrate science-based target setting as a long-term corporate sustainability strategy.

Questions the guidance will seek to address include:

- What is the business case for setting a science based reduction target?
- What is the definition of a science based target?
- What are the recommended methodologies?
- What is good practice in choosing a methodology and developing a target?
- How do you get buy-in from the c-suite?
- How do you credibly communicate progress to stakeholders?
- What are the key strategies to achieve an ambitious reduction target?

## **Objective**

Support the project's goal of enabling science-based GHG reduction targets to become standard business practice.

## **Desired Outcomes of the Science Based Target Setting Initiative**

- By the end of 2015, 100 companies commit to develop and disclose a science-based target within the following 24 months; and
- By 2020, 250 companies having developed and disclosed science-based targets
- Demonstrate to policy-makers the scale of ambition achievable among leading companies to positively influence international climate negotiations.



## Governance

The process to develop this manual will be led by WRI, with support from all the project partners. WRI, CDP, WWF, and UNGC will comprise the secretariat and all key decisions on process and content will be agreed upon by this body. Since standardization on target setting is not a goal of this manual, a streamlined process will be used to develop the manual. The governance process will include the Secretariat, a Technical Advisory Group (TAG) of chosen experts from industry, academia, government and NGOs, as well as a Stakeholder Advisory Group to provide feedback on the first draft. The TAG will be comprised of an existing group that was created to provide input on all key activities of the Science Based Targets initiative. During a public comment process on the first draft, stakeholder workshops and webinars will be held to insure broad input.

Rather than using technical working groups to write the first draft, the secretariat will be fully responsible for the drafting process. This will enable the project partners to efficiently deliver the manual and support companies that are developing their next round of targets in 2016.



Date	Milestone
April 2015	Launch process with Technical Advisory Group webinar and get input on manual outline
April - July 2015	Finalize outline and draft first version of the manual
July 2015	Webinar with TAG to get input on first draft
August - September 2015	Revise draft and release for public comment period
September 2015	Hold stakeholder workshops
October 2015	Make revisions based on comment period
November 2015	Make final revisions, conduct internal review
December 2015	Release final version at Paris COP

