



SCIENCE
BASED
TARGETS

An initiative by



Call to Action

Webinar

June 1, 2016

Science Based Targets I Agenda

- 
1. Introduction
 2. Process & Criteria
 - Commitment Letter
 - Quality Check & Eligibility Criteria
 - Example Targets
 - Publicizing Commitments
 3. Q&A

Science Based Targets I Introduction

What is a “science-based target”?

Targets in line with the level of decarbonization required to keep global temperature increase below 2°C*

*compared to pre-industrial temperatures, as described in the Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). Applies to the 4th or 5th AR of IPCC as well as modeling of the IEA.



Science Based Targets I Introduction



SCIENCE
BASED
TARGETS

Science Based Targets is a joint initiative by CDP, the UN Global Compact (UNGC), the World Resources Institute (WRI) and WWF intended to increase corporate ambition on climate action by 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.

Science Based Targets I Introduction



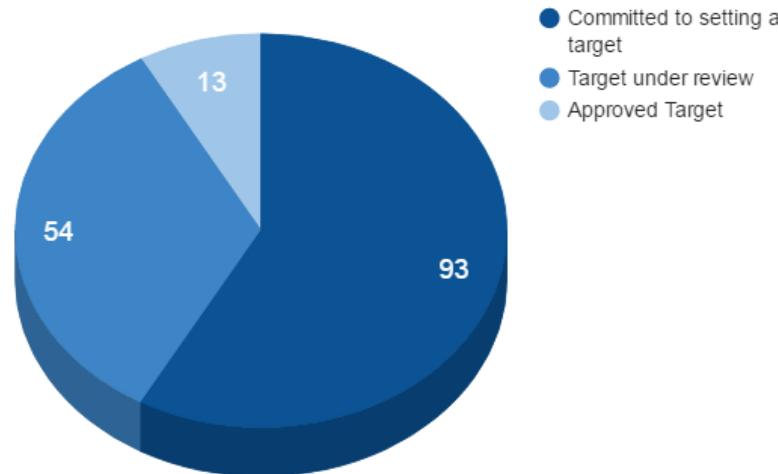
Objectives

1. By 2015, at least **100 leading multinational companies commit** to adopt ambitious emission reduction targets in line with climate science.
2. By 2018, at least **250 leading companies commit** to set a science based target and **100 companies will have targets approved** by the initiative.
3. Demonstrate to policy-makers the scale of ambition **achievable** among leading companies to positively influence international negotiations and domestic climate policy.

**Progress to date:
160 companies joined**

Science Based Targets I Introduction

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160 companies



Science Based Targets I Introduction

STRATEGIES

Reduce the barriers to the adoption
of science-based targets

Institutionalize the adoption of
science-based emission reduction
targets

create a critical mass

PROJECT ACTIVITIES

SDA method

SBT
online tool

Target setting
manual

Mind the
Science
Report

Scoring &
Tracking

Call to Action

Science Based Targets I Introduction

Why commit to science-based targets?



Drive innovation

Science-based targets drive transformational changes beyond “low-hanging fruit” upgrades, spurring new products and business models.



Build credibility and reputation

Stakeholders appreciate a science-based approach to target setting that is backed by third-party experts.



Demonstrate leadership

Companies that wish to be seen as leaders on climate action should have a science-based target as the foundation of their strategy.



Secure long-term competitive advantage and protect future profitability

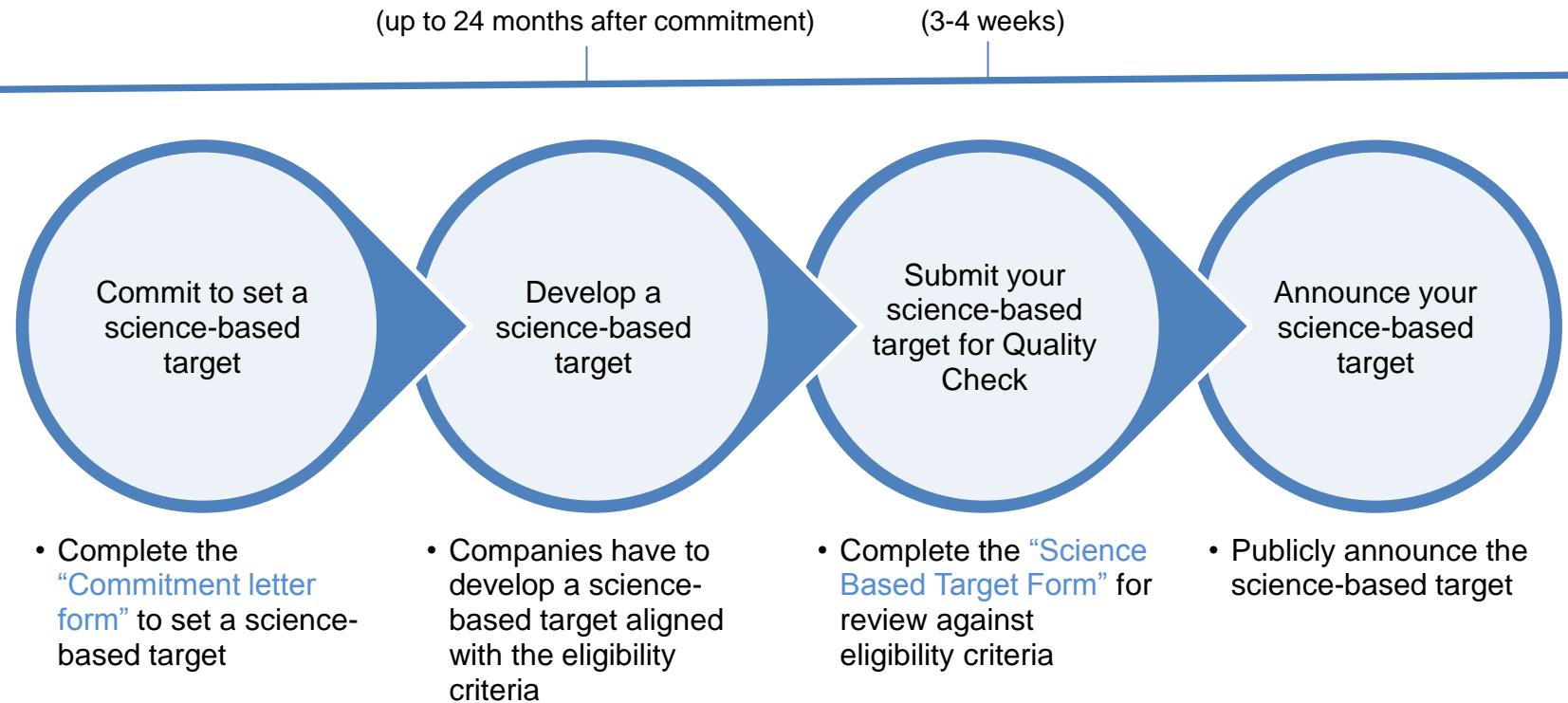
Companies that set ambitious emissions targets now will lead the transition to the low-carbon economy and remain resilient to developing climate regulation and policy.



Continue enjoying strong financial returns

Analysis of data reported to CDP shows that companies with published emissions targets were more profitable than those with no targets.

Science Based Targets I Process & Policies



Science Based Targets I Process & Policies



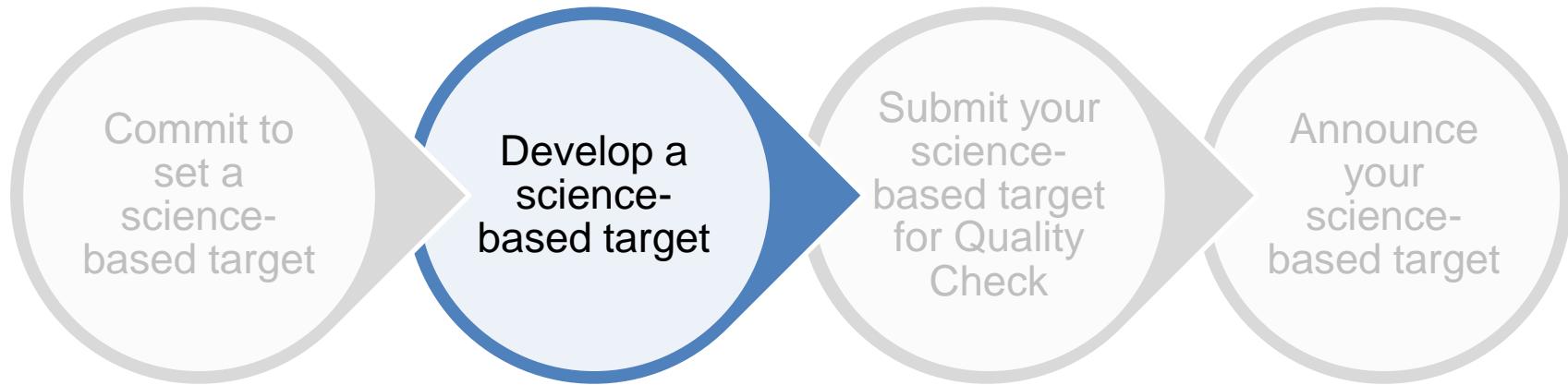
Science Based Targets I Process & Policies



Steps to joining the Call to Action:

1. Download commitment letter from:
<http://sciencebasedtargets.org/commit-to-setting-science-based-targets/>
2. Complete the commitment letter form by indicating basic information (company name, contact details and sector) and submit to info@sciencebasedtargets.org

Science Based Targets I Process & Policies



Science Based Targets I Process & Policies

Timeline

1. **Sign the commitment letter anytime** and start earning recognition.
2. **Design a science-based target within 24 months** of signing the commitment letter.

The Science Based Targets initiative will send you a reminder 6 months prior to the deadline.

Companies with targets already in place should submit their target for quality check.

Resources

Target-setting methodologies

Find at sciencebasedtargets.org/methods

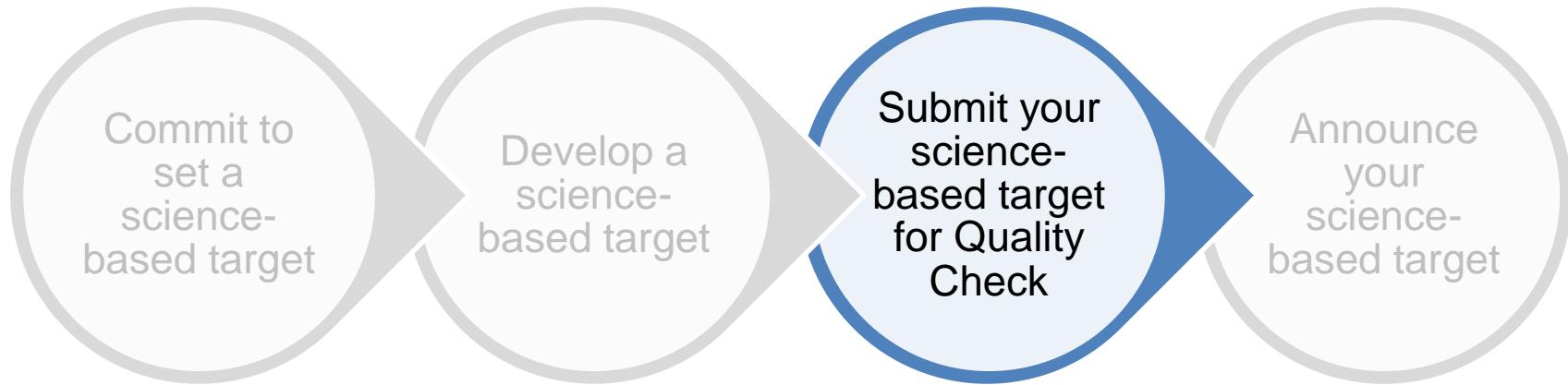
Sectoral Decarbonization Approach (SDA) Calculation Tool

Coming soon

Science-based Target Setting Manual

Coming soon

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Eligibility Criteria

1. Boundary

Covers company-wide Scope 1 and Scope 2 emissions and all GHGs as required in the GHG Protocol Corporate Standard

2. Scope 3

An ambitious Scope 3 target is also required when Scope 3 emissions cover a significant portion (greater than 40% of total scope 1, 2 and 3 emissions) of a company's overall emissions

3. Timeframe

Commitment period must cover a minimum of 5 years from the date of announcement of the target

4. Level of ambition

Consistent with the level of decarbonization required to keep global temperature increase below 2°C compared to pre-industrial temperatures

5. Reporting

Disclose GHG emissions inventory on an annual basis

All five criteria are mandatory



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Additional Guidance

Mid- and Long-term Targets

Companies are encouraged to develop mid- term (e.g. 2030) and long-term goals (e.g. 2050) along with their respective interim milestones.

Absolute vs. Intensity – Use Both

Companies are encouraged to express their targets on an absolute AND intensity basis.

Update Targets After Big Company Changes

To ensure consistent tracking of performance over time, the SBT should be recalculated, as needed, to reflect significant changes that would compromise its relevance and consistency.

A target recalculation should be triggered by significant changes in growth projections and other assumptions used with SBT-setting methodologies and significant changes to your business or data and emissions factors used in your inventory process; the latter will also require recalculation of the base year inventory. Companies should check the validity of their target projections annually.

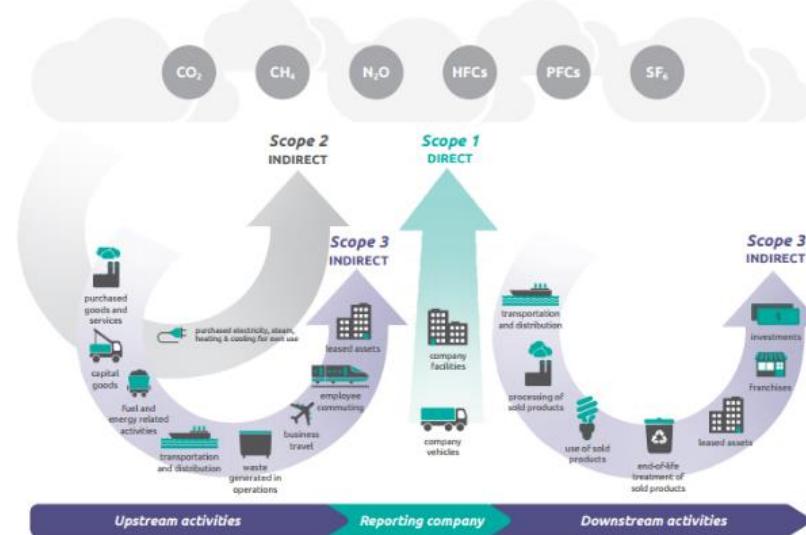
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Guidance on Scope 3

Companies should complete a Scope 3 screening before setting their GHG emission reduction targets.

Scope 3 is considered significant when it **represents more than 40%** of the total GHG inventory of the company.

If Scope 3 is significant, an ambitious target must be developed covering the most relevant (e.g. top three) emission categories as per the **GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard**.

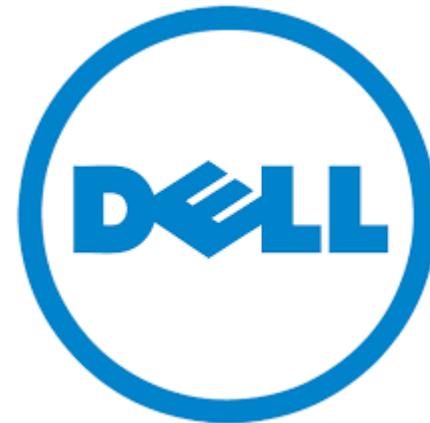


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Example Target

Dell commits to reduce GHG emissions from their **facilities and logistics operations 50% by 2020** from 2010

Dell also commits to reduce the **energy intensity of their product portfolio 80% by 2020** from 2011



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Example Target

General Mills commits to reduce absolute greenhouse gas emissions by **28% across their entire value chain** (scopes 1, 2 and 3), from farm to fork to landfill by 2025 from 2010.

The Scope 3 reductions cover total GHG emissions across all relevant categories with a focus on purchased goods and services (dairy, row crops, and packaging) and delivery and distribution.

Long term aspiration is to achieve sustainable emission levels in line with scientific consensus by 2050.



More examples at
[Sciencebasedtargets.org/case-studies](https://sciencebasedtargets.org/case-studies)

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Can financial institutions join?

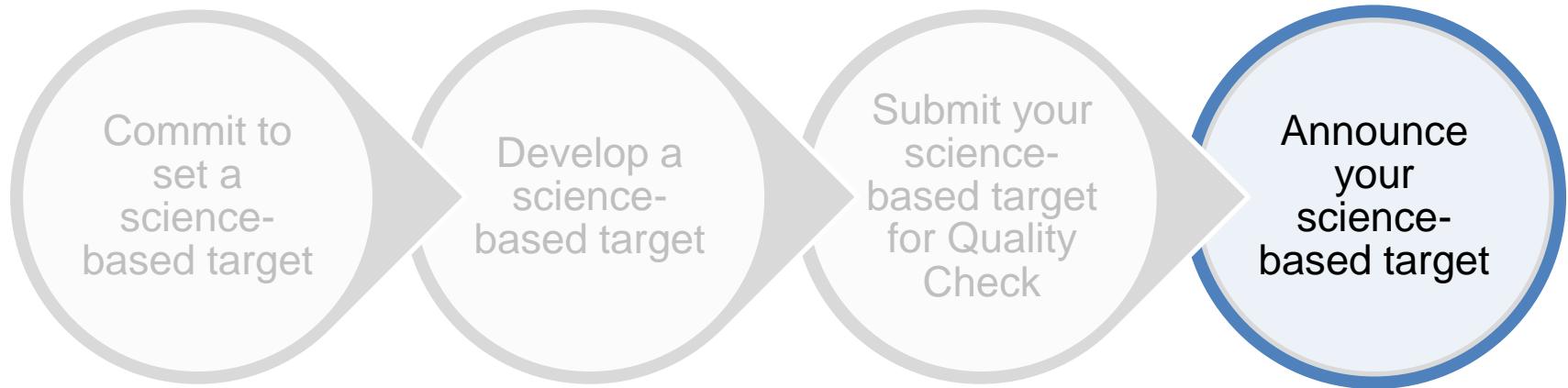


Financial institutions are welcome to sign the commitment letter to express their intention to set science-based targets for scope 1 and 2 and for their investment activities.

However, the initiative cannot review targets from financial institutions at this time. A proper target-setting methodology for financial institutions is not yet recognized by the initiative.

Financial institutions that sign the commitment letter will be invited to participate in future developments in this area.

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Announcing targets

Companies that join the Call to Action campaign will be listed on the [Science Based Targets website](#).

When possible, the initiative will [profile companies that set a science-based target](#), sharing background on how they developed their target.

The screenshot shows the homepage of the Science Based Targets website. At the top, there is a navigation bar with links for About, Take Action, Tool, Methods, News and Press, Downloads, Events, Contact Us, and FAQ. To the right of the navigation is a search bar and social media icons for Facebook and Twitter. The main header features the text "COMMIT TO SETTING SCIENCE-BASED TARGETS" and "JOIN THE CALL FOR ACTION" over a background image of two business people. Below the header is a "READ MORE >" button. Further down, there is a section titled "Inspiring businesses to set greenhouse gas emission reduction targets in line with climate science". This section includes three buttons: "Commit To Setting Science Based Targets" (with a recycling icon), "Find out More" (with a document icon), and "Blog" (with a yellow circular icon). The footer of the page contains the Science Based Targets logo and other logos for CDP, TÜV GLOBAL COMPETENCE, WORLD RESOURCES INSTITUTE, and WWF.



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Elect a spokesperson



Business leaders who take ambitious climate action should have their voices heard.

Spokespeople may have the following opportunities to share their company's story over the coming months:

- Be quoted in future **press releases** and **social media**
- Speak at **events**
- Write **blogs or op-eds**



Questions & Answers



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info@sciencebasedtargets.org
www.sciencebasedtargets.org

