



SCIENCE
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TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

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SBTi Call to Action Guidelines

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An initiative by



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About the Science Based Targets initiative

The Science Based Targets initiative champions science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy. It is a collaboration between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC) and one of the We Mean Business Coalition commitments. The initiative defines and promotes best practice in science-based target setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets. Learn more about us on our [website](#).

Why join the Science Based Targets initiative?

How can business help prevent dangerous climate change?

The Paris agreement in 2015 saw near 200 of the world's governments commit to prevent dangerous climate change by limiting global warming to well-below 2°C. This signaled an acceleration in the transition to a low carbon economy. Many companies are already demonstrating they have the skills, expertise and ingenuity to make this a reality - but need ambitious emissions reduction targets that ensure the transformational action they take is aligned with current climate science. Targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered "science-based" if they are in line with the level of decarbonization that, according to science, holds likely chances of reaching the goals under the Paris Agreement.

The Science Based Targets initiative enables companies to demonstrate their leadership on climate action by publicly committing to science-based GHG reduction targets. As more and more companies join the initiative it will create a critical mass that will drive an increase in science-based target setting throughout the private sector. The overall aim of the initiative is that by 2020 science-based target setting will become standard business practice and corporations will play a major role in ensuring we keep global warming well-below a 2°C increase.

Benefits of setting science-based targets

In addition to preventing the adverse effects of climate change, science-based targets are advantageous for companies as well. Ambitious targets increase innovation; reduce regulatory uncertainty; strengthen investor confidence and credibility; and improve profitability and competitiveness. For more information on the benefits of setting science-based targets, refer to our [Why Set A Science Based Target?](#) webpage.

Benefits of joining the SBTi Call to Action

The SBTi defines and promotes best practice in science-based target setting and offers resources and guidance to reduce barriers to adoption. The initiative is backed by four of the more prestigious environmental organizations, including CDP, the UN Global Compact, the World Resources Institute and WWF. Through the initiative, these organizations conduct a comprehensive quality assessment of the targets and provide multiple opportunities of showcasing for approved targets.

Who can join the Science Based Targets initiative?

The Science Based Targets initiative promotes corporate climate action and encourages companies from all sectors to demonstrate their leadership by setting science-based emissions reduction targets. The initiative particularly welcomes efforts from the highest emitting sectors as they play a crucial role in ensuring the transition towards a low-carbon economy.

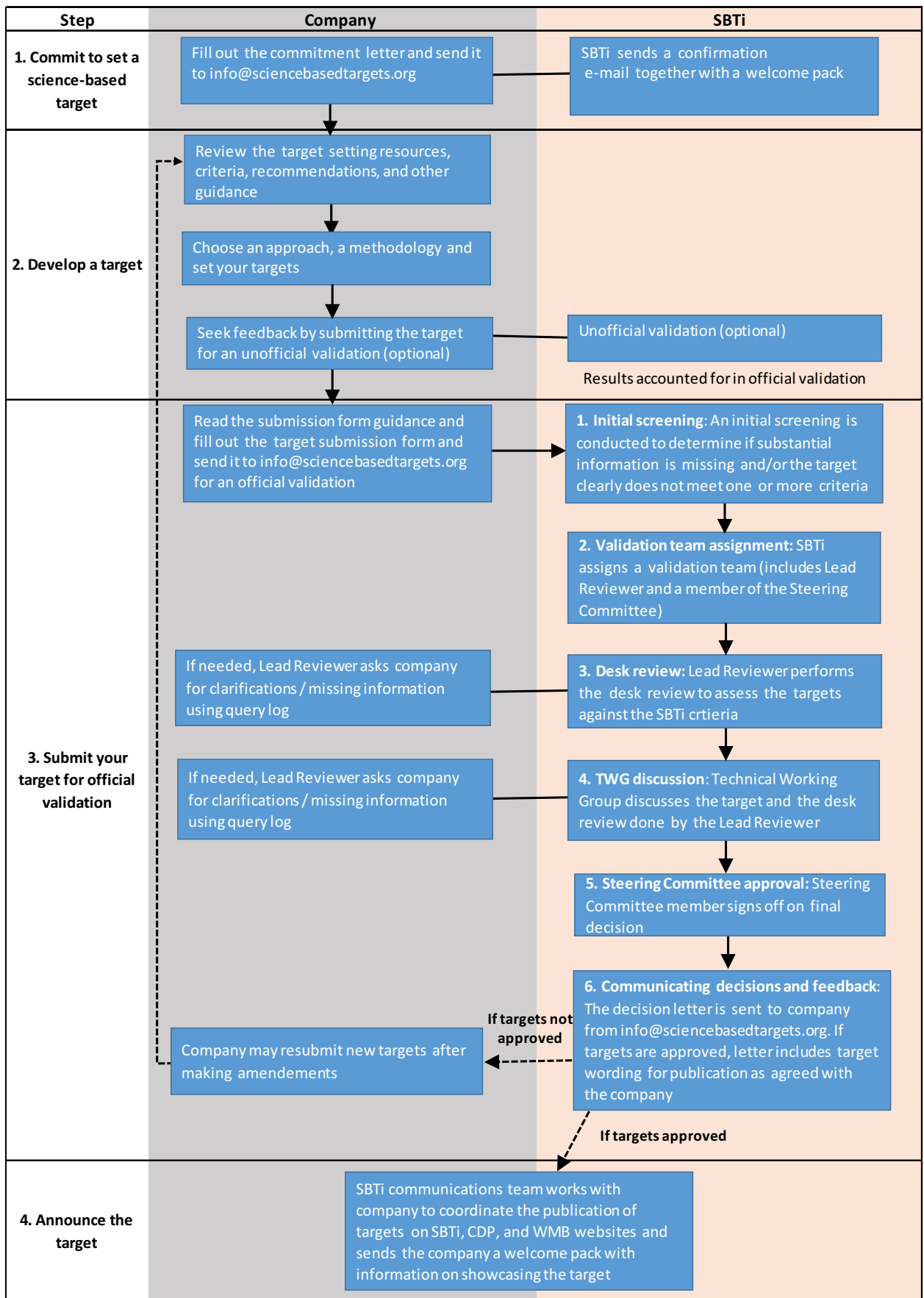
Currently, the initiative does not engage with cities, local governments, public sector institutions, educational institutions or other types of non-profit organizations. However, the initiative encourages interested stakeholders to reference science-based target setting methods when developing their greenhouse gas emissions targets.

In addition, the SBTi cannot accept targets submitted by companies in certain sectors in which further methodological work is required to validate the level of ambition of the target against a 2°C decarbonization trajectory at the moment. This includes financial institutions and fossil fuel companies. Further development work is also being conducted in other sectors (e.g. automotive, chemicals) in order to refine and improve available reduction pathways. Companies in these and other sectors are encouraged to visit the [Sector Development section](#) on our website to learn about ongoing sectoral development work and to contact the initiative to learn about opportunities to engage in these efforts.

Overview of the SBTi Call to Action process

The infographic below outlines the different steps in the SBTi Call to Action process, from committing to having an approved target announced.

Overview of the SBTi Call to Action process



Step 1: Commit to set a science-based target

How to commit

Companies that wish to commit to set a science-based target should review and complete the [commitment letter](#) and send it to info@sciencebasedtargets.org. Financial institutions should use the [commitment letter](#) that is specific to their sector. Companies that have committed will receive a “Welcome Pack” with more information on how to communicate their commitment.

We Mean Business

[We Mean Business](#), a coalition of organizations working with thousands of the world’s most influential businesses and investors, provides a platform for businesses and investors to be recognized for their climate action. Through the We Mean Business campaign, companies can commit to setting science-based targets as well as other actions such as procure 100% of electricity from renewable sources or put a price on carbon. By default, companies that commit to the Science Based Targets initiative count towards the We Mean Business Campaign (though they may opt out if they choose). However, companies that commit to set science-based targets through the We Mean Business Commit to Action Campaign are required to sign the SBTi commitment letter to be formally recognized by the initiative.

Companies that have already committed to other closely-related We Mean Business initiatives such as RE100 or EP100 are likely well-suited to set a science-based target. Likewise, those committed to science-based targets should consider how committing to 100% renewable power or improving their energy productivity would support their emission reduction efforts.

Benefits of committing

Signing the commitment letter indicates that the company will work towards setting a science-based emission reduction target. If the company already has an emissions reduction target, the letter confirms its interest in having its existing targets verified against a set of criteria developed by the Science Based Targets initiative.

After a company submits its commitment letter to info@sciencebasedtargets.org, it will be recognized as “Committed” on our [Companies Taking Action webpage](#), as well as the [We Mean Business](#) and [CDP](#) websites.

Step 2: Develop a target

Once a company signed the commitment letter, it will have up to 24 months to develop a science-based target. The target has to be in line with [the criteria](#) the SBTi considers critical for qualifying a target as “science-based.” The SBTi has developed a suite of tools and guidance to help companies understand how to meet these criteria.

Review the latest target-setting resources

General guidance

Appendix I of this document provides resources on standards for calculating a company’s GHG inventory, science-based target setting methods and how to set a science-based target. Companies should review relevant materials to ensure their inventory is calculated properly and is in line with the latest GHG accounting protocols, standards, and recommendations. The SBTi will support companies to understand which resources are available and which are the most appropriate for their needs. In addition, additional support might be provided to committed companies. To stay up-to-date on our latest resources, events and other developments, companies are encouraged to join our newsletter by clicking ‘sign up for updates’ on our [website](#), and/or visit our website regularly.

CDP Questionnaire

Companies can also be recognized for their science-based target setting efforts through the CDP disclosure platform. CDP considers targets approved by the initiative to reflect best practices in science-based target setting. Accordingly, CDP is collecting and incentivizing the adoption of science-based targets in its Climate Change Questionnaire. Targets approved by the SBTi earn leadership points, which are the highest scoring level in the questionnaire. For further information, please see the [CDP Technical Note on Science-Based Targets](#).

SBTi criteria and recommendations

Targets must meet all of the [SBTi criteria](#) in order to be approved. Companies should follow the recommendations that accompany the criteria wherever possible, though they are not required. The criteria and recommendations were developed using the GHG accounting and mitigation expertise of the Science Based Targets initiative partner organizations, with support from the SBTi’s [Technical Advisory Group](#).

Choose an approach and a methodology

Once companies have reviewed the relevant guidance, they need to choose an approach and then a methodology to set their science-based target. The [Draft Science-based Target Setting Manual](#) provides a detailed explanation of the different approaches and methodologies available, as well as recommendations for setting science-based targets. A final version will be released in 2017. In the meantime, the draft is a viable resource. However, please note as stated in section 3.3 below that it is highly recommended that when a company is developing its target, it remains in contact with the initiative to ensure it has the latest information on resources and recommendations.

Targets do not necessarily have to have been developed using one of the listed science-based target setting methods on our website as long as they meet all the [SBTi criteria](#). However, if the target was developed using a recognized method, it should be noted in the target submission form (see section 4.1.2. below) to help in the target validation process. See Appendix II for the approaches different types of targets are checked against according to the latest SBTi criteria.

Developing a Sector Pathway

The Sectoral Decarbonization Approach for science-based target-setting, a method developed by the SBTi partners with support from Ecofys, covers a number of sectors. However, it needs to cover and additional sectors and more nuanced trajectories for sectors currently in the method need to be developed. The Science Based Targets initiative invites interested stakeholders to contribute to the expansion of the SDA methodology as established in the [Sector Development Framework](#), which sets the guidelines to be followed by organizations interested in developing a science-based emissions reduction pathway or sector guidance to be considered for inclusion in the Sectoral Decarbonization Approach.

Engaging with the SBTi throughout the target development process

It is highly recommended that when a company is developing its target, it remains in contact with the initiative to ensure it has the latest information on resources and recommendations, as there may be refinements available before the initiative is able to update the guidance documents. After reviewing all of the available resources, companies can send any questions to info@sciencebasedtargets.org. Companies that have send questions should ensure this address is added to their contacts so that emails do not get filed in their spam folder.

Unofficial vs. official validations

To receive detailed feedback and determine the likelihood that targets would be considered science-based, companies may fill out the target submission form and submit the target for an 'unofficial validation'. The table below outlines the differences between unofficial and official validations. Note that companies that are CDP responders should select official validation in order for it to be considered for CDP scoring.

| Item | Unofficial validation | Official validation |
|-----------------------------------|---|--|
| Who can be assessed | - Any company. | - Any company. Companies can go through an unofficial validation before requesting an official validation. |
| Scope | - Evaluation of a company's target(s) against all SBTi criteria. - Evaluation of partial targets (e.g. only scope 3 targets, only some of the applicable sectors) | - Evaluation of a company's target(s) against all SBTi criteria. |
| Target submission form | - Submission form must be completed as required per the validation requested. | - Entire submission form must be completed. |
| Reviewed by | - TWG and SC | - TWG and SC |
| Priority | - Same level of priority than official validations, evaluated on a first come, first served basis, except between March to July ¹ when official validations for CDP scoring are prioritized. From July until March, all targets are assessed in the order they are received. | - Same level of priority than unofficial validations, evaluated on a first come, first served basis, except between March to July when official validations for CDP scoring are prioritized. |
| Level of feedback provided | - Detailed feedback is provided. - No final decision letter is issued. | - Detailed feedback is provided. - A final decision letter is issued. |
| Validity of decision | - Targets submitted for unofficial validation will not be approved by the SBTi. Targets modeled using an old version of a tool/methods must be submitted for official validation within six months after the revision date of the most recent tool/method. After that period, the targets must be recalculated using the new tool/method. | - Approved targets modelled with an old version of a tool/method are valid only within six months after the issuance date of the most recent tool/method. After that period, the targets must be recalculated using the new tool/method. |
| Communications | - No results communicated publically. | - Only targets that passed the official validation will be included in communications materials. Companies must announce target publically within a reasonable timeframe. |

¹ The SBTi receives a high number of target submissions for CDP scoring between these months each year. In order to finalize those target validations on time for CDP scoring, official validations submitted for CDP scoring will be prioritized during this period.

Step 3: Submit your target for validation

Official validation of a company's target ensures that it meets a set of rigorous criteria defined by the Science Based Targets initiative. It is the company's responsibility to make the case that the target is science-based and clearly provide appropriate information. The section below provides an overview of the validation process.

Submit the target for an official validation

How company information is treated

The Science Based Targets initiative safeguards the confidentiality of all information provided by the company to assess its targets. This means that information provided will not be shared with external stakeholders or used for any other purpose than validating the target.

Target submission form

Companies that wish to submit targets to be evaluated should download the [target submission form V2.0](#) and fill it out as clearly, completely, and accurately as possible. It is highly recommended that companies consult the [target submission form guidance](#) document before filling out the form. Additional documents should be attached only if they are directly related to the information requested. Companies should reference the specific page numbers, figures or text that is being referred to in accompanying documents. Missing, unclear, or erroneous information will result in the validation process being delayed.

It is the company's responsibility to ensure the integrity of the information provided. Once the form is completed, companies should send it together with any supporting documents in one email to info@sciencebasedtargets.org. A typical validation (unofficial or official) takes at least 25 business days. See the [CDP Technical Note on Science-Based Targets](#) for expected turnaround times regarding CDP scoring. Targets submitted by non-CDP responders for validations between March and July may take longer than normal due to the high volume that must be processed for CDP scoring.

Validation process

Process overview

After the target is submitted, the target validation process follows the steps described below. For processes and timelines regarding validations for CDP scoring between March and July companies can refer to the [CDP Technical Note on Science-based Targets](#). Target submissions for CDP scoring will be prioritized between March and July.

I. Initial screening

A member of the SBTi team performs a review to ensure that the company has properly and completely filled-out the Target Submission Form, and that overall the SBTi criteria is met. The form may be sent back

to the company outlining sections of the form that are missing and/or unclear. Once the form is deemed complete, a Validation Team is assigned.

II. Validation team assignment

The SBTi will assign a Validation Team for the target which includes a Lead Reviewer (LR), who is a qualified professional from one of the SBTi's partner organizations, and a Steering Committee member (SCM), a management level technical expert from a different organization as the reviewer, who signs off on the validation decision. The LR will be the main point of contact between the company and the SBTi. Teams are assigned in a way that ensures that any real or perceived conflicts of interest are avoided. Note that if the company had submitted an unofficial or official validation previously, the same reviewer will be assigned.

III. Desk review

The Lead Reviewer will thoroughly assess the accuracy, relevance, completeness, consistency, and transparency of the information provided by the company in the submission form and any accompanying documents. The LR may send clarifications or information requests to the company summarized in a query log. The company must respond in writing to the query and send it back to the SBTi. The LR evaluates the company's target against the SBTi criteria and fills out a target validation report with her/his decision.

IV. TWG discussion

The LR submits the target validation report for discussion to the SBTi's Technical Working Group (TWG). The TWG is composed of technical experts from each of the partner organizations. If requested by the TWG, the Lead Reviewer may ask the company for further information to prove that their target is science-based. Once all comments from the TWG are addressed, the LR forwards the Target Validation Report to the assigned SCM for appraisal and final sign-off on the validation outcome.

V. Steering Committee approval

The assigned SCM reviews the Target Validation Report and validation conclusion, and proceeds to confirm it or, if necessary, to request clarifications from the LR.

VI. Communicating decisions and feedback

Once the SCM signs off on the target validation outcome, a final decision letter (for official validations) will be sent to the company from info@sciencebasedtargets.org. If approved, the letter will include the wording of the target to be made public as agreed upon by the SBTi and the company. For unofficial target validations, companies will only receive a feedback letter.

Targets that do not meet the criteria

If one or more of the criteria have not been met, a decision letter will be sent to the company indicating which criteria and why. Companies are encouraged to address the comments in the decision letter and resubmit their targets for validation. If a company would like more information on how to improve its

targets, it is recommended it contacts the Lead Reviewer assigned to its targets.

Step 4: Announce the target

Shortly after the official approval letter is sent, a member of the SBTi communications team will contact the company to coordinate the public announcement of the target. A “Welcome Pack” will be sent to the company, which outlines how the target can be showcased/communicated, how the SBTi logo may be used, and how the SBTi approval may be referenced. Once timing is agreed, the company will be listed as a company with an “approved target” on our [Companies Taking Action webpage](#). The SBTi can embargo the release/announcement date of an approved target, but it should be announced within a reasonable timeframe.

Glossary

Initial screening: A review for completeness of the target submission form, to ensure the company has provided all information required to assess the target and if the target meets certain criteria that is assessed at this stage (e.g. boundary, timeframe).

Query log: A record of questions or requests for further information sent to the company and the company's response.

Lead Reviewer (LR): A technical expert, directly employed by one of the SBTi partners, who performs target validations including the following activities: reviews submission forms, assesses targets against SBTi criteria, liaises with companies, and submits assessments and recommendations to the TWG and SC.

Resubmission: When the company sends a new or improved target back to the SBTi for evaluation after a previous official validation determined that the target did not meet one or more of the criteria.

Steering Committee: The decision making body of the SBTi initiative. One of its functions is to provide the final sign-off on unofficial and official target validation decisions.

Steering Committee Member (SCM): A representative from one of the SBTi partner organizations who has been appointed to the Steering Committee.

Science Based Targets initiative partners (SBTi partners): The Science Based Targets initiative is a joint initiative by CDP, the UN Global Compact, the World Resources Institute (WRI) and the World Wide Fund for nature (WWF), hereafter referred to as the partners.

Target submission form: The form the company fills out with its inventory and target information. The SBTi uses the information on the form to determine if the targets meet its criteria during an unofficial or official target validation.

Target validation (official): Evaluation process that a target must pass in order for the SBTi to endorse it as science-based. Only positive results are communicated publically. The target validation is not a negotiation of a company's target(s), rather an assessment of the target(s) against the SBTi criteria.

Target validation (unofficial): Evaluation process that can be used to determine if a target or part of a target is in line with the SBTi criteria. No results are communicated publically. The target validation is not a negotiation of a company's target(s), rather an assessment of the target(s) against the SBTi criteria.

Technical Working Group (TWG): The technical arm of the SBTi that develops tools, guidance, and conducts target evaluations. Lead Reviewers are members of the TWG but they might be supported by external consultants hired to assist with the desk review portion of the target validation process.

Appendix I - Target-setting resources

The Science Based Targets initiative highly recommends companies review the resources below before setting their emissions reduction targets. Please note that this list is comprehensive but not exhaustive. This document will be updated as new resources become available.

GHG accounting standards and guidance

The Greenhouse Gas Protocol is the most used global standard for how to measure, manage, and report greenhouse gas emissions. Before setting a science-based target, companies should first ensure that their inventory is accurately calculated following these standards and guidance or other equivalent standards.

- [GHG Protocol Corporate Standard](#): A step-by-step standard that companies can use to quantify and report their GHG emissions.
- [GHG Protocol Scope 2 Guidance](#): How to measure emissions from purchased or acquired electricity, steam, heat, and cooling.

Animated infographic

The short video below provides a high level overview of main science-based targets concepts.

- [What is a science-based target?](#)

Methods and approaches

- [Draft Science-based Target Setting Manual](#): Guidance for companies that are considering setting a GHG emissions reduction target, in the process of developing a new target, or adjusting a previous target. A final version will be released in 2017. In the meantime, the draft is a viable resource.
- [Methods](#): Links to the method websites, white papers, and tools.

Scope 3

- [GHG Protocol Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard](#): A standard that provides requirements and guidance on calculating and reducing value chain emissions.
- [GHG Protocol Scope 3 Guidance](#): Links to more detailed guidance on calculating emissions in each of the 15 scope 3 categories.
- [Scope 3 Evaluator](#): A web-based tool developed by the GHG Protocol and Quantis to estimate (i.e. screen) scope 3 emissions.
- [CDP Supply Chain Program](#): This membership program provides a platform for companies and their suppliers to capture climate change data, which can be useful for emissions reductions related to purchased goods and services.

Appendix II – Target Validation Table

This table illustrates how the refined SBTi criteria on ambition (version 2.0) are assessed during the target validation process. To ensure that the 2°C carbon budget is being conserved, according to criterion C7, "intensity targets are only eligible when they lead to absolute emission reduction targets in line with climate scenarios for keeping global warming below 2°C or when they are modelled using an approved sector pathway or method approved by the Science Based Targets initiative (e.g. the Sectoral Decarbonization Approach)."

Absolute targets and activity-based intensity targets meet the ambition criteria if they are at least as aggressive as the Linear Approach or the Sectoral Decarbonization Approach (SDA). Economic-based intensity targets are eligible as long as they are in line with the Linear Approach or SDA. If economic-based intensity targets are not in line with the Linear Approach or SDA, they are only eligible if the SBTi had previously approved the target in an unofficial check/validation before version 2.0 of the criteria were released. Power generators must be in line with the SDA since their sector pathway is expected to decarbonize the most aggressively.

| When the target being validated is an: | The technical reviewer checks the target against: | | | |
|--|---|--|--|--|
| | Linear Approach | SDA | | GEVA |
| | Absolute | Absolute, if covered in a heterogeneous or homogenous sector | Intensity, if covered in a homogeneous sectors | Economic Intensity |
| Absolute target | OK | or OK | and OK | N/A |
| Activity-based intensity target | Look at expected change in absolute emissions | Look at expected change in absolute emissions | | N/A |
| | OK | or OK | and OK | |
| Economic-based intensity target → convert values to check against other methods | Look at expected change in absolute emissions | Look at expected change in absolute emissions | | If doesn't pass Linear or SDA, only passes if previously passed unofficial check |
| | OK | or OK | and OK | |
| Power Generators | N/A | OK | and OK | N/A |