

Nature Targets With Teeth

Science-based targets revolutionized business action on climate.

They're poised to do the same for nature. Leaders from three businesses in the vanguard of this dizzyingly complex—and critical—work talk about shaping the new standards.

MORE THAN 2,000 COMPANIES HAVE SET climate science-based targets through the Science Based Targets initiative (SBTi) to guide them toward net zero—a rigorous, constantly evolving approach to tackling climate change that the *Financial Times* dubbed as the “gold standard.”

Though a growing chorus of experts say that becoming net zero is impossible without becoming nature positive, not a single company has set science-based targets on nature—because no such targets have existed. The Science Based Targets Network (SBTN) is looking to change that.

It's doing so by collaborating with more than 70 NGOs, business associations and consultancies to define what needs to be done to stay within the Earth's limits while meeting society's growing needs.

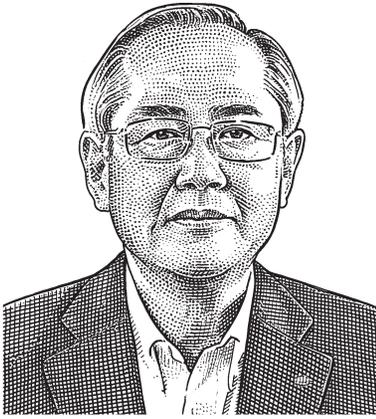
As you might imagine, protecting oceans, land, biodiversity and freshwater involves an enormous range of issues that can be difficult to define or categorize—cattle farming, for instance, can help regenerate soil in one country and contribute to deforestation in another. Where does that fit on a

matrix? For all of climate change's complexity, there is at least a unifying metric—greenhouse gas emissions—that can be measured consistently across the world. The nature crisis offers no such uniformity.

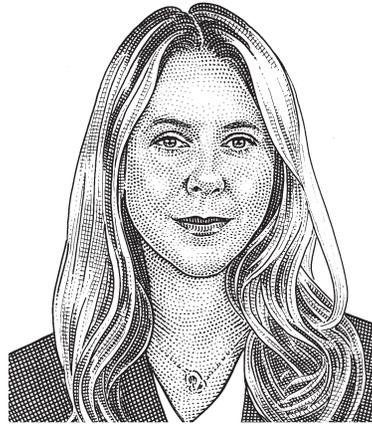
So the challenge for SBTN is twofold: translate the tangle of nature-related issues into frameworks, metrics and tools that actually work—and that businesses can actually understand and implement.

The SBTN's Corporate Engagement Program (CEP) helps on both fronts. Comprised of over 180 companies, consultancies and industry coalitions taking some of the most ambitious action on nature, the CEP brings leading businesses together to share what's worked for them, the challenges they face, and weigh in on tricky questions. It's like having some of the best runners in the world work together on a training plan any committed runner could follow.

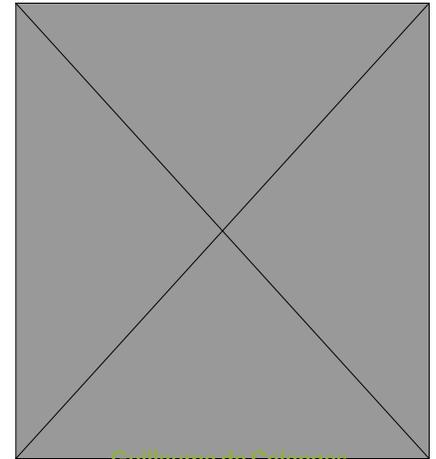
To this task CEP members bring a medley of perspectives and areas of specialization. Kirin Holdings Company Group, a Japanese beverage company, is part of a pilot group on fresh water—after conducting a risk assessment of their biological resources



Yoshinori Isozaki
President and CEO
Kirin Holdings Group



Rebecca Marmot
Chief Sustainability Officer
Unilever



Guillaume de Colonges
Merchandise Executive Director
Carrefour

in 2011, the company has been working to source materials with no environmental impact.

Carrefour, one of the world’s largest food retailers, is also working toward ambitious nature goals, including that 50% of the fish sold in its stores should come from sustainable fishing by 2025. Unilever, one of the world’s largest consumer goods companies, has set itself the target of a deforestation-free supply chain in palm oil, paper, tea, soy and cocoa by 2023, while investing €1 billion (\$1.07 billion) in a Climate & Nature Fund, which will be disbursed over 10 years.

Brunswick spoke with leaders from those three companies to get a sense of how and why they were working to become nature positive—and why, through their work in CEP, they wanted to help shape the standards by which other companies might do the same.

From each, we heard a similar response: They’re acting because nature is central to their business.

“All of Kirin Group’s businesses, such as beer and wine, soft drinks and biopharmaceuticals are dependent on the benefits of natural capital,” said Yoshinori Isozaki, Kirin’s President and CEO.

The centrality of nature was echoed by Rebecca Marmot, Unilever’s Chief Sustainability Officer. “The time is now for nature to be integrated into business strategies and for organizations to recognize the value of nature to their business. The science cannot be clearer on the urgency of taking action for nature, but what we need behind these nature goals are internationally recognized frameworks and science-based measurements.”

At Carrefour, Guillaume de Colonges, the group’s Merchandise Executive Director, cited nature as a “critical issue” for the company “first and foremost because of our customers. They expect us to offer food which limits climate change, which avoids

“We know that in the long term, today’s practices will be tomorrow’s standards.”

ANUSHAH KHAN, an Executive, and **CRESSIDA CURTIS**, a Director, are both based in London and part of Brunswick’s Business & Society team.

plastic pollution in the ocean, or which protects forests,” he said. “And we know that in the long term today’s best practices will be tomorrow’s standards.”

Each leader saw their company’s involvement in the CEP as pragmatic rather than altruistic.

“Defining our targets, measuring our progress, and reporting on it internally to our customers or our investors: That is how we can create value,” said Carrefour’s de Colonges. “These targets can seem theoretical, but they have very practical outcomes in our stores. For example, we provide products from sustainable fishing that are accessible in our seafood and fish section. We are, therefore, visibly transforming the buying experience of our customers.”

“Scientific target setting will help make stronger engagement among producers, distributors and consumers,” said Kirin’s Isozaki. “We apply the knowledge gained here in setting other natural capital targets. Well-designed frameworks and methodologies can help improve a company’s own initiatives and make it easier to learn from the best practices of others.”

A third thread that ran through each of the conversations was clear: Companies don’t have to wait to act, and they don’t have to go it alone.

“Despite the definition of nature positive being a work in progress, companies should not be paralyzed or delayed by uncertainty and imperfect information,” Unilever’s Rebecca Marmot said. “Companies can adopt existing measurement methodologies or reporting frameworks and make a start by conducting a materiality assessment on their impacts and dependencies on nature.”

It was a sentiment shared by Kirin’s Isozaki and Carrefour’s de Colonges. Both encouraged companies to start acting on nature today, and both used the same word to describe how companies should do so: “together.” ♦

WHAT ARE SCIENCE-BASED TARGETS? The SBTN defines them as “measurable, actionable, and time-bound objectives, based on the best available science, that allow actors to align with Earth’s limits and societal sustainability goals.” The SBTN helps companies adopt a roadmap for integrated action on climate and nature by building upon science-based targets for climate, which help companies mitigate their GHG emissions through the Science Based Targets initiative (SBTi).

Why set them?

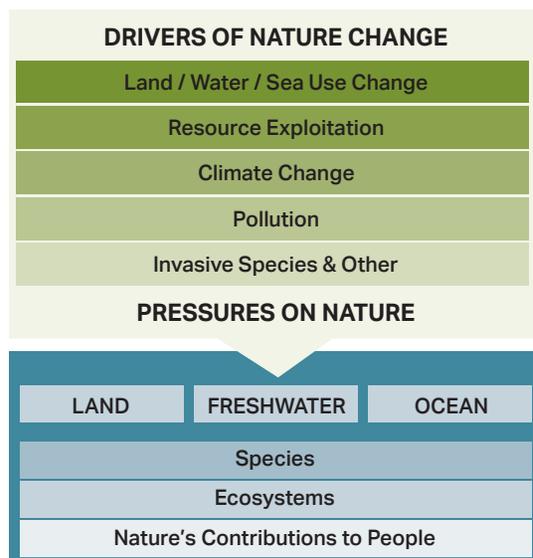
Aside from being the right thing to do—businesses depend upon the natural world, after all—the SBTN identifies **SEVEN AREAS**:

- 1. GROW INVESTMENT.** Investors are increasingly integrating environmental, social and governance (ESG) into their investment practices and ownership policies. Ratings agencies like Moody’s and Fitch now include nature-related disclosures in their assessments.
- 2. REDUCE RISK.** Over half of global emissions are now from countries with net-zero emissions by 2050 targets. Regulation around nature protection is rising.

- 3. OUTPERFORM.** Companies with higher sustainability scores outperform their peers.
- 4. ATTRACT TALENT.** Organizations that focus on sustainability are better placed to attract and retain talent.
- 5. INNOVATE.** Increased innovation amounts to billions of dollars’ worth of opportunities.
- 6. REPUTATION.** Strengthen your brand’s reputation by setting science-based targets for nature.
- 7. COLLABORATE.** Setting science-based targets for nature provides the opportunity to collaborate and transform.

What areas will science-based targets for nature cover?

As it finalizes the exact frameworks and methodologies for science-based targets for nature, the SBTN has shared high-level categories that those targets will include.



What can companies do now?

The SBTN suggests **THREE STEPS**:

1 Understand your impacts and dependencies on nature. Undertake a “root and branch” audit of your business that will enable you to identify and learn about your company’s most material impacts and dependencies on nature—and where they occur in your operations and across your value chain. SBTN offers detailed guidance on its website to help companies assess their environmental impacts.

2 Measure and set targets. Measure those impacts and dependencies on nature with proposed indicators and disclose them for transparency. Companies will soon be able to set initial targets on freshwater and land through the first release of SBTN’s science-based targets for nature. And, if you haven’t set science-based targets for climate with the SBTi yet, then do so.

3 Lead the way. Joining the SBTN Corporate Engagement Program puts companies at the forefront of ambitious corporate action on nature, and gives you the opportunity to help shape the final methods and tools. It will also give your company the chance to be part of a network of forward-thinking companies, to share experiences with and learn from, as well as get the latest advice from our technical experts.