



WWF BASKET & RETAILERS'
COMMITMENT FOR NATURE

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EXPLAINER: CLIMATE TARGET REQUIREMENTS UNDER WWF'S RETAILERS' COMMITMENT FOR NATURE & WWF'S RETAILERS' COMMITMENT FOR NATURE: CLIMATE ACTION

Signatories to WWF's Retailers' Commitment for Nature have committed to set 1.5-degree aligned Science Based Targets (SBT), in all scopes, near-term and long-term.

The Science Based Targets Initiative (SBTi) Corporate Net Zero Standard was released in October 2021 and introduced the concept of near- and long-term SBTs and defined what 'net zero' meant for a corporate organisation. Understanding of these concepts has developed significantly since then. In addition to this, the SBTi, in autumn 2022, released their Forestry, Land-use, and Agricultural (FLAG) guidance for companies in these sectors setting SBTs, which introduced separate targets for FLAG emissions.

In November 2022, in recognition that collective supply chains are the most significant contribution to retailer climate impact and as such will need to reduce emissions, signatory retailers announced that they will require suppliers representing at least 50% of emissions arising from purchased goods and services to have robust, science-based, net zero targets, across all scopes, against the following timeline:

- Publicly committed to setting science-based net zero targets aligned with 1.5 degrees by the end of 2023 at the latest
- Publishing scope 1, 2 and 3 GHG inventories by the end of 2024
- Publicly release science-based net zero targets aligned with 1.5 degrees in all scopes, near and long term by the end of 2025

This document identifies what is required by retailers and suppliers under WWF's Retailers' Commitment for Nature and the Climate Action commitment in November 2022, given the guidance documents that are now available, and how this links to WRAP's work under the [Retailer Net Zero Collaborative Action Programme](#) and Courtauld 2030.





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BASIC REQUIREMENTS

Retailers must set 1.5 degree-aligned near-term targets to reduce emissions and long-term targets to achieve net zero, following a 1.5 degree-aligned pathway. These targets should be in alignment with the SBTi Corporate Net Zero Standard and the FLAG guidance. The general requirements in terms of timeframes and levels of reduction are shown in Table 1 below.

Table 1 Timeframes and Reductions Required in the Near and Long Term SBTs

Target Type	Timeframe	Reduction Requirements
Near Term FLAG	Within 5-10 years	FLAG Sector Approach – annual reduction of 3.03% per annum FLAG Commodities – annual reductions in Table 9 within FLAG Guidance
Near Term Non-FLAG	Within 5-10 years	Annual reduction of at least 4.2% per annum across each of scope 1, 2 and 3 emissions
Long Term FLAG	By 2050	Absolute portion of FLAG target – 72% overall reduction
Long Term Non-FLAG	By 2050	90% overall reduction in scope 1, 2 and 3 emissions

SEPARATION OF NEAR- AND LONG-TERM TARGETS

Under the SBTi guidance documents, near-term and long-term SBTs are separate. Near-term targets simply require a minimum annual reduction in emissions within the next 5–10 years in comparison to the baseline year. The level of annual reduction is dependent on whether the emissions are FLAG or non-FLAG emissions, but critically, this is targeting a minimum annual reduction (per annum). This means that although retailers may have different baseline and target years for their near-term SBTs, the requirements of their near-term targets are calculated with an identical method.

Long-term targets are formulated differently and require an overall reduction in emissions in comparison to the baseline year, rather than a minimum annual reduction. Long-term targets can be seen separately from near-term targets. Based on our understanding of retailer targets from conversations under the WWF's Retailers' Commitment for Nature and material publicly





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released, some retailers have opted for 2040 as a net zero target across all scopes and some 2050. As such, there is some divergence between retailers on the date by which net zero is being publicly committed to in the long term. However, all of these approaches are compatible with the WWF's Retailers' Commitment for Nature statement released in 2021 which requires retailers to achieve net zero by 2050 via a 1.5 degree compliant pathway (i.e. near-term annual reductions as stated in Table 1).

Moreover, this does not hinder WRAP's grocery retailer Net Zero Collaborative Action Programme, which began in January 2023. This programme will focus on the pre-competitive action that retailers need to be taking to achieve their near-term SBTs and the shared 2030 Courtauld GHG target. The differences in net zero targets date will not impact the delivery of the Collaborative Action Programme.

HOW ARE THE COURTAULD TARGET AND SBTs RELATED?

In 2021, as part of the Courtauld 2030, an absolute GHG emission reduction target of 50% by 2030 from a 2015 baseline was set for the UK food and drinks industry, covering scope 1, 2, and 3 emissions. This target was set prior to SBTi FLAG guidance being released, and it was not possible to set a sectoral SBTi-aligned target as the SBTi framework is focussed on business-level targets. However, the 50% reduction target was reached through analysis of the IPCC SR1.5 scenario and UKCCC 6th carbon budget; it meets both the scenario and budget, while broadly aligning with the principles of science-based targets.

REQUIREMENTS FOR RETAILERS' SUPPLIERS

WWF's Retailers' Commitment for Nature: Climate Action announced in November 2022 requires suppliers representing at least 50% of emissions arising from our purchased goods and services to have robust, science-based, net zero targets, across all scopes, against the following timeline:

- Publicly committed to setting science-based net zero targets aligned with 1.5 degrees by the end of 2023 at the latest.
- Publishing scope 1, 2 and 3 GHG inventories by the end of 2024.
- Publicly release science-based net zero targets aligned with 1.5 degrees in all scopes, near and long term by the end of 2025.





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RELEVANT LINKS

[WWF's Retailers Commitment for Nature](#)

[WWF's Retailers' Commitment for Nature: Climate Action](#)

[WRAP's Courtauld 2030](#)

[Retailer Net Zero Collaborative Action Programme](#)

[Science Based Targets Initiative \(SBTi\) Corporate Net Zero Standard](#)

[Forestry, Land-use, and Agricultural \(FLAG\) guidance](#)

