

## Climate & Sustainability

Use Case |  
Water target setting for leader  
in the automotive industry



# Water strategy and SBTN target setting

## Transforming awareness into strategic action

### Project scope

As part of its broader biodiversity strategy, the Client committed to setting water-related targets aligned with the **Science Based Target Network (SBTN) methodology** by 2025. The initiative encompassed two complementary workstreams: the development of a comprehensive **water quality KPI framework** and the establishment of **freshwater quantity targets** grounded in scientific principles. The project was driven by the Client's commitment to go beyond regulatory compliance and pursue proactive environmental management, positioning itself as one of the first global companies to adopt **targets aligned with the current SBTN methodology**. The work required close collaboration between Deloitte Climate & Sustainability and the Client's sustainability and HSE teams, with repeated engagement with SBTN itself to ensure methodological accuracy and alignment with evolving international standards.

### Deliverables

- A Water quality KPI model to encompass nutrient pollution as well as other relevant pollutant classes
- B Freshwater quantity targets aligned to the SBTN methodology (v1)
- C Materiality assessment documentation identifying the relevance of water-related impacts across the Client's economic activities and value chain
- D Priority site and activity identification reports selected for inclusion in water-related objectives

### Main Activities

#### Water quality KPI model

Development of an **advanced water quality KPI model** aligned with major international sustainability frameworks, including the CDP Water Security questionnaire, the EU Taxonomy's "Do No Significant Harm" (DNSH) requirement, ISO 14001, and the SBTN framework. A materiality assessment based on SBTN methodology—which focuses on nutrient pollution—determined that water quality was not a material aspect for the Client's direct production processes or auxiliary operations, as significant direct discharges or nutrient-related impacts were absent. Despite this finding, the Client voluntarily chose to implement a rigorous water quality KPI framework.

#### SBTN freshwater quantity target-setting process

Support of the Client through the three-step **SBTN freshwater quantity target-setting process**:

- Step 1 (Assess) involved materiality screening and value chain assessment;
- Step 2 (Interpret & Prioritize) identified priority locations and economic activities;
- Step 3 (Measure, Set & Disclose) quantified freshwater use and impacts, evaluated interactions with local basin conditions and sustainability thresholds, and established **science-based freshwater targets aligned with SBTN principles**.

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