PROCEDURE FOR VALIDATION OF SBTi TARGETS

Version 1.1

March 2024

ABOUT SBTi

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

We develop standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The SBTi is incorporated as a charity, with a subsidiary which will host our target validation services. Our partners are CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

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The SBTi reserves the right to revise this document according to a set revision schedule or as advisable to reflect the most recent emissions scenarios, regulatory, legal or scientific developments, or changes to GHG accounting best practices.

 "Science Based Targets initiative" and "SBTi" refer to the Science Based Targets initiative, a private company registered in England number 14960097 and registered as a UK Charity number 1205768.

VERSION HISTORY

Version	Change/update description	Release date	Effective dates
1.0	Combined the SBTi Corporate Manual v2.1 and the Target Validation Protocol for Near-term Targets v3.1 to provide comprehensive step-by-step guidance for companies that would like to commit to SBTi, develop and submit targets and track progress against targets. This includes: ● Updates with new SBTi SME criteria. ● Further explanation on the rationale and approach taken for base-year adjustment of targets with a base-year later than 2020.	December 20, 2023	From June 20, 2024
1.1	The following sections have been removed and added to the Corporate Net-Zero Standard version 1.2: ● *Further requirements and best practice in GHG accounting* ● *Target classification definition* ● *Target classification rules* ● *Disclose your progress* ● *Decide where to disclose* ● *Follow the reporting guiding principles* ● *Reporting guidelines* A clarification on optional scope 3 targets was added to Table 1. A rename of the section *First Round Queries* to *Queries*.	March 29, 2024	From June 20, 2024

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1. OBJECTIVE AND SCOPE OF SBTi VALIDATION

The objective of SBTi Validation is to ensure consistent, stringent, assessment of corporate and financial institution targets in line with the SBTi Standards and guidance.

2. SUMMARY OF ROLES AND RESPONSIBILITIES

SBTi Services Department

The SBTi Services Department is responsible for reviewing, querying, and assessing validations according to this Procedure. The Services Department includes the Target Validation Team, Target Operations Team and Validation Credibility Assurance. The Services Department reports to the SBTi's Chief Operating Officer (COO).

The Services Department works cross-functionally with the Compliance Department, where needed, to ensure that:

- The interdependencies between SBTi Standards and SBTi Validation is conducted formally and thoroughly;
- Applicable documentation for the validation process is clear, public and that the latest versions are shared with all parties involved, before they become applicable
- Processes and procedures are in place for assessing complaints and appeals, including relevant policy adherence and that these are handled accordingly.

3. OVERVIEW OF THE SBTi'S TARGET-SETTING PROCESS AND VALIDATION PROCEDURE

Who can set science-based targets?

The SBTi promotes corporate climate action and encourages organizations from all sectors to demonstrate leadership by setting science-based emissions reduction targets. This includes financial institutions, joint ventures, cooperatives and state-owned enterprises. The SBTi is especially keen to welcome organizations in the highest-emitting sectors, who play a crucial role in ensuring the transition to a net-zero economy. The exception is oil and gas companies as their targets cannot yet be officially validated.

The SBTi does not currently assess targets for cities, local governments, public sector institutions, educational institutions or non-profit organizations. However, we encourage these stakeholders to consider near-term and net-zero SBT setting methods when developing targets independently. Cities can register their interest in setting targets through the Science Based Targets Network (SBTN). Public sector institutions that meet the small and medium-sized enterprise (SME) criteria can submit targets through the SME route.

SBTi financial sector

In October 2020, the SBTi formally launched its target setting framework for Financial Institutions (FIs). A specific set of criteria and guidance for FIs has been developed and must be followed by all relevant FIs.

The SBTi defines a FI as an entity that generates 5% or more of its revenue from investment, lending, or insurance activities. This includes but is not limited to banks, asset

managers and private equity firms, asset owners and insurance companies, and mortgage real estate investment trusts (REITs).

Small and medium-sized enterprises (SMEs)

In recognition of the important role SMEs must play in global climate action as well as the limited resources available to companies of this size, the SBTi has established a separate expedited route for these companies. This simplified approach for SMEs balances the need for them to take account of emissions across their value chains without imposing too great a burden.

For the SBTi's definition of a SME, please refer to the Small and Medium Sized Enterprises (SMEs) FAQs document. SMEs can immediately set a near-term SBT for their scope 1 and 2 emissions by choosing from predefined target options. SMEs can also set net-zero targets using this streamlined route. Unlike larger companies, the SBTi does not require SMEs to set near-term targets for their scope 3 emissions at this time. However, SMEs must commit to measure and reduce their scope 3 emissions and scope 3 targets are required for a net-zero target.

SMEs who opt to use the standard target validation route rather than the streamlined SME route must meet all standard validation criteria.

Commitment

How to commit

Companies that wish to commit to set a near-term or net-zero SBT may submit the SBTi Commitment Letter. By signing the letter, companies commit to submitting a near-term or net-zero science-based emissions reduction target in line with SBTi's target-setting criteria within 24 months with the latest version of SBTi Standards and guidance. If the company already has an emissions reduction target or net-zero target, the letter confirms its interest in having its existing targets verified against a set of near-term/net-zero criteria developed by the SBTi or developing new targets that will align with these near-term/net-zero criteria.

The SBTi strongly encourages companies to commit before submitting targets to the initiative for validation; however, companies may choose to move straight to developing and submitting targets for validation. Companies are urged to aim for the highest level of ambition in their target setting, and are encouraged to commit to net-zero and automatically join the United Nations Framework Convention on Climate Change (UNFCCC) Race to Zero.

The list of committed companies is updated on the SBTi website every week. Companies that have committed will receive guidance on how to communicate their near-term and/or net-zero commitment. The SBTi reserves the right to perform due diligence before accepting new near-term and/or net-zero commitments.

SMEs are not required to sign the Commitment Letter, and they can use the SME science-based target setting form specifically designed and solely designated for SMEs. This pathway enables SMEs to bypass the initial SBT near-term and net-zero commitment stages and the standard target validation process.

The SBTi encourages companies to start the target development process and submit targets for validation as early as possible. Companies have 24 months to submit targets to the SBTi for validation. Refer to the SBTi Commitment Compliance Policy for more information.

Developing a target

Targets must be submitted within 24 months of signing the commitment letter, and must be submitted in line with the latest versions of the SBTi standards and guidance that 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 the requirements.

Review the target-setting resources

Please refer to the criteria and recommendations of the [SBTi Corporate Near-term criteria and of the Corporate Net-Zero Standard](#).

Companies developing targets should carefully consult relevant SBTi resources to ensure they have the latest information on recommendation and requirements. To stay up to date on the latest resources companies are encouraged to visit the website regularly and explore the [FAQ page](#) for answers to commonly asked questions. If questions persist, companies should use the [contact page](#) on the website to ask directly for clarifications.

Criteria and recommendations

Targets must meet all the SBTi criteria and guidance to be approved. The SBTi Standards department will communicate when criteria are to be updated and also the grace period for when substantive content changes are made.

From March 13 2024, organizations must submit near-term targets using SBTi Corporate Near-term Criteria V5.2 or net-zero targets using SBTi Corporate Net-zero Standard V1.2. And from March 13 2024, SBTi Near-Term Criteria V5.1 and SBTi Corporate Net-Zero Standard V1.1 are no longer eligible.

Companies must also align SBTs with requirements established through sector development work approved by the SBTi. Companies should see the [sector guidance section](#) of the SBTi website and the Sector-Specific [Criteria Assessment Tables](#) for information on sector-specific requirements and resources.

Submit target for validation

Validation of a company's target ensures that it meets a set of rigorous criteria defined by the SBTi. 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.

Figure 1. Visual process of validation stages

Target submission form

Companies that wish to submit targets to be evaluated should download the latest Target Submission Form and Guidance and fill it out as clearly, completely and accurately as possible. Companies should consult the guidance available before completing the form, including the target language guidance. 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. Targets modeled with an old version of tool(s)/method(s) will be accepted in a target submission only within six months after the issuance date of the most recent tool(s)/method(s), unless otherwise noted. After that period, the targets must be recalculated using the new tool/method for submission.

Once the form is completed, companies should submit the form together with any supporting documents via the online Target Validation Booking System for targets. The booking system reserves a date for the target validation service to begin and submits your Target Submission Form and any other relevant documents to the SBTi for validation purposes.

How information is treated

The SBTi safeguards the confidentiality of all information provided by companies to assess targets. This means that information provided will be used in accordance with the target validation service contract that companies are asked to sign before target assessments commence.

The target validation service

The results of the validation will be ready within 30 or 60 business days from the date the contract has been fully executed by both parties and provided that any queries for further information or clarification sent by the validation team are resolved within 2 business days.

Preliminary validations, offered as a separate service before July 2020, have been combined with the official validation process to create a single validation option.

The target update service is a combination and improvement upon the previous ''resubmission'' and ''voluntary ambition update'' services. For the pricing of these services, please refer to the SBTi website.

The target update service is a streamlined process developed for companies who wish to align their targets with any new guidance or to update/edit previously approved targets in other ways.

Technical screening

Upon receiving the company's submission, a technical screening is completed which is not included within the 30 or 60-business day turnaround. The technical screening is a high-level assessment of the submission form to verify its completeness and the company's eligibility to be validated.

i) If the company does not pass the technical screening, a formal desk review will not be undertaken by the Target Validation Team. A decision email indicating the reasons for non-conformance and recommendations for resubmission is then issued and sent to the company. Companies can make the recommended changes and immediately resubmit to the SBTi for another screening.

ii) If the company does pass the technical screening, the submission proceeds to the next stage for a desk review by the Target Validation Team. The company will be directed to sign the Terms and Conditions and informed of the next steps for invoicing related to the validation service. The target validation service is conducted within 30 to 60 business days, with the start date beginning once the company passes the technical screening.

Target Validation Team assignment

A validation team consisting of a lead reviewer (LR) and an appointed approver (AA) is assigned for each target submission. The LR performs the desk review of the submission, prepares the deliverables, organizes a feedback call if necessary, and acts as the point of contact between the company and the SBTi throughout the validation process. The AA acts as a peer reviewer on the completed desk review mitigating potential conflict of interest. This is determined through the conflict of interest process available on the SBTi website.

Desk review

Once the validation team (LR and AA) have been assigned, the Target Submission Form(s) and supporting documentation are assessed against SBTi standards and relevant guidance. The LR conducts a desk review of not only the submitted information but also publicly available documents such as but not limited to the company's sustainability report, annual report, financial report, etc.

During the desk review, the LR thoroughly assesses the accuracy, relevance, completeness, consistency, and transparency of the information provided by the company in the submission form and any accompanying documentation. If clarifications or additional information is required from the company, the LR will send a query to the company at the desk review

stage. Common query topics include clarifying GHG accounting processes underlying assumptions or calculations, and ensuring the correct interpretation of data provided by the company.

Once the desk review is completed, the LR drafts the deliverables and the results of the assessment for the appointed approver process.

Criteria Assessment Indicator conformance

As part of the desk review, the LR will analyze the submission form answers and objective evidence provided against the Criteria Assessment Indicators.

The Criteria Assessment Indicators (CAI) are provided as verifiable control points which will be used to evaluate submitted information during the target validation process. Conformity with the CAI gives confidence that the company is in compliance with the SBTi Standard(s) under which they are submitting targets. The CAI represent a clarification and formalization of the existing process followed by the Target Validation Team to assess alignment of all corporate and financial institution submissions with SBTi Criteria, SBTi Sector Guidance and GHG Protocol Corporate Standard, Scope 2 Guidance, and Corporate Value Chain Standard. The publication of the CAI seeks to provide clarity for stakeholders and does not signify any additional requirements for companies setting science-based targets, beyond what has been required of all companies submitting under SBTi Criteria version 5.0 and beyond.

Queries

Queries may be sent to the company at the desk review stage or any other stage in the process. If it is deemed necessary, the LR may request a call to clarify certain aspects of a company's submission.

Extended timeline

A company must respond to all queries in full or further information requests from the Lead Reviewer within two business days to receive a validation decision within the contracted due date. If a response is not received within the two business days, the Target Validation Team cannot guarantee the validation decision or deliverables will be finalized within the contracted timeline.

It is the company's responsibility to provide all the information required to complete the desk review according to SBTi standards and guidance. If a company needs to update or change data that deviates from the original target submission information during the validation process this may delay a decision beyond the contracted timeline. If the information provided is deemed insufficient by the SBTi after at least two query attempts, the SBTi may consider the submission to be non-compliant.

During the desk review, the target language is also assessed to ensure compliance with SBTi guidelines. If a company uses target wording that deviates from SBTi guidelines, this may also delay a decision beyond the contracted timeline.

The SBTi recommends that the company contact is in office or is available to field queries throughout the duration of the target review process to limit delays in response. An

alternative company contact should be provided, should the primary contact be out of office to holidays or illness.

Appointed approver review

A short desk review, analysis of the LR notes and queries, and review of assessment results is completed by the Appointed Approver (AA) to ensure accuracy and conformance with the SBTi standards and guidance. If the AA agrees with the recommendations, the LR will progress the target to the Target Validation Team review meeting. If the AA disagrees with the recommendation of the LR, the disagreement is brought to the Target Validation Team review meeting for further discussion.

Target Validation Team review

Upon completion of the desk review and peer review process, the target is brought to a weekly Target Validation Team review meeting for final decision. The decision of the Target Validation Team review must be unanimous and if a unanimous decision cannot be reached, the target must be presented to the Interim Validation Committee.

Communicating decisions and feedback

After a final decision has been reached, the LR completes the deliverables for the company. Deliverables are then sent to the Target Operations Team who ensure the company has completed all operational steps before sending the deliverables to the company provided contacts. The company receives a target validation report and can request a feedback call if the decision is a rejection to discuss feedback and next steps.

4. ASSESSMENT OF SBTi CRITERIA

The SBTi Criteria outline the minimum qualitative and quantitative criteria for near-term and/or net-zero targets to be recognized by the SBTi. The validation team reviews the Target Submission Form and associated documents to ensure that all criteria are met for any target submission to be approved. By implementing the Criteria Assessment Indicators, this provides more detailed information to companies on the procedure followed by the reviewer to assess each criterion and clear evidence to demonstrate how the requirement is met. The validation team adheres to the Criteria Assessment Indicators consistently for all companies' target validations and all decisions are justified using these requirements.[1]

Criteria Assessment Indicators

The Criteria Assessment Indicators (CAI) are provided as verifiable control points which will be used to evaluate submitted information during the target validation process. Conformity with the CAI gives confidence that the company is in compliance with the SBTi Standard(s) under which they are submitting targets. The CAI represent a clarification and formalization

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[1] If a novel case appears in a target validation that is not explicitly covered in this guide, the Target Validation Team may consult with the Technical Department, and if necessary, bring the issue to the relevant leadership body for final decision-making. In such cases, there might be significant delay for the Target Validation Team to deliver the final target decisions, and it cannot be guaranteed that targets that do not adhere to the Criteria Assessment Indicators will be approved after the additional consultations with SBTi. If necessary, relevant sections of the Criteria Assessment Indicators will be updated to reflect the additional information/decisions made.

of the existing process followed by the Target Validation Team to assess alignment of all corporate and financial institution submissions with SBTi Criteria, SBTi Sector Guidance and GHG Protocol Corporate Standard, Scope 2 Guidance, and Corporate Value Chain Standard. The publication of the CAI seeks to provide clarity for stakeholders and does not signify any additional requirements for companies setting science-based targets, beyond what has been required of all companies submitting under SBTi Criteria version 5.0 and beyond.

The [Criteria Assessment Indicators](#) uses precise language to indicate requirements, recommendations, and allowable options that companies may choose to follow.

- The terms "shall" or "must" are used throughout this document to indicate what is required for targets to be in conformance with the SBTi Criteria for Near-term Targets and with the SBTi Corporate Net-Zero Standard criteria.
- The term "should" is used to indicate a recommendation, but not a requirement.
- The term "may" is used to indicate an option that is permissible or allowable.

The terms "required" or "must" are used to refer to requirements. "Can" and "is encouraged" may be used to provide recommendations on implementing a requirement or "cannot" may be used to indicate when an action is not possible.

The CAI is intended for corporates and financial institutions submitting targets to the SBTi. Companies should utilize the CAI document while completing the target submission form(s) to ensure that any proposed targets meet all relevant criteria. The 'description' column provides a detailed explanation of the CAI, which can be understood as the various checks conducted to ensure conformity with the SBTi Criteria. The 'minimum documentation required' column outlines the information needed to assess conformity with each criteria assessment indicator, and stipulates where (if relevant) in the submission form to provide this information or if supplemental documentation is required.

The Target Validation Team will review all submissions to ensure that all CAI are met for any target submission to be approved. The Target Validation Team reserves the right to request additional information during the validation process, where further explanation or evidence is needed to clarify alignment with any criteria assessment indicators.

Assessing target ambition

Please refer to Table 3 in the Corporate Net-zero Standard V1.2 for a summary of eligible methods. Sector-specific target setting methods and associated ambitions can be found in the relevant [sector guidance document](#)(s).

Target wording requirements

The SBTi has specific guidance for target wording to increase comparability and transparency among approved targets. Companies are required to follow specific guidelines for target wording and the SBTi reserves the right to not approve targets that deviate from this guidance. What may appear to be minor nuances may significantly alter the target's intention. Table 1 provides required target template wording for each type of target. Table 2 provides mandatory target templates for sector-specific targets.

Table 1. Required target language templates

Target type	Required target language	
	Scopes 1 and 2	**Scope 3**
Precision of percent reductions	*For clarity and transparency, percentage emissions reductions shall be expressed to one decimal point, with the exception being if the first decimal point is 0 for all target ambitions. Then, for example 42.0% should instead be written as 42%.*	
Financial years	*If a company chooses to use a financial year, a financial year must be used for both the base year and target year.* *Fiscal years shall follow the date range that a company uses for reporting purposes.*	
Absolute targets	[Company name] commits to reduce absolute scope 1 and 2 GHG emissions [percent reduction]% by [target year] from a [base year] base year.	[Company name] commits to reduce absolute scope 3 GHG emissions from [name scope 3 categories] [percent reduction]% by [target year] from a [base year] base year.[2]
Intensity targets	[Company name] commits to reduce scope 1 and 2 GHG emissions [percent reduction]% per [unit] by [target year] from a [base year] base year.[3]	[Company name] commits to reduce scope 3 GHG emissions from [name scope 3 categories] [percent reduction]% per [unit] by [target year] from a [base year] base year.[1]
Base year and target year are the same	*Not applicable.*	*If a company has the same base year and target year for scope 1 and 2 and scope 3, it is preferable to not repeat the specific years for the scope 3 language. Instead, companies should use the language* "within the same timeframe" *for the scope 3 target timeframe portion of the target language.*
Combined scope 1, 2 and 3 targets[4]	[Company name] commits to reduce absolute scope 1, 2	

[2] Unless all categories of reported emissions are covered or overall scope 3 target coverage exceeds 95%, target language must refer to specific scope 3 categories covered, e.g., purchased goods and services, or use of sold products. The exception to this is if the company is covering a portion of all categories reported. The target must not refer to specific regions and businesses or specific activities e.g., purchasing of building materials.

[3] Intensity targets for scope 1 and scope 2 emissions are only eligible when they are modeled using an approved 1.5°C sector pathway applicable to companies' business activities.

[4] Even if a combined scope 1, 2 and 3 target is used, the ambition of the scope 1 and 2 target is assessed separately from the scope 3 target. To calculate the ambition of combined targets, the

	and 3 GHG emissions [percent reduction]% by [target year] from a [base year] base year.
	The SBTi recommends that for combined scope 1, 2 and 3 targets when the scope 1+2 and scope 3 ambition differs, not only the combined scope 1+2+3 target is published, but also the disaggregate scope 1+2 and scope 3 target language for transparency. *For example*, [Company name] commits to reduce absolute scope 1,2 and 3 GHG emissions [percent reduction] % by [target year] from a [base year] base year. Within this target, [Company name] commits to reduce absolute scope 1 and 2 GHG [percent reduction] % by [target year] from a [base year] base year and reduce absolute scope 3 GHG [percent reduction] % by [target year] from a [base year] base year.
Intensity target covering a subset of scope 1 and 2 emissions and an absolute target covering the remaining emissions	[Company name] commits to reduce scope 1 and 2 emissions [percent reduction]% per [unit]% by [target year] from a [base year] base year. [Company name] commits to reduce all other scope 1 and 2 emissions [% reduction] by [target year] from a [base year] base year.
Net-zero targets	*Net-zero target wording is made up of three components: (i) Overarching net-zero target, (ii) near-term science-based target and (iii) long-term science-based target. Companies can express their overarching net-zero target as follows:* [Company name] commits to reach net-zero GHG emissions across the value chain by [insert latest long-term SBT target date] from a [insert base year] base year.[5] *Alongside the overarching net-zero target wording, companies must also report on their near-term and long-term science-based targets adhering to the relevant wording conventions for the target type and scope coverage.*
Maintenance Net-zero Targets	*Companies who set a long-term target which needs to be maintained whilst another long-term target is completed to reach a state of net-zero are encouraged to set the following target language:* [Company name] commits to maintain a minimum of [percent reduction]% absolute scope 1 and 2 GHG emissions from [near-term target year] through [net zero year] from a [base year] base year.
Renewable electricity procurement targets	*For companies who have not yet achieved 100% renewable electricity:*	*Not applicable*

ambition of each sub-target must be weighted according to the emissions covered by the sub-target, and then summed.

[5] Please note that the base year may be excluded from the overarching wording only if the scope 1 and 2 base year is different from the scope 3 base year.

	[Company name] commits to increase active annual sourcing of renewable electricity from [percent]% in [base year] to [percent]% by 2030. **OR** *If 100% RE is reached before 2030:* [Company name] commits to increase active annual sourcing of renewable electricity from [percent]% in [base year] to [percent]% by [target year] and to continue active annual sourcing of 100% renewable electricity through 2030. *For companies already sourcing 100% renewable electricity:* [Company name] commits to continue active annual sourcing of 100% renewable electricity through [target year].	
Engagement targets	*Not applicable.*	[Company name] commits that [percent]% of its suppliers/customers [by spend/ revenue/ emissions] covering [name scope 3 categories], will have science-based targets by [target year].
Emissions beyond the minimum boundary[6]	*Not applicable.*	*Companies may request to include targets to reduce optional scope 3 emissions in the target language. For companies that wish to include a supplemental/optional target on optional scope 3 emissions, the below needs to be followed:* ● *The optional scope 3 target will be*

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[6]Targets covering emissions beyond the minimum boundary will not count towards target coverage for emissions which are within the minimum boundary. For more information on the minimum boundary, see Table [5.4] Description and boundaries of scope 3 categories in the GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

		assessed separately by the SBTi review team compared to the mandatory scope 3 target(s). ● *Should the target be approved, the target language covering the optional scope 3 target should be separated in a standalone sentence from the rest of the target language.* ● *In the GHG inventory submitted to the SBTi, the mandatory scope 3 emissions representative of the minimum boundary shall be included in the inventory table.* *For a definition of optional emissions for each scope 3 category, please see Table 5.4 on page 34 and section 5.5 "Descriptions of scope 3 categories" of the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.* [Company name] commits to reduce scope 3 GHG emissions beyond the minimum boundary from [name scope 3 categories] [percent reduction]% by [target year] from a [base year] base year. *Targets covering emissions beyond the minimum boundary need to be separated from the rest of the target language.* *For example: [Company name] commits to reduce absolute scope 3 GHG emissions from use of sold*

		products [percent reduction]% by [target year] from a [base year] base year. [Company name] also commits to reduce use of sold products GHG emissions beyond the minimum boundary [percent reduction]% by [target year] from a [base year] base year.
Use of bioenergy	*If a company is using bioenergy or plans to do so in future years, the following footnote is required to be included in target language:* "*The target boundary includes land-related emissions and removals from bioenergy feedstocks."	
Companies that sell, transmit, or distribute fossil fuel products	*Not applicable.*	*These companies shall set emission reduction scope 3 targets for the "use of sold products" category. See SBTi Criteria 22 for near-term targets for more information.* [Company name] commits to reduce absolute scope 3 GHG emissions from use of sold products for [insert (sold AND/OR distributed) fossil fuels] [percent reduction]% by [target year] from a [base year] base year.
Maintenance of zero emissions	*If a company has zero scope 1 emissions, they may commit to maintain this. In certain geographies, it is possible to have zero scope 2 emissions without active renewable energy procurement.* *In both cases, they must use the following target language:* [Company name] commits to maintain zero absolute scope [1 or 2] GHG emissions from [base year] through [target year].	*Not applicable.*

Renewable heat/steam procurement targets	*Companies may set a scope 2 target over purchased heat or steam. The target language is the same as for renewable electricity procurement targets, replacing 'electricity' with 'heat' or steam'.*	*Not applicable.*
GEVA targets	*The currency index should be used in the target language. For example, use 'USD', not '$'.* [Company name] commits to reduce [name scopes] GHG emissions [percent reduction]% per [currency index] value added by [target year] from a [base year] base year.	
Equivalency of absolute and intensity approaches	*If a company chooses to disclose the (intensity/absolute) equivalent of their (absolute/intensity) target, they must still measure their reduction according to the (absolute/intensity) target approach used to model the target.* *If a company wants to state the equivalent intensity metric reductions of targets modeled against an absolute reduction approach[7], the target must be stated as follows:* [Company name] commits to reduce absolute [enter scopes] GHG emissions [percent reduction]% from a [base year] base year, equivalent to a(n) [percent reduction]% reduction per [unit] by [target year]. *If a company wants to state the equivalent absolute reductions of targets modeled against a sectoral decarbonization approach, the target must be stated as follows:* [Company name] commits to reduce [enter scopes] GHG emissions [percent reduction]% per [unit] by [target year] from a [base year] base year, equivalent to a(n) [percent reduction]% absolute reduction.	

Table 2. Sector-specific target language templates

Target type	Mandatory target language
Absolute target using the FLAG pathway	[Company name] commits to reduce [enter scopes] FLAG GHG emissions [% reduction] by [target year] from a [base year] base year.* *The following footnote is required to be included in target language:* *Target includes FLAG emissions and removals.

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[7] Any targets over scope 1 and 2 emissions for companies in sectors without a sector-specific decarbonization approach are modeled using the absolute contraction approach.

Buildings sector target	[Company name] commits to reduce [enter scopes] GHG emissions [percentage reduction]% per square meter by [target year] from a [base year] base year.
Cement intensity target	[Company name] commits to reduce [enter scopes] GHG emissions [% reduction] per ton of cementitious product by [target year] from a [base year] base year.[8]
Maritime sector target	[Company name] commits to reduce well-to-wake GHG emissions [percentage] per [tonne nautical mile or GT nautical mile] from [vessel type] operations by [target year] from a [base year] base year.
Power sector target	[Company name] commits to reduce [enter scopes] emissions from [source: e.g., power generation/all sold electricity] [percentage] per MWh by [target year] from a [base year] base year.
Steel intensity target	[Company name] commits to reduce [enter scopes] GHG emissions [% reduction] per ton of steel by [target year] from a [base year] base year.

5. ANNOUNCE THE TARGET

Should a target be approved, once the company has received the final deliverables, the next step is communicating the outcome of the target review process.

Companies should direct all queries relating to target publication to the SBTi Communications Team that is copied in the decision email. Communications guidelines are available to all approved companies, which includes messaging to use and how the SBTi logo may be used.

The SBTi indicates a publication date when sending the deliverables, usually one month from the date the decision is sent. The SBTi can accept requests to embargo the release/announcement date of an approved target, but it must be announced within six months of the date the approval was sent to the company. In cases where a company requests not to publish a target within six months, their targets will no longer be valid, and the company will need to resubmit targets for validation to be recognized.

The SBTi recommends that companies secure final approval of the proposed near-term and/or net-zero SBT ahead of the validation process. The SBTi cannot extend the six-month announcement period, should a company need additional time for clearance of an approved near-term and/or net-zero SBT by a Board or a similar decision-making body.

All approved companies are listed on the SBTi webpage as well as on partner websites including at We Mean Business. The SBTi reserves the right to remove a company from its list of companies with approved targets as well as from partner websites at its discretion, for reasons including non-compliance with the SBTi criteria, reputational concerns or failure to update the SBTi on business changes (e.g., no longer existing as an entity due to merger or dissolution).

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[8] Targets that include clinker production emissions, the word ''gross'' shall be included to make it clear that emissions from waste-derived fuels are included.

6. DISCLOSE YOUR PROGRESS

Follow guiding reporting principles

Following approval of science-based targets, companies must publicly disclose GHG emissions and progress against targets annually. Please refer to Annex D of the Corporate Net-Zero Standard V1.2 for details on where and how to disclose target progress.

7. TARGET RECALCULATION PROTOCOL

Companies may review and revise approved targets to keep them up to date and aligned with the most recent climate science and best practices. The target update service is a streamlined process developed for companies who wish to align their targets with our new minimum ambition level of 1.5°C or to update or edit previously approved targets in other ways. The service offers the same comprehensive review performed in the near-term and net-zero submission services and will also include a comprehensive target validation report including recommendations to address non-conformity, if applicable, and an official letter if targets are approved.

Updating previously approved targets

Mandatory target recalculation process - updating previously submitted targets to fulfill C26 of the Corporate Near-term Criteria and C32 of the Corporate Net-zero Standard.

When submitting under the mandatory update process, the following rules apply:

- All previously submitted targets must be assessed against current SBTi corporate near-term criteria at the time of submission. Net-zero targets must be assessed against current SBTi corporate net-zero standard criteria at the time of submission.
- Any targets not in line with current SBTi corporate near-term criteria and/or current SBTi corporate net-zero criteria will be removed from SBTi website and communications; companies are able to edit previously submitted targets to ensure they are aligned with current SBTi corporate near-term criteria and/or current SBTi corporate net-zero criteria.

Triggered target recalculation: Updating previously submitted targets to fulfill C27 of Corporate Near-term Criteria and C33 of the Corporate Net-zero Standard.

When submitting under the triggered recalculation process, the following rules apply:

- Only the affected previously submitted target(s) must be assessed against current SBTi corporate near-term criteria and/or current net-zero standard criteria at the time of resubmission.
- Active targets that are not affected by changes will not need to be brought in line with current SBTi corporate near-term criteria and/or current SBTi corporate net-zero criteria.

Submitting new targets

Submitting new target(s) to the SBTi when a company already has approved near-term and/or net-zero SBTs. Likely reasons for a target update process include:

- Designing new targets to increase the ambition of previously submitted target(s).
- Arriving at the target year of one or more targets, regardless of whether the target was achieved.
- Submitting new targets to meet current SBTi criteria outside of the mandatory recalculation process.
- Achieving a target ahead of time (before target year).

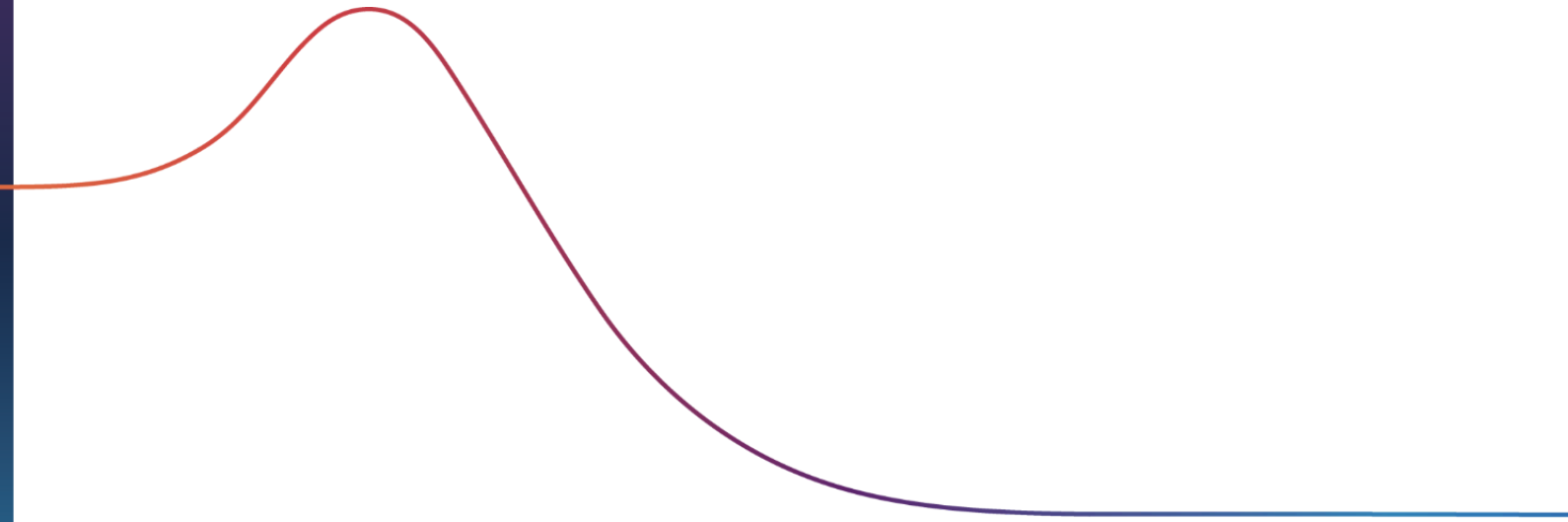When submitting under the target update process, the following rules apply:

- Only the newly submitted target(s) must be assessed against current SBTi criteria at the time of resubmission.
- Active targets that are not affected by new targets will not need to be brought in line with current SBTi criteria.

For all options companies must submit an updated Target Submission Form and submit via the target update service to allow the SBTi to assess the nature and the impact of the relevant changes. It is highly recommended for companies to provide a detailed explanation of the causes and implications of the changes in relation to the methods, emissions factors, assumptions, company structure, inventory and/or targets in the newly submitted Target Submission Form.