

TARGET VALIDATION APPLICATION CHECKLIST FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

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I. Overview

The checklist below was designed to provide SMEs and consultancies submitting targets to the Science Based Targets initiative (SBTi) a quick reference to understand if they are ready to present a full SME submission form to the SBTi for target validation.

Please note that to join the SBTi, SMEs should complete the following steps through our target validation application [form](#). The SBTi will not accept any submission sent by email.

This checklist is divided into three parts:

1. **SME General Information**, which focuses on ensuring an entity is eligible for the target validation service. To see our latest eligibility criteria, please click [here](#).
2. **Target Validation Service Selection**, which requires the selection of a service, a predefined target ambition, and the submission of the Company's Emissions Profile with the relevant information (activities and emissions), in accordance with the [Greenhouse Gas Protocol](#).
3. **Contractual and Payment Information**, which includes the Terms and Conditions of our services and administrative information that is required for invoicing.

Please note that the fields with an asterisk (*) are mandatory.

II. SME General Information Checklist

- Company name *
- Primary contact full name and email *
- Additional contact full name and email
- Company headquarters location (country) *
- Corporate website *
- Social media links (LinkedIn, X (formerly known as Twitter), other)

- [ISIN](#) number (if applicable)
- [LEI](#) number (if applicable)
- Indicate if you have ever submitted a Commitment to the SBTi or if it had previously validated a target (yes/no) *
- Select the sector classification description that best fits your company according to: <https://sciencebasedtargets.org/resources/files/SBTi-Sector-Classification-Document.pdf> *
- Indicate if you are a: mortgage REIT, financial institution, fossil fuel company, company with revenue from sales, transmission, or distribution of fossil fuels *
**Please note that these types of companies cannot set targets through the SME route*
- Indicate your type of organization: privately-owned company, publicly listed company, state-owned enterprise, non-profit organization or other *
**Please note that currently, the SBTi does not engage with cities, local governments, public sector institutions, educational institutions or non-profit organizations*
- Indicate the total number of employees your company has (total headcount, not only the number of full time employees FTE).
- Indicate your company's total annual turnover and total assets as of the end of the last financial year. (Convert turnover and assets into euros (€) for accurate reporting. Use a reliable currency converter like the [European Central Bank](#) reference) *
- Is your company a subsidiary? If yes, please provide the following details about the parent company: its name, financial size (annual turnover and total assets in euros, converted accurately using a reliable currency converter like the [European Central Bank's](#) reference), and the total number of employees within the entire parent company structure, including all subsidiaries and affiliated entities. If the parent company is a Public Entity (PE), only share your company's employee count and financial size, excluding the parent company. *
- Indicate why you are deciding to set this target? Customer request, supplier request, investor request, government incentive or requirement, demonstrating climate leadership, other *
- Eligibility Verification Documents: Companies must upload relevant documents as evidence for the following criteria to verify eligibility for streamlined validation route: 1. Annual revenue 2. Total assets 3. Headcount Examples of such documents include: Audited financial statements; Tax returns; Payroll records; Balance sheets; Annual reports. *

III. Target Validation Service Selection

What type of targets are you submitting for validation? (Choose one of the following options: Option 1, 2, 3 and 4 *)

Option 1. Set new or update existing reduction near-term targets

Requirements:

- Choose the reduction rate and base year from the following predefined target list *
- ☐ 50% from a 2018 base year
- ☐ 46% from a 2019 base year
- ☐ 42% from a 2020 base year
- ☐ 42% from a 2021 base year
- ☐ 42% from a 2022 base year
- ☐ 42% from a 2023 base year

Complete the emissions profile section

- For your emissions accounting your company must follow the GHG Protocol standards for our accounting expectations unless specifically stated in our criteria or guidance documents. We therefore encourage you to consult the GHG Protocol [Corporate Standard](#) and the [Scope 2 Guidance](#) to perform a recent, comprehensive greenhouse gas emissions inventory of your company. Note that your company cannot exclude more than 5% of scope 1 and scope 2 emissions combined *
- Confirm the consolidation approach you are selecting for determining the organizational boundaries (Operational control, Financial control, Equity share) *
- Primary operations and activities brief description accounting for emissions in scope 1 and scope 2 *
- Scope 1 and scope 2 location-based emissions in your chosen base year (e.g. 2018, 2019, 2020, 2021, 2022 or 2023) calculated in tCO₂e. Please use decimal point as decimal separator and do not

use commas. For example, the number '3.1416' represents the mathematical constant pi (π). * Companies reporting annual market-based emissions must include their market-based Scope 2 emissions calculation in addition to the location-based data.

- Confirmation that your company will not use offsets or avoided emissions as progress toward achieving your near-term target *
- Confirmation that your company will publicly report on your emissions and progress against targets annually *

Option 2. Set only net-zero targets

This option is only available for companies that have either *:

- a) An SBTi approved near-term target in place that meet all prerequisites for net-zero validation

OR

- b) The ability to achieve net-zero targets within a 5-10 year timeframe

- Ambition selection for net-zero target, any percentage from 90% to 100% *
- Base year selection for net-zero target (2018, 2019, 2020, 2021, 2022, 2023) *
- Target selection for net-zero target (any year from 2028 to 2050) *

Complete the emissions profile section

- For your emissions accounting your company must follow the GHG Protocol standards for our accounting expectations unless specifically stated in our criteria or guidance documents. We therefore encourage you to consult the GHG Protocol [Corporate Standard](#) and the [Scope 2 Guidance](#) and the [Greenhouse Gas Protocol Value Chain \(Scope 3\) Accounting and Reporting Standard](#) to perform a recent, comprehensive greenhouse gas emissions inventory of your company. Note that your company cannot exclude more than 5% of scope 1 and scope 2 emissions combined *
- Confirm the consolidation approach you are selecting for determining the organizational boundaries (Operational control, Financial control, Equity share) *
- Primary operations and activities brief description that account for emissions in scope 1, scope 2 and scope 3 *

- Scope 1, location-based scope 2 and scope 3 emissions in your chosen base year (e.g. 2018, 2019, 2020, 2021, 2022 or 2023) calculated in tCO₂e. Please use decimal point as decimal separator and do not use commas. For example, the number '3.1416' represents the mathematical constant pi (π). * Companies reporting annual market-based emissions must include their market-based Scope 2 emissions calculation in addition to the location-based data.
- Confirmation that your company will not use offsets or avoided emissions as progress toward achieving your near-term target *
- Confirmation that your company will publicly report on your emissions and progress against targets annually *
- Confirmation that your company will neutralize the impact of any source of any residual emissions by permanently removing an equivalent volume of atmospheric CO₂ when reaching net-zero *

Option 3. Set new or update existing near-term targets AND submit net-zero targets (near-term + net-zero package)

- Choose the reduction rate and base year from the following predefined target list *
 - ☐ 50% from a 2018 base year
 - ☐ 46% from a 2019 base year
 - ☐ 42% from a 2020 base year
 - ☐ 42% from a 2021 base year
 - ☐ 42% from a 2022 base year
 - ☐ 42% from a 2023 base year

Complete the emissions profile section

- For your emissions accounting your company must follow the GHG Protocol standards for our accounting expectations unless specifically stated in our criteria or guidance documents. We therefore encourage you to consult the GHG Protocol [Corporate Standard](#), the [Scope 2 Guidance](#) and the [Greenhouse Gas Protocol Value Chain \(Scope 3\) Accounting and Reporting Standard](#) to perform a recent, comprehensive greenhouse gas emissions inventory of your company. Note that your company cannot exclude more than 5% of scope 1 and scope 2 emissions combined *
- Confirm the consolidation approach you are selecting for determining the organizational boundaries (Operational control, Financial control, Equity share) *

- Primary operations and activities brief description that account for emissions in scope 1, scope 2 and scope 3 *
- Scope 1, location-based scope 2 and scope 3 emissions in your chosen base year (e.g. 2018, 2019, 2020, 2021, 2022 or 2023) calculated in tCO₂e. Please use decimal point as decimal separator and do not use commas. For example, the number '3.1416' represents the mathematical constant pi (π).* Companies reporting annual market-based emissions must include their market-based Scope 2 emissions calculation in addition to the location-based data.
- Confirmation that your company will not use offsets or avoided emissions as progress toward achieving your near-term target *
- Confirmation that your company will publicly report on your emissions and progress against targets annually *
- Confirmation that your company will neutralize the impact of any source of any residual emissions by permanently removing an equivalent volume of atmospheric CO₂ when reaching net-zero *

Option 4. Set new near-term maintenance targets

Complete the emissions profile section

- For your emissions accounting your company must follow the GHG Protocol standards for our accounting expectations unless specifically stated in our criteria or guidance documents. We therefore encourage you to consult the GHG Protocol [Corporate Standard](#), the [Scope 2 Guidance](#) and the [Greenhouse Gas Protocol Value Chain \(Scope 3\) Accounting and Reporting Standard](#) to perform a recent, comprehensive greenhouse gas emissions inventory of your company. Note that your company cannot exclude more than 5% of scope 1 and scope 2 emissions combined *
- Confirm the consolidation approach you are selecting for determining the organizational boundaries (Operational control, Financial control, Equity share) *
- Primary operations and activities brief description that account for emissions in scope 1 and scope 2 *
- Scope 1 and scope 2 location-based emissions in your chosen base year (e.g. 2018, 2019, 2020, 2021, 2022 or 2023) calculated in tCO₂e. Please use decimal point as decimal separator and do not use commas. For example, the number '3.1416' represents the mathematical constant pi (π). *

Companies reporting annual market-based emissions must include their market-based Scope 2 emissions calculation in addition to the location-based data.

- For any scope 1 or/and scope 2 emissions = 0, companies need to provide an explanation on how did they reach “0”, or how is this scope not applicable to the company emissions profile, and how the company is planning to maintain it
- Confirmation that your company will not use offsets or avoided emissions as progress toward achieving your near-term target *
- Confirmation that your company will publicly report on your emissions and progress against targets annually *
- Confirm which method was used to report your scope 2 emissions (market based or location based)
- Renewable energy instruments such as renewable energy certificates (RECs) should only be used to meet reductions of scope 2 emissions using the market based approach. Please see the GHG Protocol Scope 2 Guidance for further guidance on scope 2 accounting.
- Choose the maintenance target option that is relevant to your scope 1 and scope 2 emissions profile *
 - 1. Our company accounts for scope 1 emissions = 0 and scope 2 emissions >0
 - 2. Our company accounts for scope 1 emissions >0 and scope 2 emissions = 0
 - 3. Our company accounts for scope 1 and scope 2 emissions = 0
- 1. "Our company commits to maintain zero scope 1 emissions through 2030, to reduce absolute scope 2 GHG emissions ____ % by 2030 from a 20____ base year, and to measure and reduce its scope 3 emissions"
 - ☐ 50% from a 2018 base year
 - ☐ 46% from a 2019 base year
 - ☐ 42% from a 2020 base year
 - ☐ 42% from a 2021 base year
 - ☐ 42% from a 2022 base year
 - ☐ 42% from a 2023 base year

2. “Our company commits to reduce absolute scope 1 emissions ____% by 2030 from a 20__ base year, to maintain zero scope 2 emissions through 2030, and to measure and reduce its scope 3 emissions”

- ☐ 50% from a 2018 base year
- ☐ 46% from a 2019 base year
- ☐ 42% from a 2020 base year
- ☐ 42% from a 2021 base year
- ☐ 42% from a 2022 base year
- ☐ 42% from a 2023 base year

3. “Our company commits to maintain zero scope 1 and scope 2 emissions through 2030, and to measure and reduce its scope 3 emissions”

- ☐ From a 2018 base year
- ☐ From a 2019 base year
- ☐ From a 2020 base year
- ☐ From a 2021 base year
- ☐ From a 2022 base year
- ☐ From a 2023 base year

Supporting documentation (mandatory requirement) *: Make sure that you upload any supporting documentation that shows that your company has followed the [GHG Protocol Corporate Standard](#) and [Scope 2 Guidance](#) (e.g. inventory calculation results through tools based on the GHGP, consultancies' reports, RECs, etc). If your company does not upload any relevant file, your target application would be rejected.

IV. Contractual and Payment Information

This information is required for all companies, even if you are seeking a payment waiver.

- Client's name *
- Client's VAT number
- Client's Purchase Order (PO) number

- First and last name of client representative, title and email for contractual purposes *
- Corporate address for contractual and invoicing purposes (Street address, City, State/Province, Zip Code) *
- Name of person and title who will sign Terms and Conditions (if different than client representative)
- Name of person and title to whom invoice will be sent (if different than client representative)
- Fill out the Terms and Conditions file, sign it (physically or with a digital certificate) and upload both pages on the form. You can find the Terms and Conditions file on the following link: <https://sciencebasedtargets.org/resources/files/SME-Terms-and-Conditions.pdf> *

Services cost

Selected service	Price
Set new near-term targets or update near-term targets (reduction or maintenance targets)	\$1,250 USD**
Set new net-zero targets ONLY (only companies with previously set 1.5°C near-term targets are eligible for this option)	\$1,250 USD**
Set near-term targets AND net-zero targets	\$2,500 USD**

***These fees are reduced fee options compared to the standard fee of \$9,500 USD and up (+applicable VAT). Companies with yearly gross revenue of under \$10 Million USD who are headquartered in developing countries and economies in transition, as defined by the <https://www.un-ilibrary.org/content/books/9789210011839/read> listed in Table B and C on page 153-154, will have the option to request a waiver for their target submission fee. A waiver option for these companies will be applicable for both the near-term and net-zero target validation services. We encourage large, multinational companies based in developing countries to pay the normal service fee to ensure the exemption can be reserved for companies that would benefit most from the waiver.*

V. Additional Information

After completing the [online form](#) and pending due diligence review by the SBTi, your company's target will be approved and posted to the SBTi website. Your company will be recognized as having approved science-based targets at www.sciencebasedtargets.org, as well as on our partner websites at We Mean Business and the UN Global Compact, if companies are already engaging with them. Your company will

be sent a communications welcome pack and will be able to use the SBTi logo on your website and in company communications.

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 reputational concerns, non-compliance with the requirements laid out in this form, or failure to update the SBTi on business changes (e.g. no longer existing as an entity due to merger or dissolution).

In cases where a company ceases to exist (e.g. through a merger or an acquisition), we kindly request you inform the SBTi of this change to ensure the public list of companies stays up to date.

The SBTi also reserves the right to change the terms of this service at its discretion. The SBTi accepts no liability as a consequence of a company making a commitment under these provisions.

If a company has further questions on their target setting or no longer wishes to be publicly recognized as a company with approved science-based targets, it must send an email to smes@sciencebasedtargets.org.