



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi Technical Council Meeting Minutes

22 March 2024 - 15:00-18:00 CET

Virtual

Disclaimer:

The meeting notes provided herein are intended to capture the discussions, decisions, and actions taken during the meeting to the best of the note-taker's ability. While efforts have been made to accurately represent the proceedings, it is essential to acknowledge that these minutes are a summary and may not capture every detail or nuance of the discussions held.

While every effort has been made to respect the confidentiality of sensitive information, please be aware that the meeting minutes may contain references to discussions or materials considered confidential or privileged. The unauthorised disclosure, distribution, or use of such information is strictly prohibited. If you believe any sensitive information has been improperly disclosed, please contact the Technical Council Chair

Meeting minutes are subject to revision and amendment. The content may be updated or modified based on corrections, additions, or clarifications deemed necessary by the Technical Council Chair and Vice-Chair.

Abbreviations:

CEO - Chief Executive Officer

CTO - Chief Technical Officer

SBT - Science Based Target

SBTi - Science Based Targets initiative

TD - Technical Department

TC - Technical Council

ToR - Terms of Reference

OC - Oversight Committee

EAG - Expert Advisory Group

FINT - Financial Institutions Near-Term

FINZ - Financial Institutions Net-Zero

CNZ - Corporate Net-Zero

Meeting participants

Technical Council Members

Kornelis Blok (Chair)
Laura Draucker (Vice Chair)
Pankaj Bhatia
Mandy Rambharos
Micheal Gillenwater
Anders Bjørn
Simi Thambi
Stephanie Roe
Owen Hewlett
Benjamin Caldecott (First Session)
Steven Davis

Absent Technical Council Members

Maria Virginia Vilariño
Doreen Stabinsky
Nicole Roettmer
Pedro Faria

SBTi

Alberto Carrillo Pineda (CTO, SBTi)
Mike Danielson (Project Lead Oil and Gas, SBTi)
Nate Aden (Head of Financial Institutions, SBTi)
Hussein Kassir (Technical Team Coordinator, SBTi)
Eoin White (Research Manager Financial Institutions, SBTi)

Session note taker

Hussein Kassir (Technical Team Coordinator, SBTi)

Meeting Agenda

1. Welcome and Agenda
2. Financial Institution Near Term Guidance Final Draft - Decision
3. Chemicals Guidance Consultation Draft - Decision
4. Financial and Corporate Sector Target-Setting Methods - Initial Discussion
5. Next Steps and Closing

Meeting Minutes

Session 1: Welcome and Agenda

Presenter / Facilitator:

Kornelis Blok (Chair, Technical Council)

Purpose of the session:

Presentation of agenda of the day

Summary:

The meeting will be recorded for note taking purposes, the information session recording will be shared with the absent TC members.

Clarifications:

N/A

Decisions:

N/A

Actions:

Session 2: Financial Institution Near Term Guidance Final Draft

Presenter / Facilitator:

Kornelis Blok (Chair, Technical Council)

Purpose of the session:

For Decision - Discussing and approving the FINT Guidance final draft after the pilot testing period.

Summary:

Conflict of interests asked to be declared. Ben Caldecott and Nicole Roettmer declared their conflict prior to the meeting, no one else brought up any conflicts of interests.

Clarifications:

The Technical Council asked for further discussion around the use of third party lists (e.g. GOGEL/GCEL) as well as the removal of explicit methane reporting.

Elaboration on the challenges of financed emissions data provisions was provided.

Discussion on the reasoning for the exclusion of methane took place.

SBTi explained the inclusion of third party lists.

Decisions:

The Financial Institutions Near-Term Guidance Final Draft is approved unanimously by the Technical Council, eliminating the need for a vote.

A footnote will be added around the inclusion of GCEL/GOGEL lists to acknowledge the process and contingency of including third party lists.

On methane, a reintroduction of separate methane disclosure will be included, but only as a recommendation, not an obligation.

Actions:

N/A

Session 3: Chemicals Guidance

Presenter / Facilitator:

Kornelis Blok (Chair, Technical Council)

Purpose of the session:

For Decision - Discussing and approving the Chemical Guidance Consultation Draft

Summary:

The TC were asked if any specific conflicts of interest exist. None were declared .

The SBTi Chemicals Project Lead (Mike Danielson) gave a presentation on Scope 1 and 2 pathways and how they were arrived at. Three pathways are provided for primary chemicals: ammonia, methanol and high value chemicals. The source of the data for the pathway, and the SDA target boundary used were explained (available in the slides).

IEA NZE projected minor increases for Scope 1 emissions for methanol and HVC by 2030
- SBTi project team took the conservative approach of keeping this flat.

TC Chair (Kornelis) proposed discussing the items for public consultation (see slides).

Clarifications:

Technical Council Discussed six Points:

- 1. The pathways:** Discussion on the role of the renewable H2 as a feedstock and if it is part of the scope 1 and 2 in the system boundary and On whether the purchased

H2 is considered Scope 3.

2. **N2O from nitric acid production:** Discussion about the absence of a time frame associated with the N2O production.
3. **Target setting on emissions from “non-primary” chemical production:** The group agreed it was acceptable that no specific pathways are offered as data does not exist.
4. **Incorporating targets on scope 2 emissions:** Companies that self-generate electricity should not also apply the SBTi Power Sector Guidance.
5. **Target setting on N2O emissions from the use of nitrogen fertilizers:** Discussion On why SBTi considers there is not enough data for intensity-based pathways took place and comments regarding that the land sector in annex 4 is not adequate.
6. **Target setting on increasing usage of “alternative” feedstocks:** Input will be sought on this during the consultation.

Decisions:

The Chemicals Guidance Consultation Draft is approved unanimously by the Technical Council, eliminating the need for a vote.

Actions:

SBTi to Include Input from companies in the consultation on abatement activities that might not be sufficiently incentivised (or even disincentivised) by the criteria in the guidance, SBTi team agrees to include this.

Session 4: Revision of Financial Institutions and Corporate Sectors Target-Setting Methods

Presenter:

Eoin White (Research Manager, SBTi)

Purpose of the session:

For information - Presenting an overview of the Revision of Financial Institutions and Corporate Sectors Target-Setting Methods

Summary:

SBTi Research Manager (Eoin White) delivered an introductory/informational presentation on the review of target setting metrics and methods for Corporates/S1 and Financial Institutions/S3C15. The results of this work will be presented alongside the relevant standard, i.e. FI metric/method review alongside FINZ v1.0, corporate metric/method review alongside CNZS v2.0. These reviews will be conducted in parallel with external, independent reviews paired with each work package.

This review will draw directly from the Principles previously submitted to the TC for information, assessing metrics and methods against these Principles.

The review introduces a novel 'metrics-first' approach to evaluating and selecting target-setting methods, with the intention of recommending metrics and a list of suitable methods for each metric.

Some major goals of these work packages include increasing transparency of the process through which the SBTi determines which metrics and methods it approves for use in target setting and addressing known challenges and critiques of metrics & methods currently in use.

Clarifications:

The Corporate and Finance Target setting metrics and methods will be presented separately to the TC for discussion, apart from the standards they are related to

SBTi recognizes the importance of applying the justice and equity principle in practice. The SBTi research team is aiming to explore potential trade-offs that may arise when attempting to meet all principles. Examples that are intended to be used to inform this work include different budget allocation approaches, pathways, etc.

Decisions:

N/A - for information only

Actions:

N/A

Session 5: Next Steps and Closing

Presenter / Facilitator:

Kornelis Blok (ViceChair, Technical Council)

Purpose of the session:

Closing of the session and next steps

Summary:

The Meeting Chair asked if there was any comment before closing the session. No comments were made.

The Chair closed the meeting

Clarifications:

N/A

Decisions:

N/A

Actions:

Technical Council to meet again virtually on the 26th of April 2024



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