



SCIENCE  
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TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# MAIN CHANGES DOCUMENT

Corporate Net-Zero Standard V1.2  
Corporate Near-Term Criteria V5.2  
and related resources

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, and GHG accounting best practices.

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# 1. INTRODUCTION

This document identifies the main changes made to the Corporate Net-Zero Standard from V1.1 to V1.2, to the Corporate Near-Term Criteria from V5.1 to V5.2, and to other related technical resources (i.e. Corporate Net-Zero Tool, Corporate Near-Term Tool, Corporate Manual).

The [Corporate Net-Zero Standard](#) and the [Corporate Near-Term Criteria](#) have been revised to reflect changes to the SBTi's definition of SMEs and new validation resources, as well as provide further clarification on existing criteria and recommendations. As part of this non-substantive revision the content previously contained in the [Corporate Manual](#) has been moved to either the [Corporate Net-Zero Standard](#) or the [Procedure for Validation of SBTi Targets](#) in order to reduce repetition and streamline SBTi resources for greater clarity.

The [Corporate Net-Zero Standard V1.2](#) and [Corporate Near-Term Criteria V5.2](#) are non-substantive revisions - no new criteria have been added, and no criteria have been removed. As non-substantive revisions, these versions did not undergo public consultation.

The Corporate Net-Zero Standard V1.2 and Corporate Near-Term Criteria V5.2 will be in effect as of 13 of March 2024 for new target submissions or target updates and will supersede the previous versions. Since these are non-substantive revisions that will not result in changes to validation decisions and processes compared to the previous versions, the revised documents will be immediately effective, with no phase in period.

This document does not provide an exhaustive explanation of changes made to the Corporate Net-Zero Standard, Corporate Near-Term Criteria and related resources, and therefore does not substitute for a comprehensive reading of these documents. However, it serves as an accompanying resource that offers an overview of the most significant modifications.

## 2. SUMMARY OF MAIN CHANGES

A high-level summary of the key changes are set out below:

- SME definition updated to reflect the SBTi's [new criteria for defining SMEs](#).
- Glossary and acronyms previously included in the Corporate Net-Zero Standard V1.1 have been moved to a separate document, the [SBTi Glossary](#), which encompasses terms, definitions and acronyms used across SBTi technical resources.
- Clarifications to align with validation processes and the [Criteria Assessment Indicators](#).
- Clarifications to ensure consistency between the Corporate Near-Term Criteria, the Corporate Net-Zero Standard Criteria, the Procedure for Validation of SBTi Targets, and the Criteria Assessment Indicators.
- Clarifications to ensure sector requirements are visible, clear and accurate.
- General text edits to ensure clarity of criteria and explanatory guidance sections.

### 3. SCALE OF CHANGES TO CRITERIA

- There are no new criteria and no criteria have been removed.
- 68% (25 in absolute terms) of the criteria of the Corporate Net-Zero Standard have had minor revisions for clarity, while 32% (12 in absolute terms) remain unchanged (Figure 1).
- 71% (20 in absolute terms) of the criteria of the Corporate Near-Term Criteria have had minor revisions for clarity, while 29% (8 in absolute terms) remain unchanged (Figure 2).

Figure 1: Pie chart showing proportion of changed and unchanged criteria in the Corporate Net-Zero Standard V1.2.

Scale of changes in the Corporate Net-Zero Standard V1.2

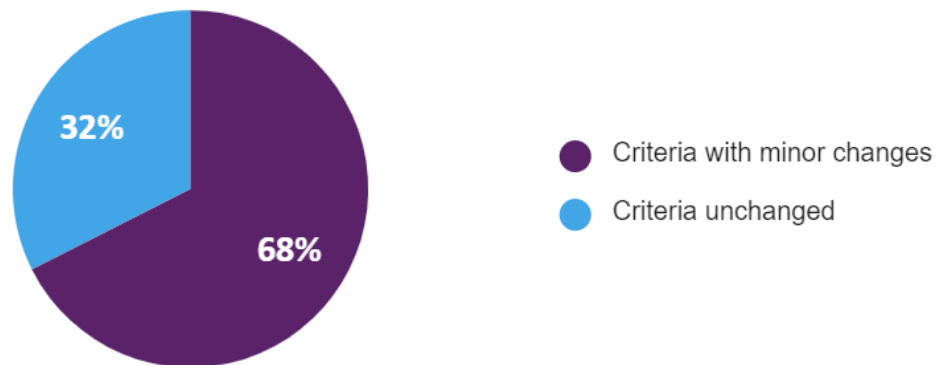


Figure 2: Pie chart showing proportion of changed and unchanged criteria in the Corporate Near-Term Criteria V5.2.

Scale of changes in the Corporate Near-Term Criteria V5.2



## 4. OVERVIEW OF MAIN CHANGES ACROSS RESOURCES

Table 1 below displays the key changes of the non-substantive revision of the Corporate Net-Zero Standard V1.2, the Corporate Near-Term Criteria V5.2, and related resources. “NZ” is used to refer to the Corporate Net-Zero Standard, while “NT” is used to denote the Corporate Near-Term Criteria. The “Chapter/Document” and “Standard section/criterion number” are sourced from V1.1 of the Corporate Net-Zero Standard and/or V5.1 of the Corporate Near-Term Criteria, unless otherwise stated. In the “Type of change” column, the following classifications are used:

- **Minor changes:** Minor alterations, edits, or updates to the document. These changes typically include correcting typographical errors, formatting inconsistencies, grammatical issues or other editorial improvements.
- **Clarifications:** A change that aims to provide an informative explanation of the intent of a requirement of the Standard, clearer or more concise language, improve the organization or structure of the document, or enhance readability without introducing new substantive requirements.
- **Technical corrections:** A change that involves correcting factual inaccuracies, references, or citations within the document. These corrections ensure the accuracy and reliability of the information presented without modifying the document's main content.
- **Editorial or presentational changes:** Changes that focus on improving the document's visual presentation, layout, or style. These changes aim to enhance the document's readability, consistency, or aesthetic appeal without altering its substantive content.
- **Administrative updates:** Administrative changes, such as updating contact information, revising publication dates, or modifying reference numbers. These updates ensure the document remains current and aligned with administrative requirements or organizational policies.
- **Simplification or harmonization:** Changes that simplify or harmonize the language or terminology used in the document, making it more consistent with other related SBTi documents or standards.

Table 1. Summary of changes to the Corporate Net-Zero Standard (from V1.1 to V1.2), to the Corporate Near-Term Criteria (from V5.1 to V5.2), and related resources.

Chapter/Document <sup>1</sup>	Standard section/criterion number	Type of change	Details and rationale of revision
<b>SBTi criteria and recommendations for near-term targets</b>	N/A	Minor change	Changed title to “Corporate Near-Term Criteria”
<b>Net-zero tool</b>	N/A	Minor change; Clarifications; Technical corrections	<p>Changed title to “Corporate Net-Zero Tool”. The following clarifications made to the cross sector net-zero tool:</p> <ul style="list-style-type: none"> <li>• Disclaimer and Terms of Use sections have been updated</li> <li>• A text disclaimer was included to clarify that the modeled pathways in the tool outline minimum ambition.</li> <li>• The agriculture pathway was renamed to ‘FLAG (Agriculture only)’.</li> <li>• A sector applicability table was included in the ‘Read me’ sheet to outline the tools applicable for each sector.</li> <li>• Renewable electricity’ was removed from the ‘Target Coverage’ dropdown options in accordance with the <a href="#">Criteria Assessment Indicators</a>.</li> <li>• The unit labels in NZ Tool Section 2.2 ‘Intensity target results’ were corrected.</li> <li>• Steel sector activity units were reverted to ‘tonnes of crude steel’, reverting an error made in v1.0.4.</li> <li>• Base year eligibility was extended to 2023.</li> </ul>

<sup>1</sup> As per Corporate Net-Zero Standard V1.1 and SBTi criteria and recommendations for near-term targets V5.1 unless otherwise stated.



			<ul style="list-style-type: none"> <li>• Target value formatting was updated to maintain minimum target ambition when target values are rounded to fewer decimal places.</li> <li>• A brief user guide was added to the Net Zero Tool tab.</li> <li>• References to SBTi resources/documentation have been updated, including the SBTi online resources table and link to the SBTi Glossary.</li> </ul>
<b>SBTi Target setting tool</b>	N/A	Minor change; Clarifications; Technical corrections	<p>Changed title to “Corporate Near-Term Tool”. The following clarifications were made to the cross-sector near-term tool:</p> <ul style="list-style-type: none"> <li>• Disclaimer and Terms of Use sections have been updated.</li> <li>• Output fields showing SBT formulation language were added for Scope 1&amp;2 targets and Scope 3 targets.</li> <li>• Target value formatting was updated to maintain minimum target ambition when target values are rounded to fewer decimal places.</li> <li>• Brief user guides were added to the Scope 1&amp;2 Tool and Scope 3 Tool tabs.</li> <li>• References to SBTi resources/documentation have been updated, including the SBTi online resources table and link to the SBTi Glossary.</li> <li>• Minor formatting corrections were made to input data fields.</li> </ul>

<b>NZ: Acronyms and Glossary</b>	N/A	Moved	Glossary and acronyms previously included in the Corporate Net-Zero Standard V1.1 have been moved to a separate document, the <a href="#">SBTi Glossary</a> .
<b>Corporate Manual</b>	N/A	Editorial or presentational changes; Simplification or harmonization	The Corporate Manual has been retired as part of this resource update. Its contents have been consolidated and streamlined into the explanatory guidance and Annexes of the <a href="#">Corporate Net-Zero Standard V1.2</a> , and the <a href="#">Procedure for Validation of SBTi Targets</a> . The section 'Combining multiple target-setting approaches' that was previously contained in the Corporate Manual has been removed from the updated resources.
<b>NZ: 1. Background to the Corporate Net-Zero Standard</b>  <b>NT: Introduction</b>	NZ 1.3 Who should use the Corporate Net-Zero Standard? NT Introduction	Administrative update	Text updated to reflect the SBTi's new definition of SMEs and to provide links to the updated <a href="#">SME definition</a> and <a href="#">SME FAQ</a> .
<b>NZ: 1. Background to the Corporate Net-Zero Standard</b>	NZ 1.5 How the Standard relates to other key SBTi documents	Minor change	Updated Table 1 A mapping of key SBTi resources that companies should refer to when setting science-based net-zero targets to align with the latest list of SBTi resources.

<b>NZ: 2. The Net-Zero Standard Framework</b>	N/A	Minor change	Updated Figure 1 Key elements of the Net-Zero Standard to incorporate further information on beyond value chain mitigation (BVCM).
<b>NZ: 2. The Net-Zero Standard Framework</b>	2.4.1 Further work on beyond value chain mitigation	Administrative updates	Removed this section as no longer relevant. The BVCM reports have been published and are now linked in section 2.4 Beyond value chain mitigation.
<b>NZ: 3. Mitigation Pathways in the Net-Zero Standard</b>	NZ 3.3 Overview of pathways and which companies should use them	Technical correction	Removed maritime from the list of sectors with a mandatory SDA. Companies with maritime activities can choose between the cross-sector and maritime pathway when modeling targets.
<b>NZ: 3. Mitigation Pathways in the Net-Zero Standard</b>	NZ 3.3 Overview of pathways and which companies should use them	Simplification or harmonization	Removed Table 2 A summary of how the cross-sector pathway and sector-specific pathways can be applied to streamline. The information is captured in Table 4 of the Corporate Net-Zero Standard V1.2.

<b>NZ: 3. Mitigation Pathways in the Net-Zero Standard</b>	NZ 3.4 Transformative mitigation is required from all sectors	Simplification or harmonization	Removed Figure 5a. GHG emissions in the cross-sector emissions pathway, which covers CO <sub>2</sub> , CH <sub>4</sub> , and N <sub>2</sub> O from energy supply, transport, industry, and buildings.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	N/A	Minor change	Section renamed to 'Process to set science-based targets'.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.2 Calculate your company's emissions	Simplification or harmonization; Administrative update	Moved 'Data quality' and 'Determine how to treat complex business relationships' sections and additional information on scope 3 inventories and optional scope 3 emissions from the Corporate Manual and Target Validation Protocol to the Corporate Net-Zero Standard V1.2. Removal of reference to GHG Protocol Scope 3 Evaluator Tool, which has been retired.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	N/A	Minor change	Sub-section added '4.3.5 Setting a single scope 3 target or multiple scope 3 targets'.

<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.5 Calculating science-based targets	Minor change	Sub-section renamed to 'Target setting methods'.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.5 Calculating science-based targets	Simplification or harmonization	Moved information from the Corporate Manual on minimum target ambition output by tools and resources to the Corporate Net-Zero Standard V1.2.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.5 Calculating science-based targets	Editorial or presentational changes; Simplification or harmonization	<p>Moved detailed information on each target setting method to 'Annex B: Supplementary guidance on target setting methods'. Moved additional information on each target setting method from the Corporate Manual to the Corporate Net-Zero Standard V1.2. This includes information on unsuitable targets and the advantages and disadvantages of each target setting method.</p> <p>Deletion of Table 5 from V1.1 of the Corporate Net-Zero Standard as the information presented in the table is now provided in the body of the text in Annex B of V1.2.</p> <p>Minimum ambition table (Table 4 in V1.1 of the Corporate Net-Zero Standard) moved to 'Annex C: Classification of Target Ambition' in V1.2. The table has been updated to include minimum ambition calculation formulas for the scope 3 economic</p>

			intensity reduction and the scope 3 physical intensity reduction methods.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	4.5.4 Renewable electricity (scope 2)	Clarification	Clarification that maintenance targets can be set after 2030 renewable electricity procurement targets are met. As per the row above, this section has been moved to Annex B of the Corporate Net-Zero Standard V1.2.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.6 Calculating near and long-term SBTs	Clarification; Simplification or harmonization	Moved and further developed information on forward looking ambition from the Target Validation Protocol and the Corporate Manual to the Corporate Net-Zero Standard V1.2.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.7: Target wording	Minor change; Clarification	Sub-section renamed to 'Target wording and communication' with sub-sections 4.7.2 Near-term science-based target wording and 4.7.3 Long-term science-based target wording in V1.1 combined into 4.7.2 Near-term and long-term science-based target wording in V1.2. Additionally, sub-section 4.7.3 Communicating targets was added. Clarification that it is not required to always disclose the base year in the overarching net-zero wording.
<b>NZ: 4. Setting near-term and long-term science-based targets</b>	NZ 4.7 Target wording	Simplification or harmonization	Target wording table (Table 7 in V1.1) moved to the <a href="#">Procedure for Validation of SBTi targets</a> .

<b>NZ: 6. Updating and communicating targets</b>	NZ: 6. Updating and communicating targets	Simplification or harmonization	The Updating and communicating targets section of V1.1 of the Corporate Net-Zero Standard has been moved to the <a href="#">Communications Guide for Companies and Financial Institutions</a> .
<b>Guidance for companies in land intensive sectors</b>	N/A	Editorial or presentational changes; Minor change	This section has been moved to Annex E of the Corporate Net-Zero Standard V1.2. The section text has been edited to improve readability.
<b>Criteria and recommendations</b>	NZ and NT: C1 - Organizational boundary	Clarification	Footnote added to clarify specifically which criteria are the boundary criteria referred to. Footnote added to clarify that companies must integrate emissions from structural changes into their GHG inventory within a reasonable timeframe. Rationale for revision is to align with the <a href="#">Criteria Assessment Indicators</a> .
<b>Criteria and recommendations</b>	NZ and NT: R1 - Setting organizational boundaries	Clarification	Updated language to clarify that companies should use the same consolidation approach year-on-year.
<b>Criteria and recommendations</b>	NZ and NT: R2 - Targets covering optional scope 3 emissions	Minor change	Minor wording change to increase clarity.

<b>Criteria and recommendations</b>	NZ and NT: C2 - Greenhouse gasses	Clarification; Simplification or harmonization	Updated language to clarify that targets must cover relevant emissions from the seven GHGs required by the <a href="#">GHG Protocol Corporate Standard</a> and added a footnote to list the seven gasses. This has been modified to increase clarity and bolster alignment with the <a href="#">Criteria Assessment Indicators</a> .
<b>Criteria and recommendations</b>	NZ and NT: C3 - Scope 1 and scope 2 NZ and NT: C6 - Scope 3 emissions coverage for near-term targets NZ C7 - Scope 3 emissions coverage for long-term targets	Clarification; Simplification or harmonization	Inclusion of footnote to clarify that GHG inventories must adhere to <a href="#">GHG Protocol accounting standards</a> and to the <a href="#">Criteria Assessment Indicators</a> . Footnote has been included to increase alignment with existing validation approaches in line with the <a href="#">Criteria Assessment Indicators</a> .
<b>Criteria and recommendations</b>	NZ and NT: C5 - Scope 1, 2, and 3 allowable exclusions	Clarification	Updated language and included footnote to clarify that companies must not exclude more than 5% of total combined emissions from scope 1 and 2 emissions from either the GHG inventory boundary or the target boundary. Previous wording in Corporate Net-Zero Standard V1.1 and Corporate Near-Term Criteria V5.1 led to possible misinterpretation that 10% exclusions would be allowed overall for scope 1 and 2 emissions. Minor text edits to NZ C% footnote on negligible emissions to improve readability. Addition of the negligible emissions footnote to NT C5 for consistency across resources.
<b>Criteria and recommendations</b>	NZ C7 - Scope 3 emissions coverage for long-term targets	Clarification	Criterion language updated to clarify that the minimum boundaries outlined in the <a href="#">Corporate Value Chain (Scope 3) Accounting and Reporting Standard</a> apply to long-term scope 3 targets as well as near-term scope 3 targets. This was implied but not stated in Corporate Net-Zero Standard V1.1.



<p><b>Criteria and recommendations</b></p>	<p>NZ C10 and NT C9: Scope 3 inventory</p>	<p>Clarification</p>	<p>Updated criterion text and associated footnote to clarify that all relevant emissions must be accounted for within the scope 3 inventory. Relevance of scope 3 emissions is determined based on the minimum boundary in Table 5.4 and using the criteria in Table 6.1 of the <a href="#">Corporate Value Chain (Scope 3) Accounting and Reporting Standard</a>.</p> <p>Increased visibility of the requirement that transport-related emissions must be reported on a well-to-wheel basis, regardless of sector. This information was already included in Table 9 of the Corporate Net-Zero Standard V1.1 and in Table 1 of Corporate Near-Term Criteria V5.1.</p> <p>Added footnote to clarify that companies can use the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard for the Financial Industry to calculate financed emissions.</p>
<p><b>Criteria and recommendations</b></p>	<p>NZ C11 and NT C10 - Bioenergy accounting</p>	<p>Minor change; Clarification; Simplification or harmonization</p>	<p>Updated language from 'land-use' and 'land-related' to 'land-based' to align with GHG Protocol Land sector and removals guidance draft.</p> <p>Inclusion of footnote to clarify that the bioenergy footnote for target wording also applies to companies intending to use bioenergy as a decarbonization lever, whether they currently use bioenergy or not. This was already stated in the target wording requirements in the <a href="#">Procedure for Validation of SBTi Targets</a> but has been included in V1.2 of the Corporate Net-Zero Standard for increased clarity.</p> <p>Clarification of footnote language concerning the</p>

			permissibility of negative emissions due to biogenic removals.
<b>Criteria and recommendations</b>	NT R4 - Bioenergy data reporting	Minor change	Minor text change to align the Corporate Near-Term Criteria to the Corporate Net-Zero Standard Criteria.
<b>Criteria and recommendations</b>	NZ C15 - Net-zero target structure	Clarification; Simplification or harmonization	Updated criterion text to clarify that companies setting near-term targets with net-zero ambition are required to set maintenance targets to maintain net-zero status over time. This clarification has been included for alignment with the <a href="#">Criteria Assessment Indicators</a> .
<b>Criteria and recommendations</b>	NZ C16 - Base year NT C13 - Base and target years	Clarification; Simplification or harmonization	Updated criterion text and included footnote to clarify that the base year must be the same for scope 1 and scope 2, and that the base year across different scope 3 targets must be the same. Also clarified that multi-year average base year emissions are not accepted, unless this is specified in the sector guidance relevant to the company. These clarifications have been included for alignment with the <a href="#">Criteria Assessment Indicators</a> . The language on acceptable base years for submissions in 2024 has also been updated in the corresponding footnote.
<b>Criteria and recommendations</b>	NZ C18 and NT C14 - Progress to date	Clarification; Simplification or harmonization	Clarified in criterion text that forward looking ambition is applicable to scope 1 and/ or scope 2 targets. Included a footnote to clarify that the most recent year must be the same for scope 1 and scope 2, and is recommended to be the same for scope 3. This clarification has been included for alignment with the <a href="#">Criteria Assessment Indicators</a> . Footnote text updated to clarify proxy data (i.e., applying one reporting year's data to another reporting year) is not permitted.

<b>Criteria and recommendations</b>	NZ C19 and NT C15 - Level of ambition for scope 1 and 2 targets NZ C22 and NT C18 - Level of ambition for scope 3 emissions reductions targets	Clarification; Simplification or harmonization	Inclusion of a footnote to clarify the approach taken by the SBTi to calculate ambition, when the company uses fiscal years for its GHG accounting. This clarification has been included to align with existing validation approaches.
<b>Criteria and recommendations</b>	NZ C21 - Intensity targets	Minor change; Simplification or harmonization	Addition of 'only' in criterion text to align with NT C17.
<b>Criteria and recommendations</b>	NZ C26 and NT C20 - Combined scope targets	Minor change; Clarification; Simplification or harmonization	General text edits to improve readability of criterion in the Corporate Net-Zero Standard and the Corporate Near-term Criteria. In NT C20, the criterion text on the assessment of ambition of near-term combined scope targets has been moved to a footnote. This footnote has also been included in NZ C26 for alignment across resources with an additional clarification on the assessment of ambition for combined scope long-term targets.
<b>Criteria and recommendations</b>	NZ C27 and NT C21 - Renewable electricity (scope 2 only)	Clarification; Simplification or harmonization	Minor text edits to clarify that renewable electricity (RE) targets are an acceptable alternative to scope 2 emission reduction targets only over emissions from the generation of procured electricity. Clarification that 100% RE procurement must be maintained beyond 2030 for long-term targets. Inclusion of a footnote to clarify companies setting RE targets can use location-based reporting but must have the capacity to demonstrate active sourcing of renewable electricity through market instruments. This clarification has been made to align with existing validation approaches.

<b>Criteria and recommendations</b>	NZ R6 and NT R8 - Supplier engagement NZ R7 and NT R9 - Purchased heat and steam NZ C22 and NT C18 - Level of ambition for scope 3 emissions reductions targets NZ C23 and NT C19 - Supplier or customer engagement targets	Minor change	General text edits to improve readability of recommendation (NZ R7 and NT R9) and criteria (NZ C22, NT C18, NZ C23 and NT C19). Clarification in criterion text the supplier engagement targets apply to companies' corporate suppliers and/or customers. The supplier engagement recommendation (NZ R6 and NT R8) has been amended to remove reference to the SME route as a recommended option for suppliers and customers.
<b>Criteria and recommendations</b>	NZ R9 - Beyond value chain mitigation	Administrative update	Minor change to refer to the SBTi report called " <a href="#">Above and Beyond: An SBTi report on the design and implementation of beyond value chain mitigation (BVCM)</a> ".
<b>Criteria and recommendations</b>	NZ C28 - Neutralization of unabated emissions to reach net-zero	Clarification	Inclusion of footnote to clarify how much a company must neutralize in its net-zero year given its targeted emissions reduction and excluded emissions.
<b>Criteria and recommendations</b>	NZ C29 - Target formulation	Clarification	Addition of footnote to clarify that companies may exclude base year from their overarching net-zero target wording if the scope 1 and 2 base year is different from the scope 3 base year.
<b>Criteria and recommendations</b>	NZ C32 and NT C26 - Mandatory target recalculation	Minor change; Clarification	Update to criterion title to "Mandatory target review". Update to criterion text to clarify target(s) revalidation as part of the mandatory target recalculation based on current validation practice. Clarification on the applicability of the criterion to all active targets at the time of review and resubmission, in line with Procedure for Validation of SBTi Targets.

			<p>Inclusion of footnote to clarify how the starting date for the 5 year target review timeframe is determined.</p> <p>Relocation of requirement related to significance threshold for base year emissions recalculation to the triggered target recalculation criterion (NZ C33, NT C27).</p>
<p><b>Criteria and recommendations</b></p>	<p>NZ C33 and NT C27 - Triggered target recalculation</p>	<p>Minor change; Technical correction; Clarification</p>	<p>Correction from ‘should’ to ‘shall’ in the first sentence of NT C27 to align with NZ C33.</p> <p>Inclusion of ‘Changes in the consolidation approach chosen for the GHG inventory’ as a driver of triggered target recalculation. This was previously implied in V1.1 of the Corporate Net-Zero Standard and V5.1 of the Corporate Near-Term Criteria, but not explicitly stated.</p> <p>Clarification that significant changes that may trigger recalculation includes changes to the target boundary base year emissions.</p> <p>Addition of SBTi’s definition of significance threshold for changes in both the company’s base year emissions and the base year emissions covered within a target boundary that would trigger a base year emissions and target recalculation.</p> <p>Inclusion of footnote to clarify that the significance threshold is relative to the scopes covered by the target.</p> <p>Addition of clarification that significant changes to the target and no longer meeting SBTi criteria must result in target recalculation.</p> <p>Addition of footnote on an example of a significant change to projections/assumptions.</p> <p>Clarification of the applicability of the criterion to only affected targets at the time of submission in line with Procedure for Validation of SBTi Targets.</p>

<b>Criteria and recommendations</b>	NZ C35 and NT C24 - Requirements from sector-specific guidance	Minor change; Clarification	General text edits to improve readability of criterion and inclusion of footnote to clarify how cross-sector criteria in the Corporate Net-Zero Standard and Corporate Near-Term Criteria should be complemented with sector guidance where relevant.
<b>Criteria and recommendations</b>	NZ C36 and NT C23 - Companies in the fossil fuel production business, or with significant revenue from fossil fuel business lines	Minor change	Minor wording change on applicable sector standards.
<b>Criteria and recommendations</b>	NZ and NT: C4 - Scope 3 NZ C37 and NT C22 - Sale, transmission, distribution of oil, natural gas, coal as well as other fossil fuels	Clarification	Criterion language updated to clarify that targets for scope 3 category 11 'use of sold products' - covering emissions from the combustion of the sold, transmitted or distributed fossil fuels - are to be set separately to other scope 3 targets for companies that sell, transmit or distribute natural gas or other fossil fuel products. In NZ C37 and NT C22, clarification was also provided on how these targets relate to scope 3 target coverage requirements.
<b>Sector guidance for long-term science-based targets</b>	NZ Table 9: Sector-specific guidance for long-term SBTs.	Minor change; Technical Correction; Simplification or harmonization	Table renamed to "Eligible pathways, methods, and tools for all sectors and activities" and changed numbering from Table 9 to Table 4. General text edits to improve accuracy and readability of sector-specific requirements and update content to latest information on sector-specific guidance. Clarification in maritime row that the maritime guidance is not mandatory. Companies with maritime activities can choose between the cross-sector and maritime pathway when modeling targets.
<b>NZ (V1.2) Annex A</b>	NZ (V1.2) Annex A: Supplementary guidance on GHG accounting	Simplification or harmonization	Moved the 'Further requirements and best practice in GHG accounting' section previously contained in the

			<a href="#">Procedure for Validation of SBTi Targets</a> to Annex A of the Corporate Net-Zero Standard V1.2.
<b>NZ (V1.2): Annex C</b>	NZ (V1.2): Annex C	Simplification or harmonization	Moved and streamlined the ‘Target classification rules’ section from the <a href="#">Procedure for Validation of SBTi Targets</a> to Annex C.
<b>NZ (V1.2): Annex D</b>	NZ (V1.2) Annex D: Reporting Guidance	Simplification or harmonization; Minor change	Moved the ‘Disclose your progress section from the <a href="#">Procedure for Validation of SBTi Targets</a> to Annex D of the Corporate Net-Zero Standard V1.2. Section 1.8 ‘Qualitative and contextual information’ from the <a href="#">Procedure for Validation of SBTi Targets</a> has been removed. Minor edits throughout the guidance to improve: readability of worked examples; clarity of recommendations for disclosing substantial target emissions variations; alignment to latest SBTi resources and an update of external references (e.g., best practices for transition plans disclosure).
<b>Getting Started Guide</b>	N/A	Editorial or presentational changes; Simplification or harmonization	Edits to ensure consistency across resources.

# ANNEX 1: SUMMARY OF CHANGES FROM CORPORATE NET-ZERO STANDARD V1.0 (Oct 2021) TO V1.1 (Apr 2023)

Standard section/criterion number	Summary of change
N/A	General edits throughout the document to improve readability and minor updates to provide further clarification and context to existing criteria, recommendations and use of terminology, as listed in the rows below.
C5 - Scope 1, 2, and 3 allowable exclusions C6 - Scope 3 emissions coverage for near-term targets:	Clarifications on exclusions, significance thresholds and emissions coverage for scope 1, 2 and 3 targets.
C17 - Target year(s)	Clarification that the target year criterion is only relevant for absolute and intensity-based emission reduction near-term targets.
C18 - Progress to date	Revision of allowable years for assessing progress to date: for submissions in 2024, a recent year inventory must be provided that is no earlier than 2022 i.e., allowable most recent years are 2022 and 2023.
C28 - Neutralization of unabated emissions to reach net-zero	Clarification that the neutralization of unabated emissions applies to both the emissions reduction targets boundary and to any unabated emissions that have been excluded. from the GHG inventory
C36 - Companies in the fossil fuel production business, or with significant revenue from fossil fuel business lines	Alignment of criterion 36 and 37 to the revised version of <a href="#">SBTi's policy on fossil fuel companies</a> .



C37 - Sale, transmission, distribution of oil, natural gas, coal as well as other fossil fuels	
Sector guidance for long-term science based targets	Inclusion of most up to date information on sector developments and sector-specific criteria.
Figures and tables	Update on Table 2 “A summary of how the cross-sector pathway and sector-specific pathways can be applied”; changes Figure 3 “SBTi perspective on prioritization of mitigation actions” in the SBTi Corporate Net-Zero Standard. Addition of a table with recommended target language templates and examples (Table 7) in the SBTi Corporate Net-Zero Standard.



SCIENCE  
BASED  
TARGETS

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