

SBTi Draft Corporate Net-Zero Standard V2 Public Consultation: Q&A

April 9, 2025

Welcome and housekeeping



English **event translated** into:

- **1st session:**
 - French
 - Mandarin
- **2nd session:**
 - Spanish
 - Portuguese

Choose your preferred language using the 'interpretation' button at the bottom of your screen.



A **recording** will be published on the SBTi's YouTube channel.

Speakers



David Kennedy

Chief Executive Officer



Tracy Wyman

Chief Impact Officer



Alberto Carrillo Pineda

Chief Technical Officer



Emma Watson

Head of Corporate Standards



Today's agenda



Opening remarks from the SBTi's CEO



Overview of the Corporate Net-Zero Standard revision process



Q&A session



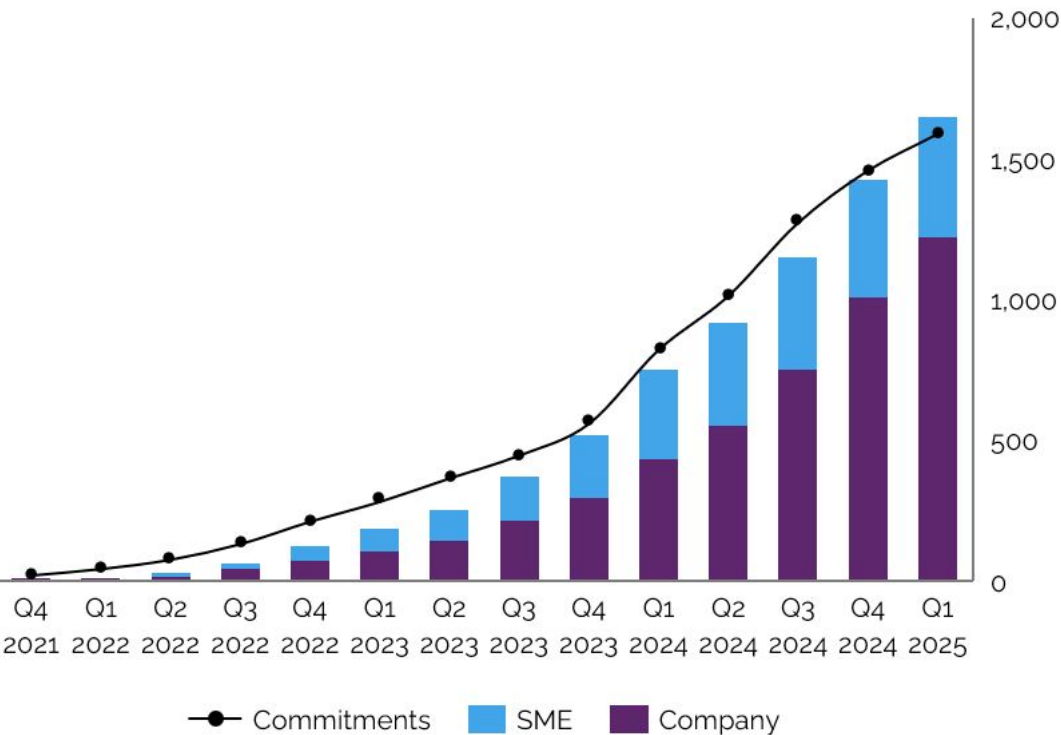
Closing remarks

Welcome from David Kennedy, CEO



Updating the Corporate Net-Zero Standard

We have mobilized businesses globally to set credible, science-based climate targets

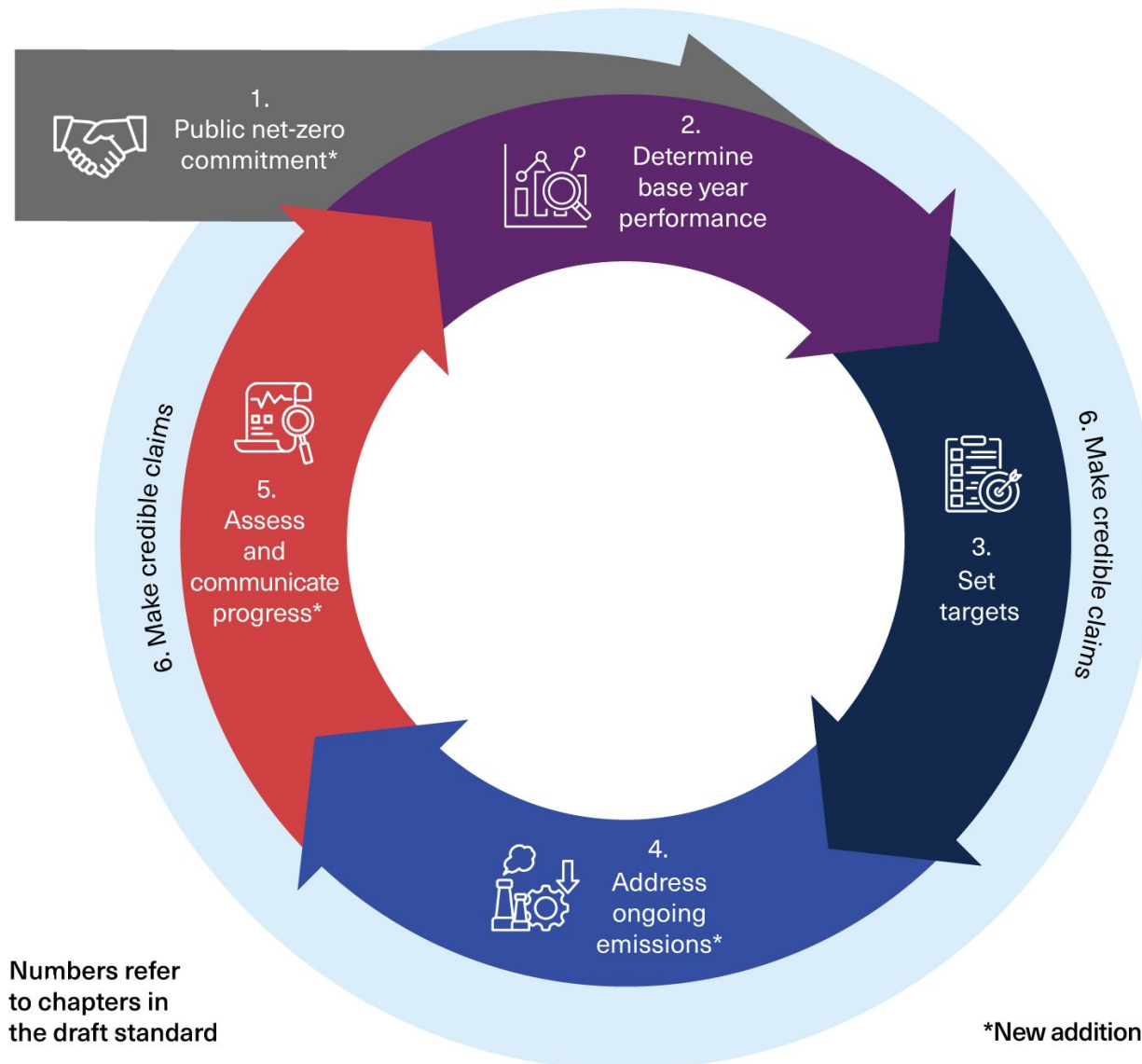


The standard is undergoing its first **major revision** after minor updates in 2022 and 2023







Version 2 will replace the current V1.2 and the [Corporate Near-Term Criteria](#).

The goal is to deliver a **science-based, practical framework that drives corporate action beyond 2030**, aligning with best practices and the unique challenges businesses face in reducing emissions.

Key changes in consultation draft



The criteria in the standard have been customised by company size and region

Size						Location	
	Employees	Net annual turnover	Balance sheet	Emissions (S1+2)	High and upper-middle income countries	Low and lower-middle income countries	
	#	\$ or €	\$ or €	tCO ₂ e			
Large At least 1 criteria	>1,000	>450M	n/a	n/a			
Medium At least 2 criteria	250–1,000	50–450M	>25M	n/a			
Small At least 2 criteria <u>and</u> under CO ₂ e threshold	<250	<50M	<25M	<10,000			

Based on World Bank classification

This applies if the HQ is in a low or lower-income country **and** the turnover from high or upper-middle income countries is <50M (\$ or€)

Key changes in consultation draft



Increased use of **transition metrics and methods** to supplement emission reduction targets.



Addressing key barriers with **scope 3 target setting** with new boundary approach, clarity and flexibility on substantiation of progress against targets



New proposals on the **role of carbon removals** in the transition towards net-zero.



Recognition of companies **addressing the impact of ongoing emissions** through BVCM.



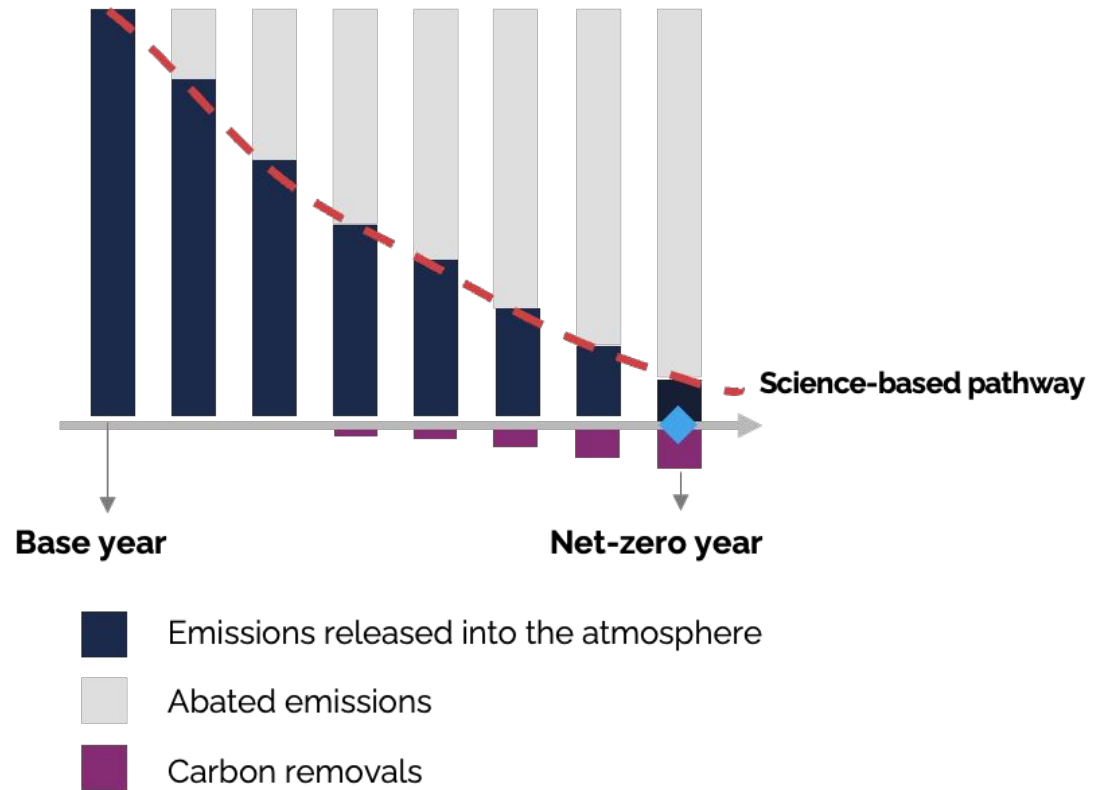
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Q&A Session

Q1: What is SBTi proposing
when it comes to removals?

Three options for addressing residual emissions



- 1 Companies are **required to** set separate removal targets to address projected residual emissions
- 2 Companies **recognized for** setting separate removal targets to address projected residual emissions
- 3 Companies address residual emissions through **additional scope 1 abatement or removals**



Recognition for beyond value chain mitigation (BVCM)

FROM

Recommendation for
companies to support
mitigation outside of the
value chain

TO

Recognition for
companies that address
the impact of ongoing
emissions in the transition
to net-zero through BVCM

Q2: What is SBTi proposing
when it comes to scope 3?



CNZS V2.0

Four major updates on scope 3

Required scope 3 targets

All Category A companies are required to set scope 3 targets, regardless of their share of total emissions

Updated target boundary

Boundary based on relevance of emissions, rather than a minimum percentage threshold

Greater target-setting optionality

Enhanced use of alignment target-setting metrics and methods focused on outcomes, rather than absolute emissions or emissions intensity

Substantiating progress

Acknowledgment of the use of interventions at the activity pool level and indirect mitigation mechanisms (e.g., book and claim) on an interim basis for emissions with limited traceability



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Q3: Why is SBTi sticking to 1.5°C?



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Q4: Why should companies
set net-zero targets now?



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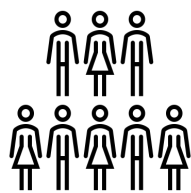
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Q5: How can people get involved
in the consultation?

We want your input



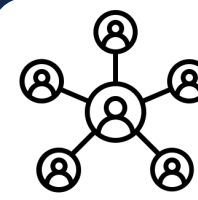
**Learn more
about the
new draft** on
our website



Provide formal
feedback via
the **public
consultation
survey**



Pilot testing,
expected in
the H2 2025



Spread the
word, and **ask
others to
share
feedback**



Supporting materials to upskill on the draft are available on the SBTi website: [digital consultation guide](#).



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Thank you for your questions

**There is no
time to lose**

Your input is essential to making the revised Corporate Net-Zero Standard both rigorous and practical.

Review the draft standard, explore our digital consultation guide, and **submit your feedback by June 1.**

The scale of the climate crisis demands **bold leadership, collaboration, and decisive action** from all of us.

Thank you

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