



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BASIS FOR CONCLUSIONS FOR VERSION 1.2 OF THE FLAG SCIENCE- BASED TARGET- SETTING GUIDANCE

Version 1.0

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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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VERSION HISTORY

Version	Change/update description	Release date	Effective dates
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1. INTRODUCTION

1.1 About this document

This Basis for Conclusions report accompanies, but is not part of, SBTi Forest, Land and Agriculture (FLAG) Guidance V1.2. It summarizes the considerations of the Science Based Targets initiative (SBTi) in developing the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 and the SBTi's responses to the significant issues raised. It includes feedback received on the draft during the public consultation held from October 7th, 2025 to November 6th, 2025 and feedback received from selected members of existing SBTi expert working groups (EWGs) in a one time Expert Working Group meeting. All comments received, together with an analysis of the issues raised, were considered by the FLAG Team.

This Basis for Conclusions report aims to:

- Summarize the development process to date, demonstrating how the [Procedure for Development of SBTi Standards](#) has been implemented, and, if relevant, clearly describe any departure from the approved procedure together with the justification for any such departure;
- Explain the main issues and concerns raised during the process, and explain how these have been responded to;
- Summarize all comments received during the last period of consultation and an explanation of how these comments have been responded to in the formalization of the final draft of the standard.

The urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 Terms of Reference can be found [here](#). The links to the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 Public consultation questionnaire(s) and public consultation submissions can be found in annexes A and B of this document.

1.2 Objectives for the development of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4

The urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 project was initiated to implement urgent changes to:

- FLAG criteria 1 on the required timelines for setting FLAG targets.
- FLAG criteria 4 to ensure companies can continue setting FLAG targets and have deliverable commitments for eliminating deforestation in their supply chains after 2025.

The outcome of this project will be the final revised criteria, to be incorporated into SBTi FLAG Guidance V1.2.

The urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 project supports SBTi's mission and vision by addressing critical issues to ensure continued engagement by key stakeholders in the FLAG sector. Without effective FLAG guidance that enables the land sector to contribute to emissions reductions, including through action on no deforestation, the credibility of SBTi's overall mission would be undermined. A detailed description of the objectives of this project is outlined in the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 [Terms of Reference](#).

1.3 Development process of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4

The SBTi initiated the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 in July 2025 as a result of an internal project request. The development process for this urgent revision followed a streamlined version of the procedures outlined in the *Standard Operating Procedure (SOP) for Development of SBTi Standards*. This approach reflected the urgent nature of the update and was applied under the special circumstances provision (Clause 100) for revisions outside the regular revision cycle, recognizing the urgent nature of the update and in line with the special circumstances provision for revising standards outside the regular revision cycle, as outlined in clause 100 of the SOP. The process aimed to be transparent in decision-making, striving for input from any interested stakeholder through public consultation to enable the widest possible consideration of content as well as more targeted expert stakeholder outreach.

The researching and drafting phases of the project were completed between July 2025 and August 2025. Once the drafting phase was completed, the urgent revision draft was approved by the Technical Council on September 18, 2025 followed by a public consultation conducted between October 7, 2025 and November 6, 2025. In parallel, a one-time expert working group meeting was held on October 23, 2025 with experts from the current membership of the Corporate Net-Zero (CNZ) Standard V2 project and the Timber and Wood Fiber (TWF) Pathway Revision project. Experts were selected based on their expertise in areas such as forest risk and land-use change; forest governance and policy; Indigenous rights, land tenure, and the impacts of deforestation on affected communities; and supply chain assessment and due diligence related to deforestation and conversion risks. The selection of experts also considered balance in terms of gender, organizational representation, and country income levels. The meeting minutes from the expert working group meeting are available [here](#).

This Basis for Conclusions report was approved by the Chief Technical Officer on November 17, 2025. The Technical Council subsequently approved the final urgent revision on 18 December 2025, prior to informing the Board of Trustees.

1.4 Scope of external consultation(s)

The draft of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 was open for public comment, as required by the *Standard Operating Procedure (SOP) for Development of SBTi Standards* from October 6th, 2025 to November 7th, 2025. The objective of the public consultation was to seek stakeholder input on updates to Criterion 4 of FLAG, which requires companies to make a public no-deforestation commitment when setting FLAG targets. Respondents were invited to submit their feedback on the proposed updates to ensure the FLAG target-setting process remains functional beyond the current target date and to improve clarity and consistency for companies setting FLAG targets.

Several outreach activities were carried out during the development of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4, including a 30-day public consultation period, a targeted one-time Expert Working Group with selected experts from the Corporate Net-Zero Standard and Timber and wood fiber pathway Expert Working Groups, and several regional engagement events. Feedback was also received through the public consultation survey, discussions with experts, questions raised at events, and non-solicited emails.

1.5 Overview of public consultation comments

Respondents to the public consultation Draft were asked to submit comments through an online survey. The link to the survey was made available on the FLAG project page. Respondents could also submit additional feedback via email to flag@sciencebasedtargets.org.

A total of 178 public submissions from individuals and organizations were received on the draft. Twelve people submitted information directly via email. The submissions came from the corporate sector, financial institutions, professional services, industry associations, NGOs, academia, standard-setting bodies, multilateral and international organizations and the media. The full list of public consultation comments is referenced in [Annex B](#).

During the public consultation, the SBTi sought input from stakeholders representing a balance of interests in the subject matter and in the geographic scope to which the standard applies. The public consultation sought to overcome barriers faced by stakeholder groups who have been under-engaged or under-represented, by identifying stakeholder groups that are not adequately represented and proactively seeking their contributions, however, gaps in participation were still identified, including a lack of respondents from Africa, and a relatively fewer respondents from civil society as compared to the corporate sector.

1.6 Overview of feedback received over the course of project (outside of Public Consultation)

Throughout the course of the project, the SBTi received additional feedback outside the formal public consultation period. This feedback was submitted through various channels, including discussions, polls and a survey conducted during the one-time Expert Working Group meeting, questions and discussions raised at regional events and non-solicited emails from stakeholders. All feedback received outside of the official consultation process was logged, reviewed and, where appropriate, considered by the SBTi.

1.7 Methodology for feedback analysis

All feedback received during the development of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 through the public consultation and other feedback channels (see 'Scope of external consultation(s)' section), were collated into a Project Feedback Log. The Project Team led analysis of the feedback. All feedback received was considered in the analysis. Feedback received through different channels were analysed separately.

All submitted feedback underwent an initial review. Comments identified during this review as having been generated by AI bots were removed. All remaining comments were considered in the analysis.

Feedback was categorized by type of organization and by topics for consultation. Feedback received through other channels as well as feedback from the EWGs were analysed separately. In total, there were 193 items of feedback analyzed to inform the development of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4.

Stakeholders participating in the public consultation were not required to respond to all feedback questions. For feedback submitted outside the public consultation process, stakeholders determined the content and scope at their discretion. Submissions included both qualitative and quantitative data.

Qualitative feedback from the public consultation survey was analyzed by identifying the main topics raised in each question using NotebookLM and amending the summary manually based on a review of individual comments. Quantitative feedback was analyzed by disaggregating responses as a percentage per type of organization.

Feedback submitted outside of the public consultation survey was summarised separately by topics raised.

Feedback was also received from SBTi validation services on the feasibility of validating companies against the criteria through discussion and their response to the public consultation survey.

The inclusion or exclusion of feedback was determined, where feasible, based on the majority response for each topic. In some cases, decisions also considered the implementability of the proposed changes. The steps in this decision-making process were as follows:

- Evaluate where the majority of answers for the different types of stakeholders who had participated in the consultation combined with the majority of views expressed during the expert working group aligned with the proposal.
- Where feedback identified implementation challenges, revisions were made to improve applicability.
- Where there was no clear alignment or where significant concerns were raised by different types of stakeholders, revisions were made to the draft criteria.

2. SIGNIFICANT ISSUES AND SBTI RESPONSES

This section covers the main issues and concerns raised during the development of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 project and how they have been addressed by the SBTi. It summarizes the significant issues raised through various feedback channels, specifically comments raised through the public consultation process, the expert working group on no-deforestation commitments, webinars and emails, etc. For the purposes of this Basis for Conclusions report, issues have been deemed significant if they were raised by several stakeholders during the consultation or if raised concerns on the implementability of the proposed changes or unintended consequences the changes could have.

Due to the narrow scope of the urgent revision, significant issues presented in this section mostly relate to the technical content of the urgent revision.

Comments related to the overall concept or format of the urgent revision of SBTi FLAG Guidance V1.1 - Criteria 1 and 4 or beyond the scope of this urgent revision are excluded from this Basis for Conclusions Report, except if the feedback is required to understand other proposed changes. Minor editorial comments were reviewed and directly incorporated into the revised FLAG criteria 1 and 4 by the SBTi and are therefore also excluded from this report.

After following the methodology for feedback analysis outlined above in section 1.7, the proposed updates to FLAG remain substantially unchanged on the following topics from the draft released for consultation:

- FLAG-C1 Section 2.1 - **Changes to FLAG-C1**
- FLAG-C4 Section 3.2 - **Target dates of no deforestation commitments for companies setting new FLAG targets**
- FLAG-C4 Section 3.2 - **Additional requirements for public documentation relating to no deforestation targets**

These proposals all received majority support from all stakeholder types in the consultation responses.

The major changes made to the consultation draft and the reasons for these are detailed below.

2.1 Target dates for companies opting to revise their existing FLAG no-deforestation commitment

Description	The draft document for consultation proposed that all changes to the requirements of Criterion 4 on no-deforestation commitments within the FLAG guidance made through the urgent revision would also apply to companies that have already set FLAG targets with additional requirements.
Summary of feedback received	<ul style="list-style-type: none"> ● There was general agreement for companies to be able to revise their commitments with additional requirements (67.9% of Corporates, 72.7% of Professional Services & Consultancies and 68.8% of Civil Society & Advocacy NGOs but less, 37.5% from Financial Institutions¹). ● There were notable concerns raised about delaying progress and rolling targets. ● Some responses noted there was a lack of clarity on whether all companies with existing targets would be required to change their target date.
Changes (if any) implemented in draft for approval	<ul style="list-style-type: none"> ● Clarifications and revisions were made on this topic: <ul style="list-style-type: none"> ○ SBTi recommends that companies with existing commitments maintain and achieve these commitments. ○ Companies who have not yet met their commitment must be incentivised to achieve this commitment as soon as possible. ● To reflect this, the updated target date for companies revising their commitment shall be within two years of the company’s submission of the updated commitment for SBTi validation, and no later than 31 December 2028.
Rationale	The final revised draft recognizes the overall agreement that companies with existing targets may update their target dates but provide a defined timeframe for companies to do so and achieve their commitments.

¹ “Agree” or “Strongly agree” answers to question 20. *The SBTi proposes that all changes made to the Criterion 4 requirements on no-deforestation commitments in this revision may also apply to companies that have already set FLAG targets.*

Do you support this proposal with the additional requirement that companies publicly disclose progress achieved against their previous commitment, relevant barriers found in the implementation of the commitment, and planned actions to address these barriers?

2.2 Requirement for cutoff dates

Description	The draft document for consultation proposed to require cutoff dates that predate the submission of the first FLAG no-deforestation commitment for SBTi validation. The previous recommendation, from the current FLAG guidance, that companies shall set a 2020 or earlier cutoff date remained in the proposal for consultation.
Summary of feedback received	<ul style="list-style-type: none"> ● There were mixed views on the cutoff date during consultation. 46.5% of Corporates, 50% of Financial Institutions, 77.3% of Professional Services & Consultancies and 75.1% of Civil Society & Advocacy NGOs agreed or strongly agreed to require the cutoff date to predate the first FLAG no-deforestation commitment submission date (Question 22). ● There were no clear preferences among the other options including requiring a specific cutoff date (for example, 2020) or that the cutoff date remains a recommendation only. ● There were concerns raised by respondents on: <ul style="list-style-type: none"> ○ The risks of having rolling target dates and rolling cutoff dates. ○ The unintended consequences that selecting a 2020 as a fixed cutoff date might have in certain regions or to incentivise companies to reduce deforestation in their value chains.
Changes (if any) implemented in draft for approval	<ul style="list-style-type: none"> ● Companies are expected to align with a 2020 cutoff date where possible. ● Where this is not possible, companies will need to justify the change and the cutoff date shall be no later than 3 years prior to submission of the company's first FLAG targets for SBTi validation. ● This change is intended to provide more flexibility for companies to select a cutoff date that is appropriate for their own operations while ensuring that recent deforestation is included in the no-deforestation commitment. This should allow companies operating in different regions and contexts to set new targets while being clear on the objective for early cut off dates to drive emissions down.
Rationale	<p>The final revised criterion reflects an acknowledgement of the varied perspectives on the cutoff date.</p> <p>An early cut off date on a no deforestation commitment means a company is much more likely to meet their overall FLAG target as they eliminate a significant source of land use change emissions in their inventories. However, having 2020 as a fixed cutoff date could have unintended consequences and may not be appropriate for all companies.</p>

2.3 Identification of relevant primary deforestation-linked commodities

Description	The draft document for consultation proposed to require that the seven commodities covered under the EUDR—cattle, cocoa, coffee, oil palm, rubber, soy, and timber—are as a minimum included within companies' no-deforestation commitments in cases when any of these commodities are responsible for 5% or more of a company's total gross FLAG emissions
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	(Companies shall disclose how they assessed their commodities' contribution to this threshold).
Summary of feedback received	<ul style="list-style-type: none"> • The feedback on this topic was in majority in favor of the proposed changes (66.9 % of Corporates, 63.7% of Professional Services & Consultancies and 81.3% of Civil Society & Advocacy NGOs²). • There were concerns raised about: <ul style="list-style-type: none"> ○ The direct reference to the EUDR as a European legislation. ○ Other relevant commodities outside of this list and the need for companies to be able to cover the relevant commodities for their value chains. ○ The alignment of the 5% emissions threshold with other reporting requirements and its implementability.
Changes (if any) implemented in draft for approval	<ul style="list-style-type: none"> • The text was updated to refine the definition of primary deforestation-linked commodities that shall be included at minimum in the no-deforestation commitment. The thresholds are based on sourced volumes, in tonnage, to facilitate the implementability of the requirement. • The text was updated to clarify that the seven commodities also included in the EUDR are some of the commodities contributing most significantly to deforestation globally and important commodities for companies to consider in their commitments. • The text on public documentation was updated to include information on how companies have assessed their primary deforestation-linked commodities.
Rationale	<ul style="list-style-type: none"> • The changes are intended to provide a common definition based on which companies can identify the most relevant commodities to include in their value chains depending on their activities, their sourcing regions and other relevant parameters.

2.4 Tiered requirements for category A and B companies

Description	The FLAG criterion 4 on no-deforestation commitments applies to all companies setting FLAG targets.
Summary of feedback received	<ul style="list-style-type: none"> • Members of the Expert Working Group on no-deforestation commitments suggested that regional differences and operating contexts could be reflected in the revised criterion. • References were made to some of the proposed changes in CNZS V2 where the concept of category A and B companies has been introduced.
Changes (if any) implemented in draft for approval	<ul style="list-style-type: none"> • No further changes have been made to the FLAG criterion 4.

² “Agree” or “Strongly agree” answers to question 27. *Do you agree that SBTi should align with EUDR regulations by requiring companies to include, at a minimum, any of the seven EUDR-covered commodities—cattle, cocoa, coffee, oil palm, rubber, soy, and timber—in their no-deforestation commitments whenever those commodities contribute 5% or more of the company’s total gross FLAG emissions?*

Rationale	<ul style="list-style-type: none"> • This suggestion was not implemented considering that CNZS V2 is still subject to changes and to limit the risk of unintended consequences that could arise from this new parameter. • Tiered requirements for category A and B companies should be considered for the SBTi FLAG Guidance in general after completion of CNZS V2.
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ANNEX A: PUBLIC CONSULTATION DOCUMENT(S) AND QUESTIONNAIRE(S)

- [Urgent revision of SBTi FLAG Guidance V1.1 Criteria 1 and Criteria 4. Consultation draft.](#)
- [Summary: Urgent revision of SBTi FLAG Guidance V1.1 Criteria 1 and Criteria 4](#)

ANNEX B: FULL SET OF PUBLIC CONSULTATION SUBMISSIONS

- Urgent revision of SBTi FLAG Guidance V1.1 Criteria 1 and Criteria 4 [Public Consultation feedback log](#)



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