

DATA QUALITY, ASSURANCE & CLAIMS SESSION 1

Orientation, Context & Ambition Claims

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SESSION INTRODUCTION & HOUSEKEEPING

Introduction | Our goal today is to orient ourselves with a shared vision for the group, and consider the SBTi's approach to ambition claims

Today's questions

... and outcomes

1. What is the current state of claims and data-related requirements in live standards and the CNZS V2.0 draft?

Establish a shared baseline understanding to build discussions

2. What are we trying to solve, and what is our shared vision for claims and data quality/assurance within the standard?

Group alignment on objectives and vision.

5 min break



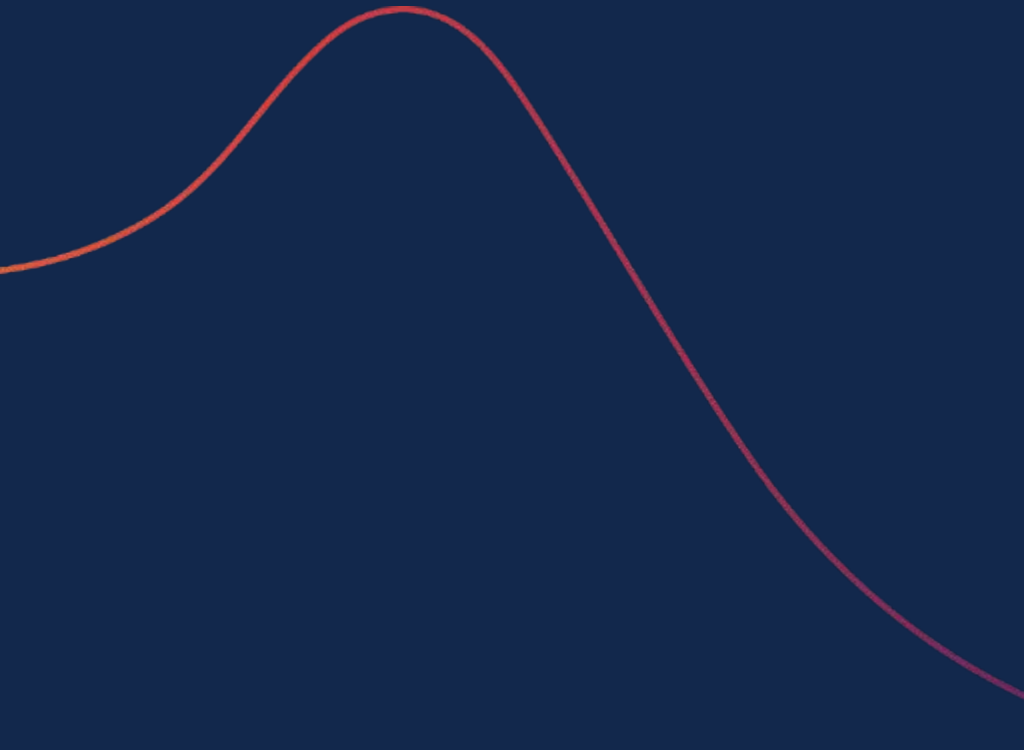
3. How can we refine the SBTi's approach to ambition claims?

Gain further clarity on how to approach ambition claims.

Please request access to the miro for later at:

https://miro.com/app/board/uXjVIBBTYO4=/?share_link_id=488581363487

AGENDA



Session intro & housekeeping	10 min
EWG introductions	15 min
Context setting	10 min
Q&A	15 min
Group exercise: Defining objectives	30 min
Break	5 min
Group exercise: Ambition claims	30 min
Wrap up	5 min

DISCLAIMER & ANTITRUST

- **Disclaimer** - Please note, this document is for information purposes only in order to inform discussions and for no other purpose.
- The information provided by SBTi (including information supplied by third-parties) in this document is furnished on a confidential basis and must be treated as confidential.
- No such information may be divulged to any third party without the prior written approval of SBTi.
- This information shall not be used for any other purpose. SBTi reserves all rights in this document.

Antitrust Caution – Do not engage in any discussion, activity or conduct that may infringe on any applicable competition law.

For example, do not discuss company-specific information on:

- current or future prices, pricing strategies, or price related information;
- output, capacity, inventory levels, or costs;
- data related to market share;
- current or future business model transformation strategies.

Members are responsible for halting any activity that may violate this policy and reporting it immediately to SBTi.

CONFLICT OF INTEREST DECLARATION

- As per the [EWG Terms of Reference](#) and the [SBTi COI policy](#), conflicts of interest must be declared
- At the start of each meeting the chair will ask members if a new COI has arisen
- A Conflict of Interest may be:
 - Actual: A true conflict exists between a Party's duties with the SBTi and their private interests.
 - Potential: Where a Party has personal or private interests that could conflict with their duties with the SBTi, or where it is foreseeable that a conflict may arise in future.
 - Perceived: Where an unbiased observer could reasonably form the view that a Party's private interests could influence their decisions or actions.

ARE THERE ANY COI THAT THE SBTi SHOULD BE AWARE OF?

VIDEO-CONFERENCE GUIDELINES

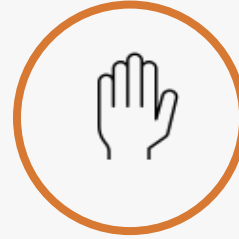
Participant guidelines



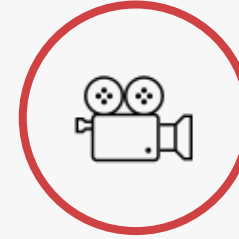
Mute during presentations



Use the chat box



Use the raise hand function



If you can, please keep your camera on

Notes from us



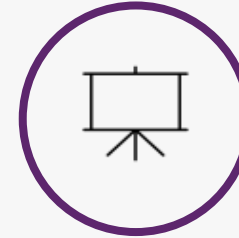
Treat info as confidential



Meeting is being recorded

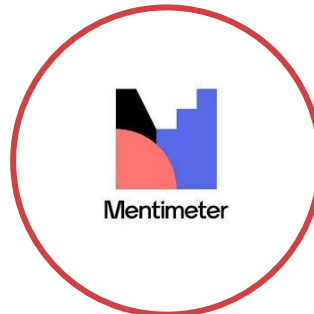


We will follow up with minutes



..And we will follow up with slides!

Finally, please have your devices ready to use...





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EWG INTRODUCTION

MEETING INVITES



We know the scheduling mixup for this session was inconvenient, and for that, **we sincerely apologize**. We greatly appreciate your participation in this group, and will strive to ensure your valuable time is considered and put to good use.

We are committed to:

1

Listening to feedback

2

Learning from our mistakes and improving moving forward

3

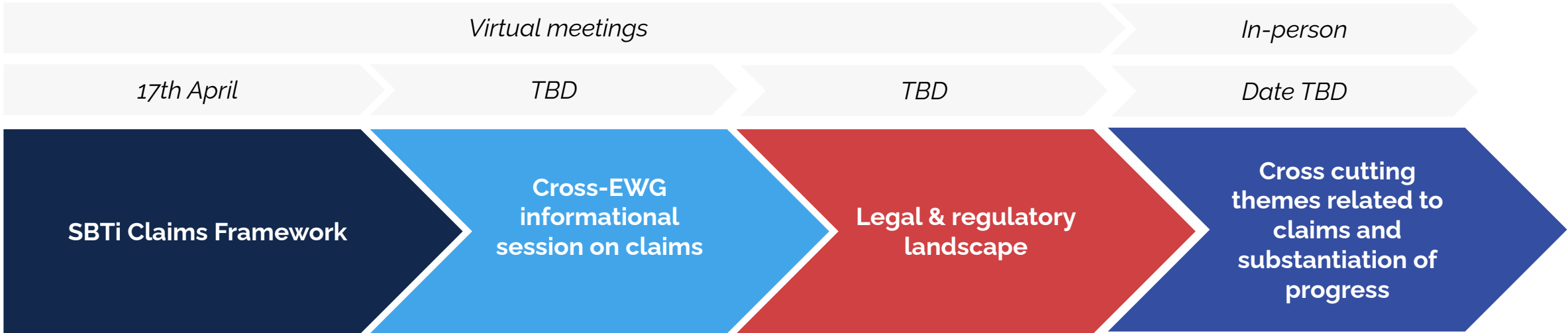
Ensuring all members have channels to provide input, even if they are unable to attend live

ABOUT THE EWG AND MEETING SCHEDULE



The **Data & Claims Expert Working Group** will provide input to inform the evolution of the requirements in the revised Standard, with the aim to **define minimum data quality** and **substantiation needed to set credible targets and make credible claims**. The group will also **explore the types of claims the Standard should enable**.

We are currently taking stock of feedback and scheduling conflicts to develop a comprehensive meeting plan..



DATA & CLAIMS EWG MEMBERS

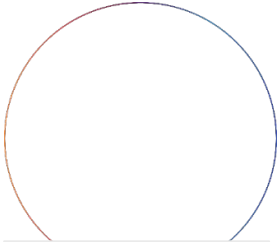
SBTi Team



Erin Lasher
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Max Eichelbaum



Paola D. Luna



Patrick Mallet



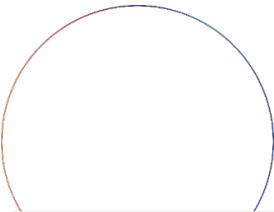
Polly Hemming



Sangwon Suh



Stephanie Glazer



Tatiana
Boldyreva



Vincent Kong



Vita Jarolimkova



Wren
Montgomery



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CONTEXT SETTING

Data quality and assurance



CNZS V2.0

Data quality and assurance

FROM

Reliance on secondary data that makes accurate emissions measurement and consistent progress tracking difficult



TO

Mechanisms that incentivize companies to gradually shift toward higher data quality while recognizing current constraints

Companies must obtain third party assurance of their GHG emissions inventory

Boundary

ALL scope 1
emissions

ALL scope 2
emissions

ALL scope 3
emissions
WITHIN scope 3
target-setting
boundary

See scope 3
section for details

For the
base year
and **target**
year

Required assurance process

**Limited assurance
for GHG inventory^{1,2}**

In line with the CDP
list of accepted
verification
standards³

**Companies must
publicly report**

Details, findings, and
recommendations of
the assurance
process⁴

1. Conducted by an independent third party; 2. Only required for Category A companies; 3. Preliminary, to be confirmed in consultation; 4. Includes details on assurance provider and specific exclusions, assumptions, and limitations

Companies must aim to improve GHG emissions data quality and traceability over time

Total S3 emissions



Determine level of traceability in the base year, including an uncertainty assessment

Develop plan to increase share of traceable emissions data over the target cycle and report progress against it

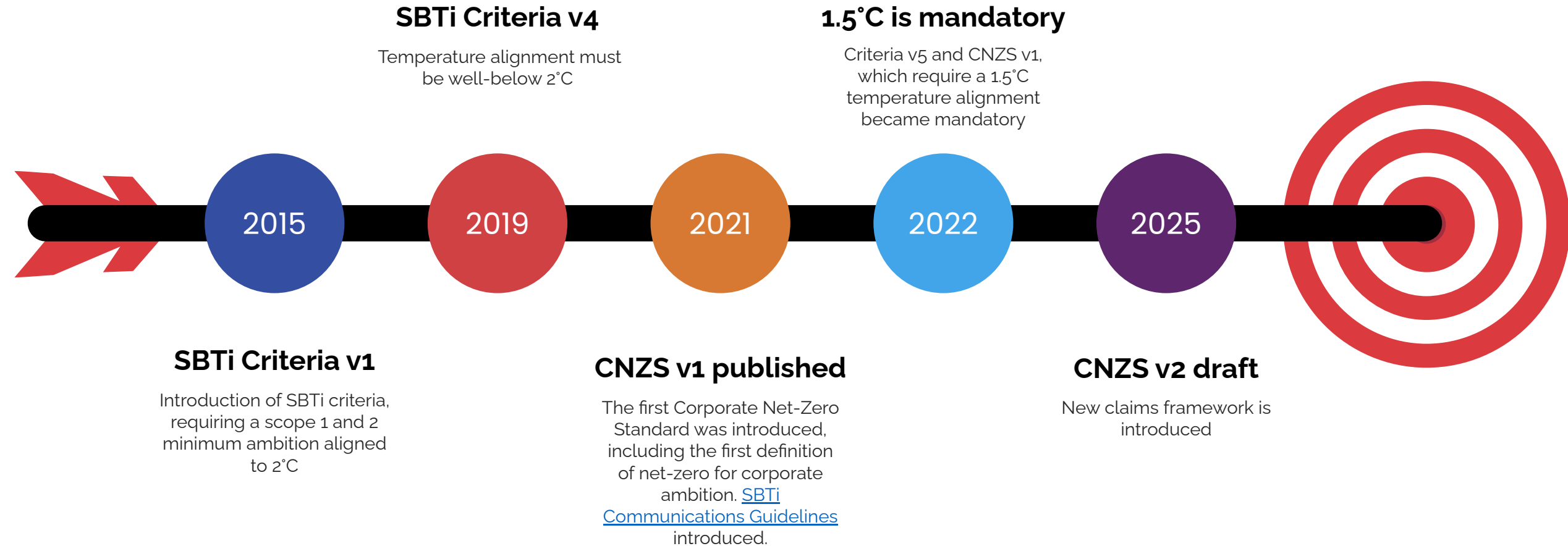
- 1 Emission-intensive activities: Strive to reach **100% traceability by 2035**
- 2 Other emissions (in Significant Categories): Strive to reach **100% traceability by 2050**

No data quality improvement actions required

1. See Scope 3 section for determination of EIAs and Significant Categories

Claims

WHERE WE STARTED



WHERE WE'RE AT

Chapter 6 & Annex H



Criterion 28: Claims must be accurate, transparent and verifiable



Sections 6.2 - 6.5: High-level framework for claims at different stages of the validation cycle



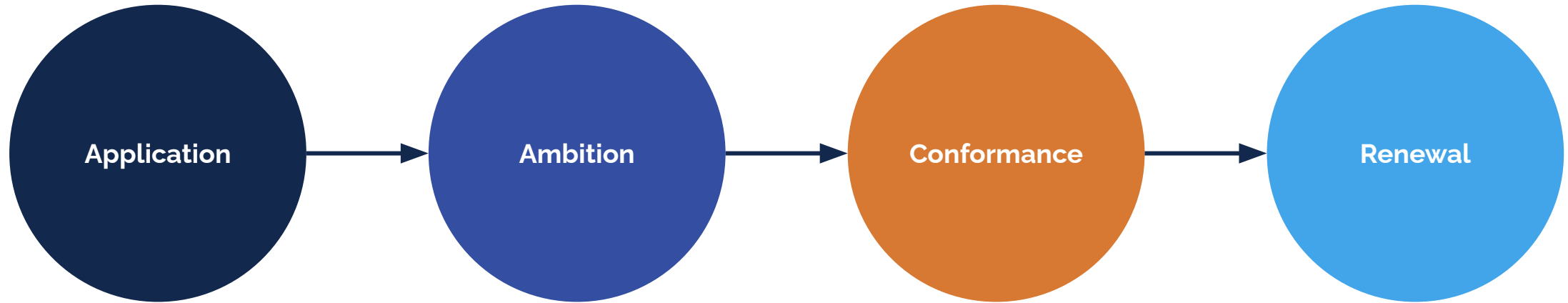
Annex H: Proposed claims types and eligibility for each type

Open Questions

- **Process-related claims:** Proposed claims are limited to adhering to requirements and processes—is this sufficient?
- **Other types of claims:** Should the SBTi enable other types of claims?
- **Eligibility:** If other types of claims are enabled, how should eligibility for claims be defined?

WHERE WE'RE AT

Types of claims in the draft

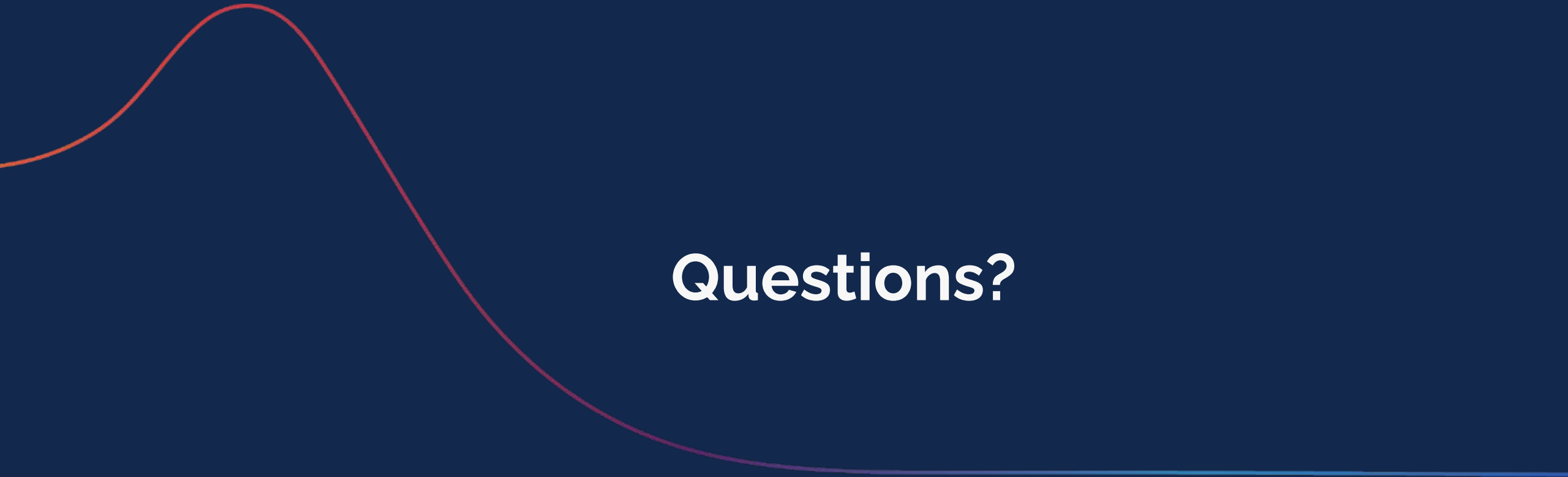


- Available after the entry check
- Expresses intention to set targets and commitment to reach net-zero

- Available after the initial validation or renewal validation
- Expresses that targets have been set in conformance with SBTi Standards

- Available after progress assessment is completed
- Expresses that the progress assessment was conducted in conformance with SBTi Standards

- Available after renewal validation
- Expresses that previous target cycle was conformant, and that new target have been set



Questions?



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DEFINING OUR SHARED OBJECTIVES

What are we trying to solve and where do we want to go?

PROBLEM STATEMENT

As global emissions rise, the SBTi's current focus on temperature-aligned ambition claims for Scope 1 and 2 targets may not fully reflect companies' overall climate performance and offer limited incentives for deeper action to address the underlying drivers of emissions.

VISION

The CNZS V2.0 enables companies to make claims including those regarding target achievement, that are accurate, verifiable and adhere to high-integrity standards and applicable regulations.

SBTi technical foundations to design and implement science-based targets shall be based on the following principles:

Ambitious	Ensure that entities decarbonise in line with the ambition required to limit warming 1.5°C with no or limited overshoot.
Rigorous	Use the best available science, from authoritative sources, such as Intergovernmental Panel on Climate Change (IPCC), International Energy Agency and similar or related sources, and best practice in climate target setting and climate mitigation at the time of standard development
Transparent	Ensure all relevant information is publicly available, and transparently documented, including explicit statements of assumptions and calculation procedures.
Robust	Meaningfully represent the climate performance of an entity, and be consistent over time to enable credible claims throughout the target-setting and implementation journey, while reaching for a maximum level of comparability across entities
Actionable	Ensure all technical foundations are practical to design and implement leading to measurable action and progress in climate performance
Equitable	Reflect a transition to net-zero that recognizes the differentiation needed for entities of varying sizes, types, sectors, and geographies to undertake a science-based decarbonization journey that strives for equity
Responsible	Reflect a transition to net-zero that emphasizes low risk of adverse outcomes across planetary boundaries and avoids adverse outcomes for broader sustainability goals.



What problems are we trying to solve in relation to claims & data within the SBTi context?



Group exercise

Join us on Mentimeter!

Go to menti.com and enter 7844 3851



Group exercise

What should we be striving for in relation to data and claims in CNZS V2.0?

Join us on Mentimeter!

Go to menti.com and enter 7844 3851

Based on these inputs, how can we refine the problem statement and vision?

PROBLEM STATEMENT

As global emissions rise, the SBTi's current focus on temperature-aligned ambition claims for Scope 1 and 2 targets may not fully reflect companies' overall climate performance and offer limited incentives for deeper action to address the underlying drivers of emissions.

VISION

The CNZS V2.0 enables companies to make claims including those regarding target achievement, that are accurate, verifiable and adhere to high-integrity standards and applicable regulations.

Next steps: The SBTi team will take this feedback and present a revised version in the next meeting.



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5 MINUTE BREAK



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GROUP EXERCISE ON AMBITION CLAIMS

SETTING THE CONTEXT FOR TODAY'S EXERCISE

Discussion parameters

- We will be focusing on ambition claims, covering 3 main subtypes:
 - ▶ Temperature alignment
 - ▶ Paris alignment
 - ▶ Recognition for going beyond the minimum ambition
- Discussion on each claim should focus on:
 - ▶ Risks
 - ▶ Benefits
 - ▶ Use cases
- We will **not** be discussing the following during this session
 - ▶ Substantiation of claims
 - ▶ Other types of claims



The primary goal of this exercise is to **identify and address risks and benefits associated with each type of ambition claim.**

GROUP EXERCISE

Ambition claims mapping



Exercise: We will work together to map risks and benefits of ambition claims on Miro.

Join the Exercise: Go to

https://miro.com/app/board/uXjVIBBTYO4=/?share_link_id=488581363487

Participate: Add your input via sticky notes.

Discuss & Review: Analyze results together and summarize key takeaways.



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NEXT STEPS

Next steps

Next
meeting

We are currently taking stock of feedback and scheduling conflicts to develop a comprehensive meeting plan..

Virtual meetings

In-person

17th April

TBD

TBD

Date TBD

SBTi Claims Framework

Cross-EWG
informational
session on claims

Legal & regulatory
landscape

Cross cutting
themes related to
claims and
substantiation of
progress

What to expect between now and then...



EWG Information Pack will be sent via email



Today's **slides and minutes** will be uploaded to our shared folder



Pre-reads for our next meeting will be shared 5 days in advance



Any questions? You can reach us at ewg-data@sciencebasedtargets.org.