



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

GETTING STARTED GUIDE FOR FINANCIAL INSTITUTIONS

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 UK charity, with a subsidiary SBTi Services Limited, which hosts our target validation services. Partner organizations who facilitated SBTi's growth and development 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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“Science Based Targets initiative” and “SBTi” refer to the Science Based Targets initiative, a private company registered in England number 14960097 and registered as a UK Charity number 1205768.

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VERSION HISTORY

Version	Change/update description	Publication date
1.0	<ul style="list-style-type: none"><li data-bbox="469 398 868 427">• First version of the document.	May 19, 2026

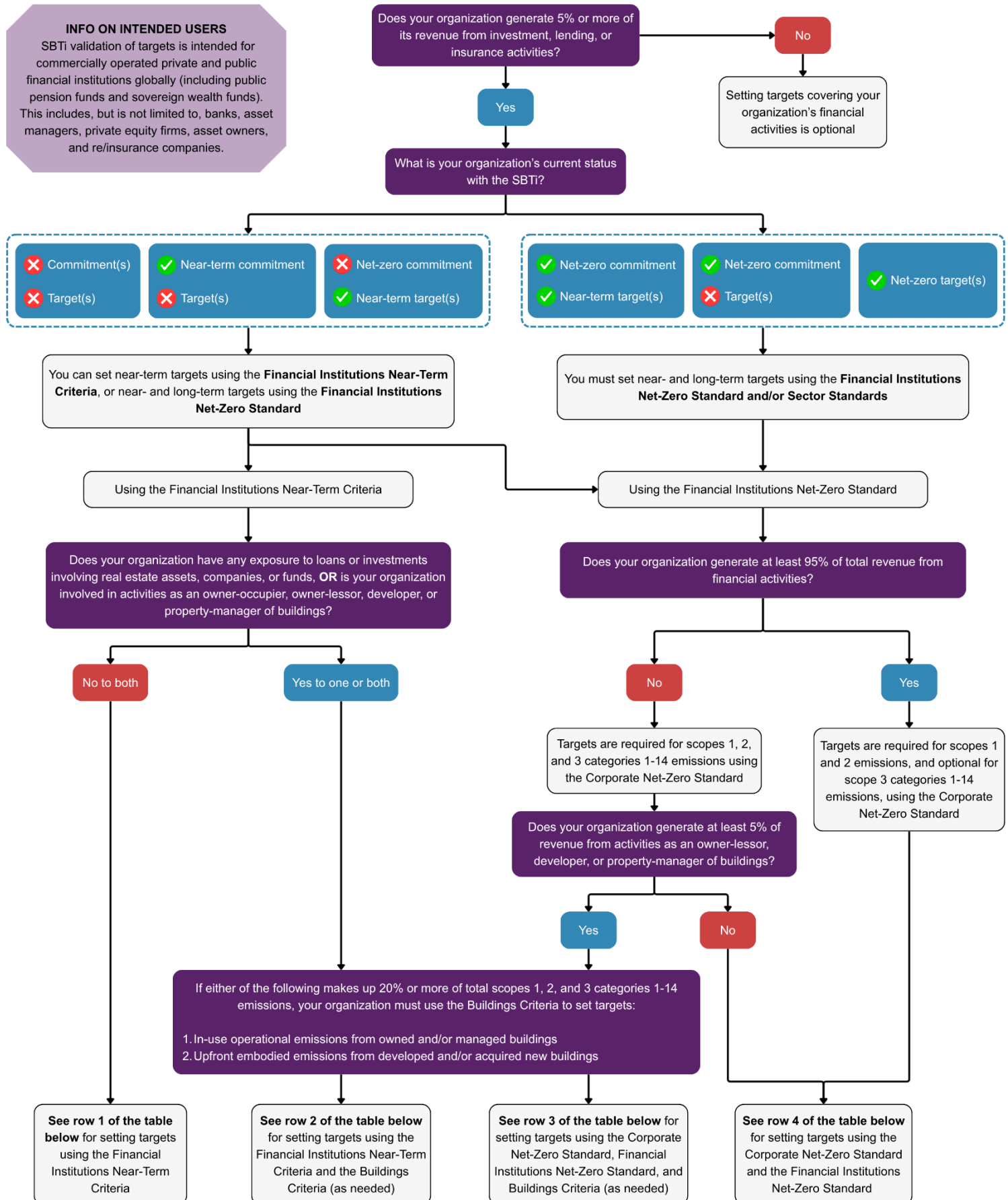
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WHERE TO GET STARTED

Use this diagram to determine the submission type your company needs to send to SBTi Services.

Figure 1. Flow chart to identify where to get started



TARGET VALIDATION DOCUMENTS AND TOOLS TO SUBMIT

	RELEVANT TARGETS	DOCUMENTS TO SUBMIT	TOOLS TO SUBMIT	ADDITIONAL RESOURCES
1	Financial institutions near-term target	<ul style="list-style-type: none"> Financial Institutions Target Submission Form V2.1 	<ul style="list-style-type: none"> Corporate Near-Term Tool¹ Science-based target-setting tool² SBTi Finance Tool³ 	<ul style="list-style-type: none"> Financial Institutions Near-Term Criteria Financial Institutions Near-Term Criteria in Brief Private Equity Sector Science-Based Target Guidance
2	Financial institutions near-term target and buildings target(s)	<ul style="list-style-type: none"> Financial Institutions Target Submission Form V2.1 Buildings Annex 	<i>Tools listed in the cell above as applicable, and:</i> <ul style="list-style-type: none"> Buildings Target-Setting Tool 	<i>In addition to the resources in the cell above:</i> <ul style="list-style-type: none"> Buildings Target-Setting Criteria SBTi Buildings Explanatory Document
3	Financial institutions net-zero target and buildings target	<ul style="list-style-type: none"> Financial Institutions Net-Zero Target Submission Form Buildings Annex 	<i>Tools listed in the cell below as applicable, and:</i> <ul style="list-style-type: none"> SBTi Financial Institutions Net-Zero FINZ Target-Setting Tool⁴ Buildings Target-Setting Tool 	<i>In addition to the resources in the cell below:</i> <ul style="list-style-type: none"> Buildings Target-Setting Criteria User Guide for Financial Institutions with Real Estate Exposure
4	Financial institutions net-zero target	<ul style="list-style-type: none"> Financial Institutions Net-Zero Target Submission Form (including for scopes 1, 2, and 3 categories 1-14 as applicable) Optional Fossil Fuel Transition Policy and Target Template 	<ul style="list-style-type: none"> SBTi Financial Institutions Net-Zero Target-Setting Tool⁴ SBTi Corporate Near-Term Tool¹ and SBTi Corporate Net-Zero Target Setting Tool (for operational emissions in scopes 1, 2, and 3 categories 1-14 as applicable) 	<ul style="list-style-type: none"> Financial Institutions Net-Zero Standard Financial Institutions Net-Zero Standard in Brief Corporate Net-Zero Standard How to Apply Relevant SBTi Corporate Net-Zero Standard V1.3.1 Criteria Explanatory Note for Insurance Underwriting

¹ Models absolute contraction approach (ACA) and sectoral decarbonization approach (SDA) targets with a 1.5°C scenario. ACA targets are required for financial institutions' scope 1 and 2 emissions as well as scope 3 categories 1-14 and fossil fuel finance transition targets on the oil and gas sector, if relevant. The SDA was developed for companies and can be applied to sector-level components of financial institutions' portfolios, including power and cement. Financial institutions seeking to set 1.5°C-aligned targets on emissions related to other sectors with SBTi guidance available should refer to the applicable sector-specific tools on the following sector webpages: [Air Transport](#), [Buildings](#), [Forest, Land and Agriculture](#), [Land Transport](#), [Maritime Transport](#), [Steel](#), and submit the applicable target- setting tool.

² For use only by financial institutions who want to model SDA targets with a well-below 2°C ambition, and is to be applied to sector-level components of financial institutions' portfolios. For those using the [Financial Institutions Near-Term Criteria V2](#) to set targets, the tool can be used for the following sectors: Aluminium, Pulp and Paper.

³ For more information on how to use the SBTi Finance Tool to set Portfolio Coverage and Temperature Rating targets, please refer to the additional resources on the [SBTi Financial Institutions webpage](#). For Temperature Rating targets, please see also the SBTi [Financial Institutions Net-Zero Standard Implementation List](#).

⁴ Only in case the FI selects to set sector targets for the following sectors: maritime, buildings, and forest, land, and agriculture (FLAG) sectors, financial institutions should additional use the [SBTi Maritime Transport Tool](#), [Buildings Target-Setting Tool](#), and [FLAG Target-Setting Tool](#), respectively.

RESOURCES

To support companies in their financial activities target-setting process, the SBTi has developed a series of resources that companies should carefully consult to ensure they have the latest information on recommendations and requirements of the SBTi Financial Institutions Net-Zero Standard and the SBTi Financial Institutions Near-Term Criteria.

SBTi Financial Institutions Net-Zero Standard

Target-setting resources

- [Financial Institutions Net-Zero Standard](#): Provides criteria for financial institutions to set net-zero science-based targets.
- [Target-Setting Methods and Tool Documentation](#): Includes detailed explanation of algorithms for the target-setting methods used within this Standard.
- [SBTi Services Criteria Assessment Indicators](#): Provides verifiable control points, which will be evaluated during the target validation process to assess conformity with this Standard.
- [Financial Institutions: How to Apply Relevant SBTi Corporate Net-Zero Standard V1.3.1 Criteria](#): Outlines which criteria from the current Corporate Net-Zero Standard V1.3.1 apply to different types of financial institutions setting net-zero targets.
- [User Guide for Financial Institutions with Real Estate Exposure](#): Explains how the Financial Institutions Net-Zero Standard and the [SBTi Buildings Criteria](#) are used together, where applicable.

For various documents translations into **Arabic, Chinese, French, Indonesian, Japanese, Portuguese, and Spanish** can be found [here](#).

Implementation list for climate alignment target setting

To strengthen interoperability with the broader climate ecosystem, the SBTi Financial Institutions Net-Zero Standard allows financial institutions to use eligible third-party methodologies, taxonomies, and other data sources to assess how their portfolio companies and activities align with net-zero pathways and set climate-alignment targets.

- [Financial Institutions Net-Zero Standard Implementation List](#): Identifies which third-party resources may be used for near- and long-term climate-alignment target setting.
- [Financial Institutions Net-Zero Standard Protocol for Usage of Third-Party Methodologies](#): Sets out the process for how the SBTi evaluates third-party methodologies—ensuring they align with best practice criteria—and explains how eligible methods are added or removed.

These documents facilitate interoperability between the Financial Institution Net-Zero Standard and other established methods and metrics in the financial sector, helping to make the path to setting net-zero targets more accessible and in line with current practices.

Background information

- [Financial Institutions Net-Zero Standard One-Page Summary](#): Outlines the key elements of the Standard.
- [Financial Institutions Net-Zero Standard In Brief](#): Gives an accessible overview of the Standard for those thinking of setting targets.
- [Financial Institutions Net-Zero Standard FAQ](#): Answers common questions on the Standard, including how it aligns with other SBTi Standards and how different criteria apply across asset classes.
- ['Explaining the Standard' Slide Pack](#): Guides users through the main elements of the Standard.
- [Explanatory Note for Insurance Underwriting](#): Provides a practical implementation guide to support companies in applying the Standard to insurance underwriting portfolios through illustrative examples.

Comparison of SBTi Financial Institutions Near-Term Criteria and SBTi Financial Institutions Net-Zero Standard

- [Near-term and net-zero: Understanding the SBTi's frameworks for financial institutions](#): Comparison of the two documents to understand the difference and identify the preferred approach for companies.

SBTi Financial Institutions Near-Term Criteria

Target-setting resources

- [Financial Institutions Near-Term Criteria Version 2.0](#): Allows financial institutions to set near-term science-based targets.
 - Translated into [Arabic](#), [Chinese](#), [French](#), [Japanese](#), [Portuguese](#), and [Spanish](#). Please note that all targets must be submitted in English.
- [Private Equity Sector Science-Based Target Guidance V1](#): Enables private equity firms to set near-term science-based targets, in conjunction with the Financial Institutions Near-Term Criteria.
- [SBTi Services Criteria Assessment Indicators](#): Outlines the major checks conducted by [SBTi Services](#) during the validation process.

Background information

- [Financial Institutions' Near-Term Criteria in Brief](#): Provides a high-level overview of how different types of financial institutions can use the near-term criteria to set science-based targets.
- [Financial Institutions' Near-Term Criteria V2 Explanatory Document](#): Provides practical guidance to those using the criteria.
- [Financial Institutions' Near-Term Criteria V2 Main Changes Document](#): Summarizes the development process, outlines the main updates from V1 to V2 and sets out the key issues and concerns that were addressed.
- [FAQs on the Private Equity Sector Science-Based Target Guidance](#): Answers some of the most frequently asked questions from private equity firms wanting to set near-term science-based targets.



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