SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Standard Operating Procedure (SOP) for Development of SBTi Standards

Version 1.0

Date: December 14, 2023

Superseded

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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Science Based Targets Initiative is a registered charity in England and Wales (1205768) and a limited company registered in England and Wales (14960097). Registered address: First Floor, 10 Queen Street Place, London, England, EC4R 1BE. SBTI Services Limited is a limited company registered in England and Wales (15181058). Registered address: First Floor, 10 Queen Street Place, London, England, EC4R 1BE. SBTI Services Limited is a wholly owned subsidiary of Science Based Targets Initiative. © SBTi 2024

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INTRODUCTION

1. The purpose of this document is to describe the Science Based Targets initiative's (SBTi) Standard Operating Procedure to develop or revise an SBTi Standard.

2. Responsibility for formal adoption of the Standard Operating Procedure for the Development of SBTi Standards (SOP) and the Standards themselves rests with the SBTi Board of Trustees (the Board).

3. Adoption means the SOP and/or Standards presented to the Board are accepted as the SBTi's, subject to publication and implementation. The Board reserves the right to reject a standard as developed and presented, and request further elaborations or clarifications from the Technical Department and Technical Council, or postponement of decision based on set criteria. These criteria include, but are not limited to, a) legal considerations, b) alignment with SBTi's mission, vision, strategy, policy and related programs, c) organizational costs, and d) timing. Relevant information must be known, including whether any trustees' organizations have substantially inputted into the standards, before any decision of adoption is taken by the Board.

4. The SBTi Technical Council will approve this SOP and SBTi standards and recommend them for consideration and formal adoption by the Board via the SBTi's Chief Executive Officer and Chief Technical Officer.

5. Approval means giving permission or authorization for the standards to be presented to the SBTi's Board for consideration and adoption. Only when a standard is formally adopted by the Board does it become the SBTi's standard.

6. Once adopted by the Board this document will be published and available for download on the SBTi website.

7. Any complaints or objections to the way SBTi standards are developed, to the contents of the standards, or services rendered by the Technical Department should be addressed to standardscomplaints@sciencebasedtargets.org.

8. Within this document, the term 'project' is used to refer to development or revision of standards.

MISSION AND VISION

9. The development and review of SBTi's standards shall be informed by SBTi's mission and vision[1]:
    a. SBTi's vision is that "By 2050, the world will have transitioned towards a net-zero and equitable economy that serves the needs of the population within the limits of the planet";
    b. SBTi's mission is "To drive science-based climate action in the corporate sector consistent with limiting warming to 1.5°C".

[1] SBTi Incorporation Memo, April 2023

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OBJECTIVE AND SCOPE OF SBTI STANDARDS

10. The term SBTi Standards[2] refers to:
    a. Corporate Net-Zero Standard
    b. Financial Institutions Net-Zero Standard
    c. Small and Medium Enterprises (SME) Net-Zero Standard
    d. Sector-specific Standards[3]

11. The objective of SBTi Standards is to provide requirements and guidelines to corporates and financial institutions (i.e. non-state actors) to set and implement targets to mitigate their value chain emissions and to align business practices with the transformation needed to reach net-zero emissions at the global level consistent with pathways that limit warming to no more than 1.5°C by the end of the century with no or limited overshoot in a manner that strives for equity and does not compromise environmental sustainability outcomes.

12. The requirements specified in SBTi Standards shall:
    a. Be developed to be applicable to entities operating in corporate and financial sectors, and entities in a specific sector or cluster of subsectors;
    b. Be consistent with the objective of SBTi standards stated in paragraph 11 of this document;
    c. Be informed by 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;
    d. Include relevant quantitative and qualitative metrics to deliver on the objective of the SBTi standards;
    e. Be auditable, verifiable and/or measurable;
    f. Be clearly understood by relevant stakeholders;
    g. Meet or exceed the requirements in the countries where the standard is applied, including at a minimum meeting all regulatory requirements as applicable;
    h. Be designed to support accurate, specific and transparent claims supported by evidence, avoiding misleading statements or claims;
    i. Be developed in accordance to the process described in this document;
    j. Aim for compatibility with other relevant standards.

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[2] After adoption of this SOP, it will apply to all new standards being developed or revised. Standardized instruments, which include methods, guidance, criteria, pathways and tools currently in progress of being developed or revised will not be subjected to these procedures and processes, given their advanced stages of development. However, the SBTi will seek to adhere to these procedures and processes where possible for current developments. Standardized instruments developed before the adoption of this document will follow these procedures upon their next revision.

[3] For example, Cement, Forest, Land, and Agriculture (FLAG), banking, etc.

SUMMARY OF ROLES AND RESPONSIBILITIES

Terms of Reference

13. Detailed roles and responsibilities for the Technical Council Chair and Vice Chair and the different SBTi bodies involved in developing standards are described in their respective Terms of Reference.

14. Key responsibilities for the development and approval of SBTi Standards are summarized below.

SBTi Board of Trustees

15. In relation to the standard development process, the Board is responsible for:
    a. Appointing the Technical Council members, including the Chair and Vice Chair.
    b. Formal adoption of this SOP.
    c. Consideration and formal adoption of SBTi Standards.
    d. Approving the SBTi Strategy and Standards Development Work Plan.
    e. Ensuring the integrity and credibility of the SBTi standards development, in line with its vision, mission, strategic goals, and this SOP.

SBTi Technical Council

16. The Technical Council must adhere to the Board-approved Conflict of Interest and Conflict of Loyalty Policy, including the Principles of the Code of Conduct. The Technical Council is responsible for developing its own Code of Conduct.

17. In relation to the standard development process, the Technical Council is responsible for:
    a. Reviewing the Project Terms of Reference for an SBTi Standard development or revision;
    b. Approving first draft SBTi Standards prior to public consultation and subsequent revisions as noted in this document;
    c. Resolving major concerns, complaints, or issues as they arise, including ensuring members' adherence to the SBTi Conflict of Interest and Conflict of Loyalty Policy, Principles of the Codes of Conduct, and relevant and applicable laws or regulations;
    d. Approving the standards to be presented to the Board for consideration and adoption.

SBTi Technical Department

18. The SBTi Technical Department is responsible for developing and updating the SBTi Standards Development Work Plan and submitting to the SBTi Executive Leadership Team and Board of Trustees for approval.

19. The Technical Department is responsible for developing and revising standards according to this SOP. The Technical Department includes the Research Team, Standards Team, Sector Development Team, Financial Institutions Team, and Technical Operations Team. The Chief Technical Officer is responsible for all teams within the Technical Department.

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20. The Technical Department works cross-functionally with the Compliance Director, where needed, to ensure that:
    a. Draft standards have sufficient and relevant information to generate criteria assessment indicators (i.e. compliance criteria);
    b. Processes and procedures are in place for assessing complaints and appeals, including relevant policy adherence.
    c. The Chief Executive Officer is informed of the draft of the standard development before submitting to the Technical Council.

21. Once the standards are approved by the Technical Council and submitted for formal adoption by the Board, the Technical Department works with all relevant teams, including SBTi validation services and the Compliance Department, to agree on the criteria assessment indicators of the standards.

22. The Technical Department is responsible for supporting the Technical Council and its sub-committees and expert groups.

23. The Technical Department must ensure that these procedures are followed unless otherwise stated by the Board.

DEVELOPMENT OF STANDARDS

Project Request

Submission of a Project Request

24. The Technical Department initiates a project to develop or revise a standard after receiving a formal request (known as a Project Request). Project Requests may be submitted by any stakeholder.

25. A Project Request explains the rationale of the project and clarifies its scope, objectives and expected impact. It describes the need for the project and assesses whether the need can be addressed through development or revision of a standard. It also includes an assessment of the risks associated with the project and potential mitigation actions if possible, including any objective evidence that is available.

26. Routine work planning in the Technical Department may also lead to a Project Request. Projects are added to the Technical Department Work Program through regular revision cycles, through monitoring and evaluation of standards, receipt of a complaint against how a standard was developed or objections to the content of a standard.

Assessment and approval of a project request

27. The relevant Heads of the Technical Department and Chief Technical Officer will evaluate Project Requests on a quarterly basis and decide whether to accept them according to the following criteria:
    a. *Strategic alignment*: Alignment of the Project Request with SBTi's mission, vision and strategic goals, and the objective of SBTi standards, as stated within the section "Objective and Scope of SBTi Standards";
    b. *Impact*: Assessment of the impact of the Project Request in terms of addressing greenhouse gas emissions from key sectors or activities;

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c. *Need*: Assessment of whether the Project addresses a significant gap in available standards;
d. *Risks*: Evaluation of potential risks related to the development or implementation of the standard, unintended consequences, threats to the achievement of the SBTi objectives and mission, and proposals on how to mitigate or correct them;
e. *Feasibility*: Assessment of the feasibility of implementing the Project Request based on, amongst others, availability of funding and resources as well as technical feasibility to develop the standard (e.g., availability of underlying emission pathways and methods to develop sector-specific pathways in the case of sector-specific standards);
f. *Others*: As identified by relevant SBTi technical experts and approved by the Chief Technical Officer in line with this SOP.

28. The Project Request will be assessed and classified as major or minor. A project is described as major whenever any of the following criteria are met:
    a. The project involves developing a new standard;
    b. The project involves revision to a current standard that significantly impacts the manner in which entities conform with that standard;
    c. The project carries significant risk and could strongly affect the SBTi's reputation, external and internal relations.

29. A project is described as minor whenever both of the following criteria are met:
    a. The project involves a non-substantive revision or clarifications to a standard that does not significantly impact the manner in which entities conform with that standard (see "Non-Substantive Revisions");
    b. The project does not carry significant risk.

30. The Executive Leadership Team (ELT) will be consulted to ensure sufficient resources are available to proceed with the project. The ELT will assess the Project Request as proposed by the Technical Department and will ensure adequate funding and resources, considering the scope and urgency of that project in relation to the existing Work Program.

31. The decision to approve a Project Request is made by the Chief Technical Officer for minor projects informing the rest of the ELT. Approval of major projects is made by the Chief Executive Officer in consultation with the ELT.

32. If a Project Request is not approved, feedback is provided to the stakeholder that submitted the request within thirty working days after the decision is made. The stakeholder may submit a revised Project Request, incorporating the provided feedback and this Project Request would follow the same cycle of assessment as described above.

Project Initiation

Project planning

33. If a Project Request is approved, the Technical Department defines the precise scope of the project, and the planning stage begins.

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34. At this stage, the SBTi will prepare a Project Initiation Document which is an internal-facing document that describes key project information including, but not limited to, scope, justification, objectives, deliverables, expected timelines, and a detailed resource plan. A Project Team with a Project Lead is assigned.

35. The ELT will make a further assessment of funding and resource availability based on detailed requirements of the project contained within the Project Initiation Document.

36. The decision to approve a Project Initiation Document is made by the ELT.

37. If the decision to proceed with a project is terminated at this stage, feedback is provided to the stakeholder that submitted the request.

38. The approved project is then incorporated into the Technical Department Work Program that is developed annually and reviewed quarterly. The Technical Department Work Program is approved by the Board annually and will be published on the SBTi website.[4] The Technical Council will be informed of any updates.

39. The work plan and timeline for the project will be updated on an ongoing basis on the SBTi website.

Feasibility study

40. In the project planning phase, a feasibility study may be needed, especially for major changes to a standard before a new standard proposal is introduced. This study will provide all the necessary information, including potential issues, risks and problems that could arise while pursuing a project. The study should include a risk and return matrix for pursuing a major plan of action before moving forward. Decision-making on whether or not to advance on such a project will be based on the results of the feasibility study. Independent third parties could be considered for undertaking feasibility studies.

41. The decision to undertake a feasibility study and to implement the results of such a study would require a consideration and approval by the Compliance Director, the Chief Technical Officer and the Chief Executive Officer. The Thematic Experts will be called in to input as required.

Stakeholder mapping

42. During the project initiation phase the SBTi will:
    a. Develop or update lists of stakeholder groups that have an interest in the standard, based on the standard's scope and impact on global greenhouse gas emission reductions.
    b. Once produced, review and update its stakeholder contact list to ensure that it includes a broad range of stakeholders from all the key stakeholder groups identified through its stakeholder analysis, including representatives of organizations that have developed similar international standards.

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[4] Estimated timeframes for development and revisions of standards will be included in the Technical Department Work Program.

c. Inform all stakeholders on its stakeholder contact list of the intention to develop or revise a standard, direct them to the information that is available on the SBTi website, and encourage their participation in the process.
d. Set participation goals for engagement with groups of stakeholders that can be evaluated and updated over time, with the goal of achieving representative participation in the project.
e. Explain how stakeholder inputs will be calculated, assessed, and counted for constituting inputs based on quality, equality and evidence of representativeness.
f. Define the type of methods used to collect stakeholder input and when input is collected. For example, before drafting (development), after drafting (feedback on the initial version) or after other versions are drafted.

Project Terms of Reference

43. Projects to develop or revise an SBTi Standard will be announced on the SBTi website together with a summary of the project process that includes:
    a. The Terms of Reference (or summary);
    b. The steps in the process, including the timelines and clearly identified opportunities for stakeholder contribution.

44. The Terms of Reference for the development or revision of a standard includes:
    a. The proposed scope of the standard and the intended geographic application;
    b. An explanation and justification of the need for the standard or standard revision;
    c. Clear impact outcome in environmental, and where relevant and applicable, social, and economic terms that the standard seeks to achieve and how those are linked to SBTi's intended change;
    d. An assessment of risks in implementing the standard and how to mitigate these, including:
        i. Identification of factors that could have a negative impact on the ability of the standard to achieve its outcomes;
        ii. Unintended consequences that could arise from its implementation;
        iii. Possible corrective actions that could be taken to address these potential risks.
    e. The intended claims that the standard will substantiate;
    f. An overview of the decision-making procedures, including how decisions are made and by whom which is consistent with this Procedure document.

45. The draft Terms of Reference will be shared with the Technical Council for information. Members are welcome to comment and send input to the Technical Department.

46. An Expert Advisory Group (EAG) may be set up to support the Technical Department throughout the project at the discretion of the Project Lead. The members of the EAG are external technical experts with in-depth knowledge of global climate change mitigation and/or expertise in science-based target setting from a diversity of perspectives that acts in an advisory capacity to the SBTi over the duration of a project. The EAG may establish subgroups that focus closely on specific topics within the standard.
47. If the TC members want to input into the standard development or revision, they would need to declare this to the TC Chair and Vice Chair and the TC Chair and Vice Chair will take a note of this and assess potential conflicts when voting on the standard.

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Research

48. During the research stage of a project, input from stakeholders, and internal and external sources is gathered. This work is typically undertaken by the Technical Department but may be outsourced to an external consultant or academic institution under the management and oversight of the Technical Department.

49. The nature of the research undertaken varies according to the type of project. A survey may be sent to diverse stakeholders requesting input and stakeholder interviews may also be conducted regarding the content of the standard under development. A desk-based review of scientific literature and other relevant guidance may be conducted. Information from applicable SBTi staff, SBTi validation services, relevant stakeholders and external experts is compiled and considered.

50. The Technical Department will review published SBTi standards that may overlap with the standard under development to ensure alignment and consistency.

51. Throughout the research stage of a project, the Technical Department may produce or compile internal or external research papers or other research-focused technical outputs to feed into development of the draft standard.

Drafting

Content and structure

52. SBTi Standards shall include introductory sections describing adherence to applicable laws and regulations, objectives, scope of application, and a general description of the process for validation.

53. SBTi Standards shall indicate the claims that may be made by those validated as complying with SBTi Standards requirements, including policy adherence where applicable.

54. SBTi Standards shall specify:
    a. The formal status of the document (i.e., whether for consultation or approved for use), version, and change history;
    b. The date or period of the draft being consulted, if applicable;
    c. The date on which it was approved, if applicable, and in the case of an updated version any transition period that may apply before the updated version comes into effect;
    d. SBTi contact information;
    e. A statement to the effect that the approved English language version of an SBTi Standard is the official version, and that, in the event of inconsistencies the updated English language version supersedes previous versions;
    f. The date by when the Standard will be reviewed, which shall be minimum two years and no longer than five years after the date of its approval.

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55. SBTi Standards:
    a. Shall be drafted so that conformity with the standard can be assessed for any entity within the scope of the SBTi Standard, minimizing the need for subsequent modification or adaptation;
    b. Shall be drafted to minimize confusion and ambiguity in interpretation;
    c. May be expressed in terms of process, monitoring, performance and / or outcome requirements, such that criteria assessment indicators can be generated, and validation occurs based on these;
    d. Shall state what needs to be achieved (requirements) and guidelines for adherence to the standards, including at which point in the progression these requirements apply;
    e. Shall be undertaken without bias, favoritism or partiality towards a technology provider or patented item;
    f. Shall include or reference a glossary of key terms required to guide consistent interpretation and implementation;
    g. May include components that are applicable to specific categories of users that will be identified as such.

56. The SBTi may prepare explanatory documentation that is sufficiently detailed to support consistent interpretation and implementation of the standard's requirements across its scope of application.

57. The Technical Department shall consult with SBTi validation services during the process of drafting standards to obtain feedback on the feasibility of developing clear criteria assessment indicators.

Consultation

58. Public consultation for standards development or revision can commence upon approval of a consultation draft by the Technical Council. The Technical Council may suggest questions to include in the public consultation. The Chief Executive Officer, including the ELT and the Board are informed before a Standard goes into public consultation and receive periodic status updates throughout the process.

59. The public consultation phase for standards development or revision shall include at least one round of 60 days for comment submissions.

60. The public consultation shall be open to all, aiming to gather input from a balanced and diverse group of stakeholders with knowledge or an interest in the subject matter that reflects the viewpoints of different regions as well as different actors within the climate action ecosystem. The SBTi will also proactively seek stakeholder contributions and provide appropriate opportunities to contribute.

61. If the Technical Council members input into the standard consultations, they would need to declare this to the Technical Council Chair and Vice Chair and a decision would be made ensuring adherence to the Technical Council's Conflict of Interest and Conflict of Loyalty Policy.

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62. For new standards development, a second round of consultation of at least 45 days shall be included. A second round of consultation may be included for revisions at the discretion of the Technical Department.

63. Where substantive, unresolved issues persist after the consultation round(s), or where insufficient feedback was received, the SBTi shall carry out additional rounds of consultation, as necessary.

64. During this phase, the SBTi is responsible for:
    a. Publishing the draft new or revised SBTi Standard for stakeholder consultation on the SBTi website, together with a form for the submission of comments;
    b. Notifying all stakeholders on its contact list of the public consultation inviting comments on a new or revised draft Standard;
    c. Aiming to achieve a balance of interests in the subject matter and in the geographic scope to which the standard applies;
    d. Providing, where possible or requested, translations of the public consultation documents in relevant languages;
    e. Addressing barriers faced by stakeholder groups (e.g., indigenous populations) who have been under-engaged or under-represented and proactively seek their contributions.

65. At the end of each public consultation, the SBTi is responsible for:
    a. Collating all comments received and preparing a general synopsis;
    b. Making all comments received during the consultation publicly available classified by stakeholder groups on the SBTi website;
    c. Carrying out an analysis of the number and variety of stakeholders that have submitted comments, and determining whether comments have been received from stakeholders that are representative of all the key groups identified in SBTi's initial stakeholder analysis, including any groups that may be considered disadvantaged;
    d. Redrafting the standard considering the feedback gathered.

66. The Technical Department may seek feedback from the Technical Council on the consultation feedback received, possible risks and mitigating measures.

Pilot testing

67. The SBTi could issue a public call for relevant companies to voluntarily support piloting the implementation of the draft standards. Inputs from pilot testing will inform the adjustment made to the draft, if needed.

Approval

68. A new or revised standard must be approved by the Technical Council before submitting it to the Board for consideration and adoption as the SBTi standard.

69. The Chief Technical Officer makes the decision to approve minor projects by informing the Chief Executive Officer and the Compliance Director, with the option of consulting with the Chair of the Technical Council.

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70. The Project Team is responsible for revising drafts according to the guidance and comments received from the Technical Council. Previous approval steps are repeated until the decision-makers are in agreement.

Technical Council approval process for consultation drafts

71. When the Chief Technical Officer decides that a draft standard is ready for public consultation, they direct the Project Team to prepare the documentation for discussion and approval by the Technical Council that includes:
    a. The project Terms of Reference.
    b. A preliminary draft of the Standard to be submitted to consultation including, at minimum, a high-level overview of the structure, content, and main sections of the proposed standard.
    c. Stakeholder engagement plan outlining the strategy for involving relevant stakeholders throughout the standard-setting process. It includes details on the intended stakeholders, methods of engagement (e.g., consultations, workshops, surveys), and the timeline for engagement activities.
    d. Any relevant supporting documentation that explains and justifies the proposed requirements of the standard. This may include research papers, landscape analysis, feasibility studies and others.

72. After the documentation is approved by the Chief Technical Officer, they will submit it with the consultation draft version of the Standard to the Technical Council, along with any associated recommendations to Chair and Vice Chair. The Chair and Vice Chair will then review the documentation, and, when satisfied, send it to all Technical Council members for review at least 10 working days in advance of the next scheduled Technical Council meeting.

73. When the Chair determines that the draft is ready for consultation, the Technical Council will vote on a formal motion to proceed with the consultation process, ensuring the requirements as set out for SBTi Standards in the section entitled “Objective and Scope of SBTi Standards” are satisfied.

74. The Technical Council shall aim to take all decisions relating to development and revision of SBTi Standards by consensus (defined as an absence of sustained opposition by a significant stakeholder group), but if consensus cannot be achieved a decision may be taken by the affirmative vote of at least 60% of the members present at a meeting at which quorum is achieved.

75. If the vote is not passed, then the Technical Council shall document its concerns and specify what actions it considers necessary to address these concerns and a first round of offline revision begins. The Technical Department will revise the draft standard based on the Technical Council's feedback. Once the necessary revisions are made, the revised draft standard is resubmitted to the Chair who will make a decision if further review and consideration is needed by the Technical Council members.

76. Upon receipt of the revised documentation by the Technical Council, the Technical Council will review and provide an assessment within ten working days. If a Technical

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Council member has not objected to proceeding with consultation within ten working days, they are considered to have accepted the revised draft.

77. If 60% of Technical Council members agree with the revised draft, it is accepted through the Chair's approval without a second round of offline revision.

78. If the above conditions have not been met, a second round of offline revision begins, in which the same process described above applies. The second round of revision would lead to a decision. Should this not be possible, then the project is rejected, and the standard development process as identified in this Procedure document must start again.

Technical Council approval process for final drafts

79. When the Chief Technical Officer decides that a standard is in its final draft form, they direct the Project Team to prepare a Basis for Conclusions report that:
    a. Summarizes the development process to date, demonstrating how the approved procedures have been implemented, and include a clear description of any departure from the approved procedure together with the justification for any such departure;
    b. Explains the main issues and concerns raised during the process, and explains how these have been responded to;
    c. Includes a summary of 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.

80. After the Basis for Conclusions Report is approved by the Chief Technical Officer, they will submit it with the final draft version of the Standard to the Technical Council, along with any associated recommendations to Chair and Vice Chair who will then made a determination to send the documentation to all Technical Council members for review at least 10 working days in advance of the next scheduled Technical Council meeting.

81. If the Chair determines that insufficient input has been received from any key stakeholder group or that substantive, unresolved issues exist that may be resolved through further consultation, then they shall document concerns, specify what actions are considered necessary to address these concerns, and inform the Chief Technical Officer.

82. At the discretion of the Chair, additional experts may be invited to take part in the meetings of the Technical Council to provide advice on particular issues, or for a particular purpose, for example, to ensure that the views of disadvantaged stakeholders that have not been adequately expressed through the consultative process may be taken into account.

83. When the Chair determines that the draft is ready for approval, the Technical Council will vote on a formal motion to approve the draft standard.

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84. If the vote is not passed, then the Technical Council shall document its concerns and specify what actions it considers necessary to address these concerns and the offline revision process as described in the previous section begins.

85. Should a member of the Technical Council wish to make a complaint about the decision-making of the Technical Council, they would submit it to the Chair with a copy to the Vice Chair and the Chief Technical Officer.

86. When the Technical Council has approved a final draft, the chairperson shall determine, in consultation with the Technical Department what, if any, further work is required before the draft standard is ready to be finalized for publication.

Board of Trustees

87. Once the Technical Council approves the standard, the Chief Executive Officer and Chief Technical Officer on behalf of the Technical Council submits it to the Board for consideration and formal adoption.

88. If the Board determines that this SOP has not been fully adhered to or that the proposed Standard is not aligned to SBTi's mission, vision and strategic goals, it shall document its concerns and specify what actions it considers necessary to address these concerns. The Board will communicate this to the Technical Council's Chair and Vice Chair. The Chair and Vice Chair will then determine with the Chief Technical Officer what actions should be taken on a case or issue basis.

Implementation

Editing and publication

89. Once a final draft standard has been formally adopted, it is edited to ensure clarity. Non-substantive changes to a standard that are made at the editing stage are reviewed and approved by the Head of the relevant team within the Technical Department.

90. The SBTi Standard shall be published on the SBTi website, alongside any associated guidance or explanations, within four weeks of its formal adoption.

91. The SBTi will announce the publication of the standard in the next issue of the SBTi newsletter. A standard announcement is prepared and published on the SBTi website.

92. The Technical Department shall also prepare a 'main changes document' outlining the differences between the previous standard and newer version. This is sent directly to stakeholders or posted on the website.

Transition period

93. Following publication, a transition period may be allowed before a reviewed standard becomes effective at the discretion of the Technical Department, which shall be decided in consultation with the SBTi body that provides validation services. A certain limited period may be granted and specified to entities with validated targets, targets under validation, or active commitments, to prepare for conformity to the standard.

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94. The outputs of minor projects are usually effective without delay but may also require an interim period for preparing for compliance or for the SBTi body that provides validation services to develop the criteria assessment indicators. The date that the standard becomes applicable is clearly indicated in the published standard.

Training

95. The Technical Department will host training across relevant stakeholder groups and regions for which the new or revised standard is relevant.

Monitoring and Evaluation

96. Once a standard project has been finalized, the project will be evaluated by the relevant Head of Team within the Technical Department against the criteria set in the Project Initiation Document.

97. Improvement actions related to procedures and organization, templates, and documents, as well as staff and responsibilities will be identified as necessary. Lessons learned from the project will be shared with the Technical Department and the Technical Council.

98. Once published, stakeholders may send proposals and feedback through the Project Feedback Form. The Technical Department will continuously collect proposals and feedback from stakeholders for the next scheduled revision of the standard. The Technical Department also collects feedback from SBTi validation services and other SBTi persons who support entities in conforming to the standards.

99. These proposals and feedback are recorded by an assigned project manager within the Technical Department. After a period of no less than one year after the implementation of the standard, when deemed necessary, the accumulated proposals and the feedback on a standard are evaluated. The Technical Department decides on and initiates a project to implement changes and/or to review the standard, considering the amount and the importance of the proposals and feedback in relation to the stated objectives of the standard.

REVISIONS

Regular Review and Revision

100. Within a maximum of five years and a minimum of one year of the date of approval of an SBTi Standard, the Technical Department shall oversee a formal consultation to undertake a review of the SBTi Standard to ensure and improve its continuing relevance and effectiveness in meeting its objectives. The SBTi may determine in very special circumstances (e.g. updates to Greenhouse Gas Protocol, IPCC, etc.) that there is a need for triggering a revision to certain aspects of a SBTi Standard outside the regular revision cycle through a Project Request.

101. To prepare for the revision, the Technical Department shall review this Procedure and the Terms of Reference for the SBTi Standard and prepare a Terms of Reference for the revision for approval by the Chief Technical Officer.

Superseded

102. The process thereafter will follow a similar one to the development of the standards with one exception, that public consultations will clearly note the parts of the standards which will be subject to revision.

Non-Substantive Revisions

103. The SBTi or Technical Council may determine that there is a need for a non-substantive revision to an SBTi Standard.

104. A non-substantive revision is a minor revision that would not significantly impact the manner in which entities conform with that standard. A non-exhaustive list of examples of non-substantive revisions include:

a. *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.
b. *Clarifications*: Non-substantive revisions may aim to provide an informative explanation of the intent of a requirement of an SBTi Standard, clearer or more concise language, improve the organization or structure of the document, or enhance readability without introducing new substantive requirements.
c. *Technical corrections*: Non-substantive revisions may involve 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.
d. *Editorial or presentational changes*: Non-substantive revisions may 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.
e. *Administrative updates*: Non-substantive revisions may include 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.
f. *Minimal impact*: Non-substantive revisions have minimal impact on the document's overall requirements, obligations, or compliance. They do not introduce new obligations, change essential provisions, or significantly affect the document's intended purpose or application.
g. *Simplification or harmonization*: Non-substantive revisions may simplify or harmonize the language or terminology used in the document, making it more consistent with other related documents or standards.

Superseded

105. Non-substantive revisions to the SBTi Standards may be made at any time at the discretion of the SBTi. These do not require a formal revision process though any changes that are made shall be noted to stakeholders in the subsequent revision process, provided to the SBTi validation services and published in a list of changes on the SBTi website.

106. Non-substantive revisions do not affect the regular review and revision cycle but require a new version number (e.g., V1.1) of the relevant standard, to be issued and published on the SBTi website.

Interpretations

107. The SBTi, Technical Council, or SBTi validation services may determine that there is a need for interpretation of an SBTi Standard, and these shall be reviewed, deliberated, and issued by the Technical Department after consulting with SBTi validation services.

108. An interpretation is a normative explanation of the intent or application of a requirement, where the interpretation has implications for how compliance is assessed and where existing requirements and guidance are ambiguous or lacking. Interpretations require deliberation by the Technical Department and SBTi validation services prior to publication.

109. Where appropriate, interpretations shall be incorporated into the SBTi Standards during their next revision.

CONCERNS AND COMPLAINTS

110. Any stakeholder or person has the right to raise their concerns or complaint about how a standard was developed and/or an objection against major aspects of the standards, including guidance, methods, policy or so forth. All concerns and complaints must be submitted in writing and be submitted to standardscomplaints@sciencebasedtargets.org.

111. All concerns and complaints shall be documented and maintained in a log which is held in the Technical Department. Data Protection and Right to Privacy will be maintained following applicable regulations.

EXCEPTIONS

112. Exceptions are specific provisions or clauses for a temporary and specified period that deviate from the general requirements or guidelines outlined in a particular standard. These exceptions are typically included to accommodate special circumstances or situations in which strict adherence to the standard may not be practical, safe, or necessary.

113. SBTi validation services may submit an Exception Request for an exception to certain aspects of an SBTi Standard, which would be considered by the Technical Department under very special circumstances.

114. If the Technical Department and SBTi validation services agree that there is a need for exception of a standard they will jointly prepare a paper outlining reasons for the exception and submit it to the ELT and the CEO for decision to submit to the Technical Council for consideration and approval.

115. If the Technical Council approves the exception, the Board will be informed through the CEO. If adopted, the exceptions shall be publicly announced and logged.

Superseded

SUSPENSION PROCEDURE

116. The Technical Council can approve the suspension of a section or clause of an existing standard if it does not serve its intended purpose. This is the case when the standard section has a demonstrated negative or little or no impact in reducing emissions in line with the latest climate science. A standard suspension can be considered an interim measure that triggers a subsequent standard revision.

117. Conditions under which suspensions can be triggered may include, but are not limited to:

a. Perceived threats to SBTi's integrity and credibility;
b. Implementation of new legislation or international obligations that affect the implementation of the SBTi Standards.

Submission and assessment of standard suspension request

118. A standard suspension request may be submitted to the Technical Department by the SBTi. A standard suspension must be requested through the submission of a Standard Suspension Request Form addressed to standards@sciencebasedtargets.org.

119. The Standard Suspension Request contains a justification of the need for the suspension of a standard and clear objectives of the standard suspension. It also includes a risk assessment and mitigating actions for both the proposed suspension as well as maintaining the standard in place.

120. The Technical Department and Compliance will consider the Standard Suspension Request, taking into account all information provided on the form, as well as SBTi's mission, vision and strategic goals.

121. If the Standard Suspension Request is accepted internally, it must be submitted to the Technical Council for approval. If approved, the CEO will inform the Board and submit the information for consideration and adoption (see "Approval of Suspension Request").

122. The Technical Department will inform the proposing party on whether the standard suspension request has been approved. In case a standard suspension request is not approved, or its approval is delayed, the proposing party is informed, and may decide to resubmit the standard suspension request at a later date.

Superseded

Developing the proposal for suspension

123. Once a standard suspension request has been accepted, the Technical Department begins stakeholder mapping. This includes the identification of the relevant parties to the project, defining how they are going to be engaged, the way of communication, and setting stakeholder participation targets. The project manager also checks the information provided in the standard suspension request and sets a timeframe for the project.

124. A 'draft proposal for standard suspension' is developed, which includes the information included in the standard suspension request, as well as the process

including timelines and opportunities for stakeholder contribution, and decision-making processes.

125. The draft proposal for standard suspension is shared with identified stakeholders for at least 30 days. Interested parties can submit their feedback by filling in the Standard Suspension Feedback Form and emailing it to standards@sciencebasedtargets.org.

126. Based on stakeholder feedback, a draft standard suspension proposal can be amended if there is a need to do so, before a 'final proposal for standard suspension' is submitted for approval.

Approval of suspension request

127. The final proposal for standard suspension is submitted to the Chief Technical Officer. The Chief Technical Officer decides together with the Technical Council Chair, Chief Executive Officer and Compliance Director if the proposed suspension is to be accepted.

128. If a final proposal for standard suspension is accepted, then it will go through the approval step through the Technical Council and the consideration and adoption step through CEO to the Board. Once adopted the standard suspension is announced, with information on the decision, and the standard will be suspended per the date indicated on the final proposal for standard suspension.

129. SBTi validation services will be informed to consider the standard suspension and take the appropriate action it deems necessary with regard to entities that have been validated under the suspended standard.

Superseded

VARIATION OF PROCEDURE IN EXCEPTIONAL CIRCUMSTANCES

130. Departures from these procedures must be approved by the Board. This only occurs in very exceptional circumstances when conformity to the procedures is not possible for reasons beyond the control of the Technical Council or the Technical Department.

131. The Technical Department shall document any such departures in writing and include a description and explanation in the report submitted when Board approval for the final standard is sought.

DOCUMENTATION

Publication and Translation

132. The working language for SBTi Standards is English. As appropriate, the SBTi shall arrange translations of SBTi Standards into languages other than English. Translated versions of a standard are for information only. In case of doubt the official English language version of the SBTi Standard shall be deemed definitive.

133. SBTi Standards and any associated documentation shall be available for download from the SBTi website free of charge.

Record-keeping and accessibility

134. The SBTi shall ensure that the following records are kept for at least five years for each standard development process, and are accessible for review on request:

a. Copies of drafts of the SBTi Standard circulated for public review, and of the final approved version of the SBTi Standard;
b. Names and affiliations of organizations, groups and/or individuals invited to comment on the SBTi Standard during each stage of its development or revision, following Data Protection Rules and Right to Privacy as applicable;
c. Names and affiliations of the members of the Technical Council and invited experts who participated in the review and revision of each draft of the SBTi Standard;
d. Copies of all comments received on drafts of the SBTi Standard circulated for formal review;
e. A synopsis of the comments received in response to each draft of the SBTi Standard circulated for formal review, together with an explanation of how the comments were subsequently taken into account;
f. A copy of the policies and procedures that guided the Standard development activity at the time;
g. A description of and explanation for any departures from the published Procedure for Development and Revision of SBTi Standards;
h. The final report on the implementation of the Procedure for Development and Revision of SBTi Standards considered by the Board showing how the procedure was implemented;
i. All formal decisions of the Technical Council in relation to the development and approval of the SBTi Standard.

Superseded

REFERENCES

These procedures have been developed in reference to documentation published by Aluminium Stewardship Initiative, GRI, ISEAL, ISO, Fairtrade International, and Rainforest Alliance.

Superseded

ANNEX: VISUAL REPRESENTATION

Superseded

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Superseded