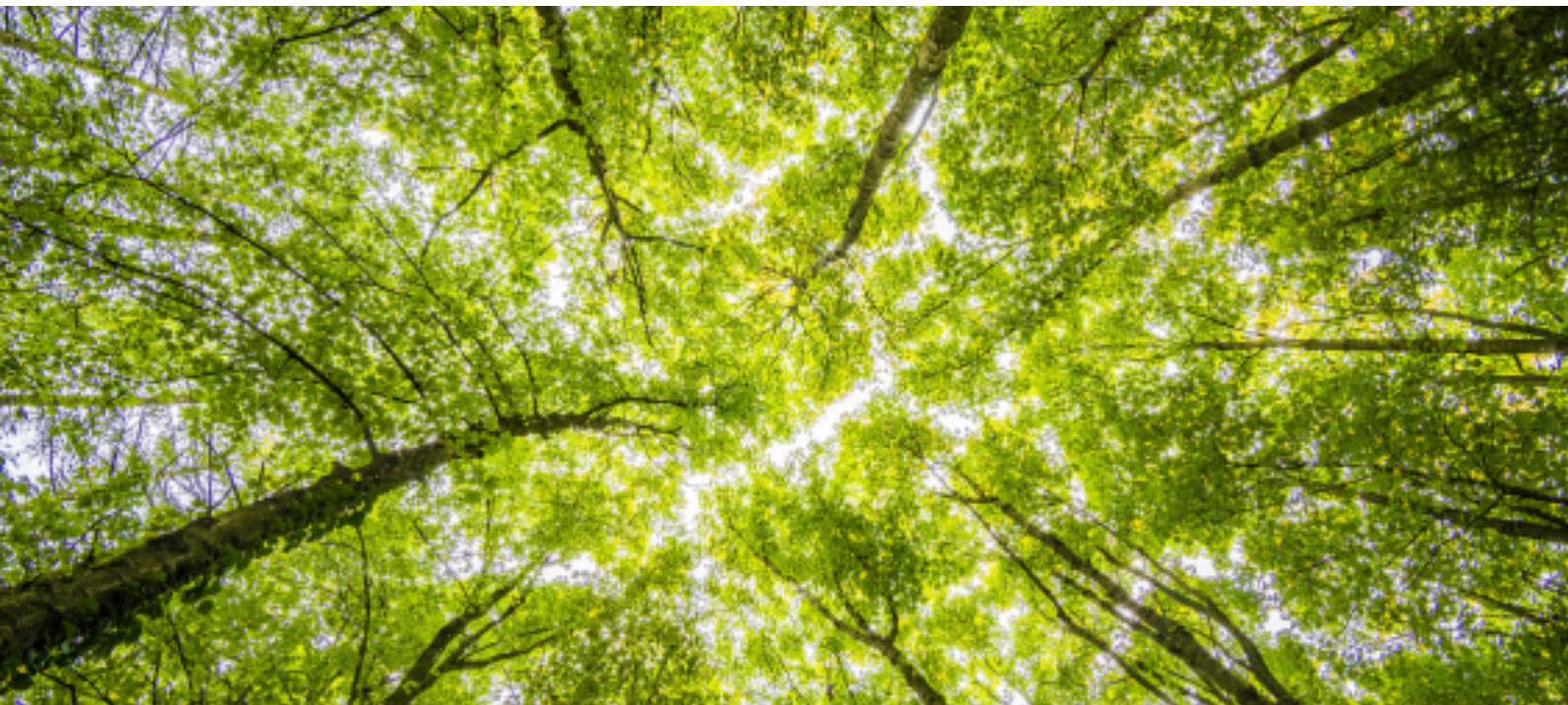


SBTi SERVICES GLOSSARY

Version 1.0

October 2026



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



sbtiservices.com



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ABOUT SBTi SERVICES

SBTi Services Limited is a wholly owned subsidiary of the Science Based Targets initiative, a corporate climate action organization and standard-setter that enables companies and financial institutions worldwide to play their part in combating the climate crisis. SBTi Services is a distinct legal entity and operates independently from the standard-setter, the Science Based Targets initiative.

SBTi Services checks and validates climate targets, validating the decarbonization goals of corporations, financial institutions and SMEs worldwide. By validating their climate targets, businesses demonstrate an understanding of their minimum decarbonization requirements by which customers and investors can measure them.

To be validated, companies must create greenhouse gas inventories and apply the Science Based Targets initiative's thorough methodologies for calculating decarbonization targets and submit these to SBTi Services for validation. Validators at SBTi Services check companies' and financial institutions' climate targets with standards developed by the Science Based Targets initiative.

SBTi Services is a trading subsidiary company, with profits generated from commercial activities used to support the activities of its parent the Science Based Targets initiative, a charity registered in England and Wales.

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VERSION HISTORY

Version	Change/update description	Release date
Version 1.0	First version of the SBTi Services Glossary.	October 2026

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INTRODUCTION

The SBTi Services Glossary collects a non-comprehensive list of terms and definitions used within registration, validation, and post-validation processes within SBTi Services Limited (SBTi Services). The purpose of this document is to provide alignment in definitions of terms used across SBTi Services resources.

This document shall not be confused with the SBTi Glossary, which collects a non-comprehensive list of terms, definitions and acronyms used within the SBTi's normative resources (i.e., Standards). Certain terms already defined in the SBTi Glossary may be further elaborated in the SBTi Services Glossary to provide additional clarity regarding SBTi Services' operational processes.

This is an informative document. Definitions may contain some content that is already clarified in SBTi Services resources (i.e. the SOP for the Validation of SBTi Targets, the SOP for Entities Registration).

TERMS AND DEFINITIONS

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
A			
Affiliate	Any entity that directly or indirectly controls, is controlled by, or is under common control with, the SBTi Services.	✓	✓
Affiliated entity	Any two or more entities within a group.	✓	✓
Annual financial statements	Comprehensive reports that provide a true and fair view of an entity's assets, liabilities, financial position, and profit or loss over a fiscal year. If the standard application of financial reporting directives does not fully capture this true and fair view, additional necessary information must be included in the notes to the financial statements to ensure compliance.	✓	✓
Applicant	An entity submitting a registration application to engage and seeking to set targets with SBTi Services.	✓	✓
Appeal	Appeals submitted to SBTi Services in respect of Complaints.	✓	✓
Associated entity	An entity in which another entity has a participating interest and exercises significant influence over its operating and financial policies. This refers to an entity in which another entity holds significant influence but not control. These associated entities are often included in financial statements using the equity method.	✓	✓
B			
Business activities	A description of the entity's operations, products, and services.	✓	✓
Branding	The name(s), logo(s), trademarks (where applicable) and other branding (if any) of SBTi Services as set forth in the	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	SBTi Communications Guide as amended from time to time.		
C			
Category A company	An entity that meets the thresholds for large entities based on size, emissions, and geography. Application Rule for Independent Entities: If the applicant entity has no parent entity (i.e., it is an independent entity or the ultimate parent itself), it shall be evaluated on its own and serve as the ultimate parent entity. In such cases, the entity's own geography of incorporation and its own standalone or consolidated figures shall apply to the conditions below. Please refer to the CNZS V2.0 for further information on company categorization thresholds.		✓
Category B company	An entity whose corporate group metrics do not meet the large entity criteria required for Category A. Application Rule: Applicant entities must apply the same independent entity assessment, two-year financial averaging, currency conversion, and group-wide consolidation rules detailed in Category A company definition to verify that the applicant remains strictly below all Category A criteria. Please refer to the CNZS V2.0 for further information on company categorization thresholds.		✓
CNZS V1 framework	The set of SBTi resources and SBTi Services resources which interoperate with the Corporate Net-Zero Standard Version 1, including the Near-Term Criteria, sector-specific guidances and standards, and Criteria Assessment Indicators.	✓	
CNZS V2.0 framework	The set of SBTi resources and SBTi Services resources which interoperate with the Corporate Net-Zero Standard		✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	Version 2, including Sector Standards, Sector Specifications, Claims Policy, Assurance Manual and Minimum Evidence Requirements.		
Code of conduct	The set of ethical principles, rules and behavioral expectations established by SBTi Services that Services personnel and companies engaged in validation processes must adhere to during interaction and validation processes.	✓	✓
Commitment	Formal announcement to show intention to submit a near-term or net-zero science-based emissions reduction target within the timelines agreed upon and explained on the SBTi Commitment and Target Statuses document .	✓	✓
Company categorization	The classification framework defined under the Corporate Net-Zero Standard Version 2.0 that assigns an applicant entity to either Category A or Category B based on the entity's size, operational metrics, and geography.		✓
Company legal name	The formal name under which the applicant entity is registered in the relevant jurisdiction.	✓	✓
Company operating name	The name under which the applicant entity does business, which could be distinct from its legal name.	✓	✓
Conflict of interest	Outside personal, professional, or private interests, including but not limited to those related to family, professional interests outside the SBTi, friendships, and financial or social activities, could compromise a person's judgment, decisions, or actions in their work or the services they provide to SBTi Services	✓	✓
Consolidated financial statements	Financial statements of a group of entities, where the assets, liabilities, equity, income, expenses, and cash flows of the parent entity and its subsidiaries are presented as if they belong to a single economic entity.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Consolidated figures	If the entity is part of a corporate group structure, thresholds for the purpose of determining employees, turnover, balance sheet, and emissions shall be assessed based on consolidated figures for the group as a whole.	✓	✓
Contract	A contract is the document that describes a service to be provided by the SBTi Services to a third party (contractor), it sets the boundaries and responsibilities that both parties will have to follow in the course of the service delivery time frame and defines the applicable laws and SBTi Services regulations governing the agreement. Also referred to as Contract Agreement, Agreement, Terms & Conditions.	✓	✓
Contract contact	The individual responsible for signing validation contracts on behalf of the entity.	✓	✓
Control	An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the relevant activities of the investee that significantly affect the investee's returns.	✓	✓
Corporate	An entity that does not meet the eligibility criteria as a Financial Institution, nor the criteria for the tailored SME validation route. These entities are eligible to set targets unless deemed non-eligible based on exclusion criteria. Entities categorized as corporate must follow the corporate validation route for setting science-based targets.	✓	
Corporate target validation	Comprehensive process that allows eligible entities to set science-based targets requiring adherence to all applicable Corporate Assessment Indicators (CAI) in line with the CNZS V1 framework. Entities classified as SMEs have the option to choose this target validation route instead of the	✓	

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	one specifically tailored for SMEs. By doing so, they must adhere to both the applicable criteria and service offerings associated with the chosen route.		
Commitment	A formal, voluntary announcement and binding signifier of intent to set a science-based greenhouse gas emissions reduction target, as outlined in the SBTi Commitment and Target Statuses document. Upon signing a commitment, entities are granted a 24-month window to develop their baseline GHG accounting and submit their targets to SBTi Services for official validation.	✓	✓
Commitment status	Label displayed on the SBTi Target Dashboard indicating the status of a company's commitment to set science-based targets. Collectively, these statuses (Active, Extended, Removed, and Validated Target) serve to provide transparency and accountability regarding a company's standing and the current validity of their commitments within the SBTi system as described in the SBTi Commitment and Target Statuses document .	✓	✓
Complaint	Formal expressions of dissatisfaction relating to SBTi Services. Examples of potential reasons for a Complaint include, but are not limited to the following: • SBTi Services personnel/staff not responding to commitment, registration or validation process-related correspondence within a reasonable or agreed period of time; • SBTi Services personnel/staff failing to act with impartiality or good conduct; • Issues arising in relation to validation fees; • Dissatisfaction with decisions made by the SBTi Services personnel/staff during the registration or validation process;	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	Claims that a company with a commitment or target validated by SBTi Services is non-compliant with applicable SBTi standards.		
Criteria assessment indicators (CAIs)	Control points which will be used to evaluate submitted information during the target validation process in line with the CNZS V1 framework. For every requirement in the SBTi standards and guidance, there should be a minimum of one corresponding indicator that supports the determination of conformity with each criterion on a “yes / no” basis. In many circumstances, it may be necessary to divide a requirement within the SBTi standard and guidance into two or more indicators to support the assessment of conformity. Each CAI includes a description of the corresponding minimum requirements and of the documentation needed to demonstrate conformity to each SBTi criterion.	✓	
Currency	Thresholds shall be applied in the currency of the entity’s consolidated financial statements. Companies that do not report in EUR shall convert into EUR for the purpose of assessing the threshold.	✓	✓
Customer	User of any service offering delivered by SBTi Services.	✓	✓
Customer experience team	SBTi Services team responsible to assist customers before and after target validation. The team’s main responsibilities include general query support, product support, key account support, tracking customer satisfaction, conducting calls with key account customers, and managing value chain engagement.	✓	✓
D			
Dominant influence	Influence that can be exercised over an entity to achieve the operating and financial policies desired by the holder	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	of the influence, notwithstanding the rights or influence of any other party. If one entity exerts such a dominant influence over an entity, this entity should be treated as a subsidiary and consolidated into the group's accounts.		
E			
Educational institutions	Organizations that provide education as their main purpose. This includes schools, colleges, universities, or training centers. These institutions are normally accredited or sanctioned by the relevant national education authorities or equivalent authorities. Educational institutions may also be operated by private organizations, such as religious bodies, special interest groups or private educational and training enterprises, both for profit and non-profit. Under the SBTi framework, non-commercial educational institutions matching this definition are strictly non-eligible for corporate target validation. Private educational or training enterprises that operate as commercial, profit-generating entities must instead be evaluated under the Entity definition.	✓	✓
Employee	Annual average number of individuals employed by the applicant entity and facilities owned, operated, or leased by the applicant entity. Entities may include employees of other relevant entities (e.g., franchises or outsourced operations) in this category, as well as consultants, contractors, and other individuals who are not employees of the entity, but commute to facilities owned and operated by the entity. This figure includes full-time, part-time, and temporary staff. For classification and eligibility purposes, this figure is often expressed in Full-Time Equivalents (FTEs), representing the annual	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	average number of employees, adjusted to reflect full-time working hours.		
Entity	Any legal organization that is commercially operated, and capable of generating profit or other financial gain, including organizations with a hybrid purpose such as social enterprises. This definition encompasses all eligible types of commercial organizations in line with the Registration classification frameworks used by SBTi Services applicable to the CNZS V1 and CNZS V2.0 pathways: FIs, SMEs, Corporates, Category A companies and Category B companies. This definition excludes all non-eligible entities: fossil fuel entities, non-profit organizations, public sector entities and educational institutions.	✓	✓
Equity method	Method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.	✓	✓
Evaluation stage	Phase in a target validation process where submitted information, data, or materials are reviewed and assessed against the applicable criteria to determine the company's compliance, with specified standards or guidance.	✓	✓
Executive level contact	A senior leader responsible for executive functions or sustainability within your entity, such as Head of ESG, Chief Sustainability Officer, or an equivalent senior executive role.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
F			
Finance contact	The person or group who will be sent the invoice for payments related to a future validation contract(s). This email can be a specific person or an accounts payable group.	✓	✓
Financial institutions validation	Specific validation process mandatory for entities meeting the classification criteria of a Financial Institution (FI). This pathway requires strict adherence to the SBTi Financial Institutions Criteria . Eligible Financial Institutions are restricted to this dedicated validation route and are not permitted to validate targets under the standalone corporate target validation pathway.	✓	✓
Focused schedule	Streamlined validation schedule completed within 30 business days. This validation route is intended for Category B companies submitting scope 1 and scope 2 targets only, with annual turnover below €25 million and not required to set sector-specific targets.		✓
Fossil fuel entity	An entity classified as non-eligible for target validation according to the SBTi Fossil Fuel Policy . This restriction applies to any entity with direct involvement in the exploration, extraction, mining, or production of fossil fuels, irrespective of revenue. Target submissions are permitted only if the entity explicitly meets one of the following criteria: 1. Derives <50% of revenue from fossil fuel sales, transmission, distribution, or services. 2. Derives <5% of revenue from commercial fossil fuel extraction assets. 3. Operates as an electric utility mining coal solely for its own power generation.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
G			
Geography	Determined by the HQ location of incorporation of the ultimate parent entity and is classified using the World Bank economic income categories .	✓	✓
Group	A parent entity and all its subsidiary entities.	✓	✓
H			
HQ Location (headquarters location)	This refers to the primary location of the submitting entity’s headquarters. Required during registration.	✓	✓
I			
Independent entity	An entity not holding or controlled by significant participating interest in other enterprises, and is not considered related as described in this document.	✓	✓
Initial validation call	The initial validation call is provided to corporates submitting their targets in line with the CNZS V1 framework, and companies submitting their targets in line with the CNZS V2.0 framework and opting for the regular validation schedule. The initial call provides an opportunity for the company and the Lead Reviewer to align on the validation process, clarify expectations, and address non-conformities regarding the company’s target submission.	✓	✓
Interim call	The interim call is optionally provided to companies submitting their targets in line with the CNZS V2.0 framework and opting for the regular validation schedule. The interim call is intended to address outstanding non-conformities identified during the Assessment stage.		✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
ISIN	(International Securities Identification Number): An alphanumeric code used to identify securities.	✓	✓
J			
K			
L			
Lead reviewer	The primary technical contact for the company undergoing target validation, throughout the validation process. The Lead Reviewer is a member of the Target Validation Team and leads the assessment of the company's target submission against SBTi criteria.	✓	✓
Legal entity identifier (LEI)	A unique identifier for legal entities participating in financial transactions.	✓	✓
M			
Mandatory five-year review (M5YR)	A formal mandatory protocol requiring entities with validated science-based targets to review their targets against the latest SBTi criteria and requirements at least every five years. If changes to system boundaries, emissions factors, or corporate structure occur, or if criteria update, the company must recalculate and re-submit its targets for re-validation within six months of the trigger date to maintain valid target status. Please refer to the Criteria Assessment Indicators , criterion NT C26 and NZ C32, and to the Mandatory Five-Year Review Guidance for further information on the M5YR.	✓	✓
Minimum evidence required (MER)	Control points which will be used to evaluate submitted information during the target validation process in line with the CNZS V2.0 framework. For every requirement in the SBTi standards, there should be one corresponding		✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	evidence point that supports the determination of conformity with each criterion on a “yes / no” basis. The MER outlines the mandatory supporting documentation, third-party records, and verifiable evidence that an entity must submit alongside inputs in the target-setting tools and submission form to demonstrate full compliance with each SBTi CNZS V2.0 criterion during the target validation process. In the CNZS V2.0 framework, the MER replaces the CAI (from the CNZS V1 framework).		
N			
Non-eligibility	When the eligibility criteria for target validation, as evaluated under the process detailed in Section 6.2 Step 1. Eligibility Determination of the <u>Registration SOP</u> is not met. This designation applies to entities or activities that disqualify them from proceeding with commitments, target submissions, and validation pathways. This includes entities involved in fossil fuel activities, public sector institutions (except for those that qualify as an SME), non-commercial educational institutions, and purely charitable non-profit organizations defined below. A brand, licensee, or specific region or business division of an entity will not be accepted as an eligible entity to set targets unless it falls outside of a parent entity’s chosen consolidation approach.	✓	✓
Non-governmental organization (NGO)	A non-profit, citizen-based group that operates independently of government, typically organized on a local, national, or international level to address issues serving a public or social good.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Non-profit organization (NPO) and not-for-profit organizations	An organization created for the purpose of producing goods and/or services, but whose status does not permit them to be a source of income, profit or other financial gain for the units that establish, control or finance them. In practice, their productive activities are bound to generate either surpluses or deficits but any surpluses they happen to make cannot be appropriated by other institutional units. The articles of association by which they are established are drawn up in such a way that the institutional units that control or manage them are not entitled to a share in any profits or other income they generate. For this reason, they are frequently exempted from various kinds of taxes. Such organizations are typically dedicated to social, educational, charitable, or similar activities and operate under a status that prohibits the distribution of profits to individuals or shareholders. Under the SBTi framework, organizations matching this definition of a purely charitable non-profit are strictly non-eligible for validation. If an NPO operates a hybrid structure or a commercial branch capable of generating profit or financial gain, it must be evaluated under the Entity definition.	✓	✓
O			
Organization type	The classification framework assigned to an applicant entity as a corporate, financial institution, or small and medium-sized enterprise (SME).	✓	
P			
Participating interest	Rights in the capital of other entities that, whether or not represented by certificates that create a durable link with those entities, are intended to contribute to the activities of the entity holding those rights. The holding of part of the capital of another entity is presumed to constitute a	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	participating interest when it exceeds a percentage threshold lower than or equal to 20%.		
Peer reviewer	The secondary technical contact for the company undergoing target validation, throughout the validation process. The Peer Reviewer is a member of the Target Validation Team and provides a secondary review of data and documents to confirm conformance and support the Lead Reviewer in the validation process	✓	✓
Pilot testing	A preliminary trial project during which SBTi standards, validation tools and Validation Requirements are tested with a selection of companies to gather feedback and refine criteria before official release.	✓	✓
Portal account	The user profile created by an entity or individual to access the validation portal, where all relevant documents, target submissions, and entity details are stored and managed.	✓	✓
Portal homepage	The interface on the validation portal where users can monitor the status of their registration submissions.	✓	✓
Pricing tier	A classification assigned to an applicant entity during the registration process, determined based on the entity's headquarters location and annual turnover. This tier establishes the applicable fees for validation services, as detailed in the latest Target Validation Service Offerings at the time of submission.	✓	✓
Public sector entities	Government units which are unique kinds of legal entities established by political processes that have legislative, judicial or executive authority over other institutional units within a given area. Viewed as institutional units, the principal functions of government are to assume responsibility for the provision of goods and services to the community or to individual households and to finance their	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	provision out of taxation or other incomes; to redistribute income and wealth by means of transfers; and to engage in non-market production. Under the SBTi framework, public sector entities matching this definition are strictly non-eligible for corporate target validation. State-owned enterprises or public authorities that operate as commercial, profit-generating entities engaged in market production must instead be evaluated under the Entity definition.		
Q			
Quality management team	The SBTi Services Team responsible for overseeing quality control, consistency, and compliance with validation procedures across all target validations.	✓	✓
R			
Readiness assessment service (RAS)	Process through which SBTi Services reviews a company's readiness to set targets against a defined SBTi Standard(s).	Forthcoming	✓
Registration classification frameworks	The frameworks used by SBTi Services to route applicant entities based on their legal identity, business activities, emissions profiles, the assessment of entity relationships and financial characteristics. This document incorporates two distinct classification frameworks to manage different versions of SBTi standards: - Organization type entity's classification applicable to Pre-Corporate Net-Zero Standard Version 2.0 validation pathways. - Company categorization entity's classification applicable to the Corporate Net-Zero Standard Version 2.0 pathway.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Registration process	The standardized procedure through which entities submit applications to engage with SBTi Services Limited. It includes the collection, submission, and assessment of key business, financial, and sustainability-related information.	✓	✓
Regular schedule	Schedule for validation activities designed to provide a target validation decision within 55 business days, for companies submitting targets in line with CNZS V2.0. This schedule is intended for Category A companies, as well as Category B companies with annual turnover exceeding 25 million euros, and/or those setting sector-specific and/or scope 3 targets.		✓
Related entity	An entity is considered related if it belongs to the same group, which includes parents, subsidiaries, and fellow subsidiaries, or if it is an associate or joint venture of the other entity. Additionally, both entities may be joint ventures of the same third entity. A related entity can also be a post-employment benefit plan for employees of the reporting entity or its related entities. Furthermore, the entity may be controlled or jointly controlled by an individual identified as related, or it may provide key management personnel services to the reporting entity or its parent. This implies a financial relationship that necessitates consideration for consolidation.	✓	✓
Revision of validation requirements	Revisions to Validation Requirements are conducted to ensure that Validation Requirements remain aligned with the most up-to-date SBTi standards, criteria, policies and manuals. Revisions encompass planned periodic revisions, as well as ad-hoc revisions triggered by specific events.	✓	✓
S			
SBTi Academy	An educational platform and curriculum hub designed to train individuals of all knowledge levels on greenhouse gas	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	accounting, science-based target setting, and validation requirements.		
SBTi Certification	A formal professional assessment and globally recognized credential hosted on the SBTi Academy (within the Certification Hub) that evaluates an individual's advanced technical proficiency in applying science-based target setting methodologies. It confirms a practitioner's capability to calculate GHG baseline inventories, model reduction targets, navigate sector guidance, and successfully manage target submissions in conformance with SBTi standards. Candidates who pass the assessment are listed on the official SBTi Register of Certified Experts.	✓	✓
SBTi Group	SBTi Services and its parent, The Science Based Targets initiative, a UK registered charity (UK Charity no. 1205768) ('SBTi') and its other Affiliates from time to time.	✓	✓
SBTi Sector Classification	The categorization of companies is based on their core business activities as outlined by the Science Based Targets initiative (SBTi) mainly based on the Business Activity Groups classification developed by the Global Reporting Initiative (GRI), an independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts. The full list is available here . Companies are responsible for identifying their own SBTi Sector Classification.	✓	✓
State-owned enterprise	A legal entity created by a government to undertake commercial activities on its behalf, where the state exercises significant control through full, majority, or significant minority ownership.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
SBTi Services Board of Directors	The governing body responsible for setting strategic direction, governance, and fiduciary compliance for SBTi Services Limited.	✓	✓
SBTi Services Committee	The SBTi Services Committee is composed of SBTi Services Managers, and is responsible for the first review of draft CAIs, to ensure alignment with the operational realities of current validation processes. The Committee is composed of personnel with a thorough understanding of the validation procedures and those with expertise in relation to the CNZS V1.3.	✓	
Significant influence	Power to participate in the financial and operating policy decisions of the investee without the power to control or jointly control those policies. An investor typically possesses significant influence over an investee when they hold 20% or more of the voting power, either directly or indirectly through subsidiaries. However, this is not always the case, and evidence to the contrary can override this presumption. Significant influence can typically be manifested through: • Representation on the investee's board of directors or its equivalent governing body. • Involvement in policy-making processes, including decisions regarding dividends or • other distributions. • Material transactions between the investor and the investee. • Exchange of managerial personnel. • Provision of essential technical information.	✓	✓
Small and medium-sized enterprise (SME)	An entity that meets the following criteria for setting targets through the tailored SME validation route: • Emits less than 10,000 tCO₂e across scope 1 and location-based scope 2.	✓	

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
	- Is not classified in the Financial Institutions (FIs) or Oil & Gas (O&G) sectors. - Is not required to set targets using sector-specific criteria developed by the Science Based Targets initiative (SBTi) (for references, please visit our Getting Started Guide, Sector-Specific Guidance section). - Is not a subsidiary of a parent entity whose combined businesses fall into the standard validation route. Additionally, the entity must meet at least three of the following conditions: - Employs fewer than 250 employees. - Has a turnover of less than €50 million. - Has total assets of less than €25 million. - Is not in a mandatory Forest, Land, and Agriculture (FLAG) sector.		
Small and medium-sized enterprise (SME) eligibility criteria	Criteria used to determine if an entity qualifies as a Small or Medium-Sized Enterprise (SME), including size, emissions, sector, and parent entity status. See Small and Medium-sized enterprise (SME).	✓	
Small and medium-sized enterprise (SME) tailored target validation	Simplified process tailored for small and medium-sized enterprises (SMEs) to set science-based climate targets.	✓	
Subsidiary	An entity controlled by a parent entity, including any subsidiary entity of an ultimate parent entity. It must be consolidated in the parent's financial statements. The parent entity is required to prepare consolidated financial statements if it meets certain criteria, such as majority voting rights or the ability to exert dominant influence.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Submission annex	Standardized form used to submit sector-specific science-based targets in line with Sector Standards and/or Sector Specifications; complements the submission form and provides structured data required to demonstrate compliance with sector-specific criteria.		✓
Submission form	Standardized form used by companies to submit cross-sector science-based targets under CNZS V1.3 and V2.0 for assessment; provides structured data required to demonstrate compliance with SBTi criteria, standards, policies and manuals.	✓	✓
Supporting documentation	Third-party documentation required by the CAI or MER that complements the target-setting tool, submission form and annex(es) and is reviewed to assess alignment with SBTi Criteria.	✓	✓
T			
Target analyst	A technical expert responsible for conducting detailed assessments of target submissions, GHG inventories, target-setting tools, and methodologies against SBTi criteria, requirements and Validation Requirements.	✓	✓
Target Operations Team	Team responsible for supporting processes outside of the official validation window. This includes pre-validation activities such as registration and commitment review, revenue operations activities such as vendor onboarding and invoice management, management of products such as the target dashboard and validation portal, plus tracking and allocation of validation submissions.	✓	✓
Target review	The act of reviewing previously validated science-based targets against the latest version of the SBTi Criteria. If not in line with the latest version of the SBTi Criteria, a target update is required.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Target-setting tool	A digital or other structured resource used to calculate or develop science-based targets and support assessment of target ambition against SBTi methods, pathways, and requirements.	✓	✓
Target status	Label displayed on the SBTi Target Dashboard indicating the status of their validated target. Collectively, these statuses (Validated Targets, Inactive, Legacy, Expired, and Other) serve to provide transparency and accountability regarding a company's standing and the current validity of their targets within the SBTi system as described in the SBTi Commitment and Target Statuses document .	✓	✓
Target update	To change, edit, or bring up to date a previously validated science-based target, either entirely or in part, due to a triggered event. Key target update triggers include the mandatory five-year review or a change to the base year GHG inventory that surpasses 5% of total base year emissions, due to a structural change.	✓	✓
Target validation / Validation process	Process through which SBTi Services reviews and confirms that an entity's submitted science-based targets meet the criteria and standards set by the SBTi.	✓	✓
Target Validation Team	Team responsible for evaluating companies GHG inventory and science-based targets to ensure conformance with SBTi requirements.	✓	✓
Technical Assurance Team	Project-based team whose main responsibilities are to create and manage formal feedback channels between TVT and the Technical Department, and to ensure validation realities are considered in SBTi standards development. The technical assurance analysts do not conduct target validation decisions.	✓	✓
Ticker/Stock symbol	A unique series of letters assigned to publicly traded companies for stock exchange purposes.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Total assets	Also known as annual balance sheet total, refers to the value of an entity's main assets. The total assets are determined by combining total equity and total liabilities. They can be found in an entity's annual balance sheet, which summarizes an entity's assets, liabilities and equity at the end of its latest financial year.	✓	✓
Trigger date	The date that initiates the mandatory review process, commencing at the end of the month, five years after the most recent publication of validated targets.	✓	
Turnover	Net total revenue generated from the sale of products and the provision of services, after deducting sales rebates, value-added tax (VAT), and other taxes directly linked to turnover.	✓	✓
U			
User profile	The dedicated section within the Validation Portal where an individual manages their personal account information and login credentials. This interface allows users to view and update their first name, last name, registered email address, and account password.	✓	✓
V			
Validation Council	Independent body that plays a role in the governance of SBTi Services' target validation work and ensures its impartiality and integrity.	✓	✓
Validation portal	The digital system or interface where companies register for science-based targets, submit data, and manage their target validation process. It provides features such as registration, data submission, document uploads, and eligibility checks.	✓	✓

Term	Definition	Relevant to	
		CNZS V1	CNZS V2.0
Validity period	Period in time during which the GHG emissions reduction targets hold validity from SBTi Services against the SBTi's standards and guidance.	✓	✓
Validation requirements	Encompasses Criteria Assessment Indicators and Minimum Evidence Requirements; control points used to evaluate submitted information and determine conformity, with minimum documentation requirements.	✓	✓
Validation schedule	Shared with corporates, financial institutions and SMEs at the start of the validation process. It contains information about the steps and timeline of the validation process.	✓	✓
Validation statement	Declaration by SBTi Services of the outcome of the validation process.	✓	✓
W			
X			
Y			
Z			

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SBTi Commitment and Target Statuses Document | Science Based Targets initiative (SBTi) | August 2026

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SBTi Services SOP for Validation Requirements | Science Based Targets initiative (SBTi Services) | Undated

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Strategic Account Management Association Standard Definitions | Strategic Account Management Association (SAMA) | Undated

UN Rule of Law and NGO Relations Guidelines | United Nations (UN) | May 2004

FEEDBACK PROCESS

Stakeholders, third parties, companies, and SBTi personnel who wish to propose additional definitions for inclusion in this Glossary may submit their suggestions to SBTi Services staff at validationresources@sciencebasedtargets.org. Each request should include the following information:

- A. Term: the word or phrase being proposed
- B. Justification: the rationale for the absence of an aligned definition in SBTi Services resources
- C. Applicable SBTi Services resource(s): the specific resource(s) in which the term is used

All feedback and suggestions received will be compiled by SBTi Services into a centralized document, accessible to all SBTi Services Team members. Responsibility for reviewing this feedback and determining whether to incorporate it rests exclusively with the Technical Lead and the Technical Assurance Team.



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