

STANDARD OPERATING PROCEDURE FOR ENTITIES REGISTRATION

Version 1.0

July 2025



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



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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 against the requirement of the SBTi standards or guidance. 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 to the Science Based Targets initiative through 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.

DISCLAIMER

The procedures outlined in this document are intended to provide guidance on the processes and standards followed by SBTi Services Limited in the provision of validation services. These procedures are subject to regular review and may be updated or modified without prior notice to ensure compliance with evolving industry standards, regulations, internal policies or feedback provided by the SBTi Services personnel during regular reviews of the validation process.

While SBTi Services Limited strives to maintain the highest level of accuracy and transparency in all operational procedures, this document does not constitute a binding contract or legal agreement. The information provided herein is for informational purposes only. SBTi Services Limited makes no guarantees, warranties, or representations, either express or implied, regarding any specific outcomes or results.

SBTi Services Limited disclaims any and all liability for actions taken or decisions made based on the information provided in this document. All users of this document are encouraged to consult with relevant experts or legal counsel to ensure a complete understanding of the procedures and their applicability to specific circumstances.

VERSION HISTORY

Version	Change/update description	Release date	Effective dates
1.0	First version of the Registrations SOP	July 2025	July 2025 to July 2026

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1. Purpose

- 1.1. The primary purpose of this Standard Operating Procedure (SOP) is to provide a structured procedure for the registration and evaluation of all entities wishing to set science-based targets through SBTi Services Limited (SBTi Services). The process ensures that approved applicants meet eligibility criteria based on the Science Based Targets Initiative (SBTi) standards and guidelines, facilitating their access to the appropriate target-setting options.
- 1.2. This document aims to:
 - A. **Standardize the registration process:** defines a clear approach and workflow that is uniformly applied across all entity requests to assess their eligibility to proceed to validation.
 - B. **Conduct comprehensive due diligence:** facilitate a process of thoroughly investigating and evaluating information about an applicant entity, including legal registration, compliance to applicable laws and regulations, business activities and financial status.
 - C. **Facilitate informed decision making:** consider all relevant facts and risks to make informed decisions regarding the approval or rejection of organizations applying to engage with the science-based target setting process.
 - D. **Enhance transparency and accountability:** describe the registration and evaluation processes comprehensively and publicly to ensure transparency, both internally and externally, promoting accountability in SBTi Services' processes.
 - E. **Streamline communication and documentation:** ensure all documentation and communication with registering organizations, including the confirmation of registration status, is complete, efficient, accurate, impartial, and in accordance with approved procedures.
 - F. **Support continuous improvement:** allow for regular reviews and updates of the registration process and ensure it remains in line with evolving legal requirements, industry standards, and SBTi Services organizational goals.

2. Scope

- 2.1 This SOP applies to corporates, financial institutions and SMEs. It covers the collection, assessment, and review of essential business, financial, and sustainability-related information required for the registration application.
- 2.2 The SOP is also applicable to all personnel within SBTi Services responsible for managing and reviewing registrations and all entities joining the Science Based Initiative to get their near-term and or net-zero targets validated.
- 2.3 This SOP does not apply to public entities, educational institutions or non-profit organizations. These entities are not eligible to set targets with the SBTi, as described in this document.

3. Responsibilities

- 3.1. **SBTi Services Target Operations Team (TOT):** Oversees the registration process, including but not limited to receiving and reviewing registration applications to assess legal, operational, financial, and sustainability-related information. Their role is to ensure applicants meet SBTi Service's registration requirements and to issue approvals or rejections accordingly. Additionally, the team evaluates submitted registration materials, ownership structures and undertakes due diligence regarding the applicant's business activities to assess adherence to legal and financial criteria. All information and documents are processed and maintained in accordance with the [SBTi Data Security & Confidentiality Policy](#) and the [SBTi Privacy Policy](#).
- 3.2. **Applicant:** Corporates, financial institutions and SMEs registering with the SBTi to commence their engagement with its target setting process. These entities must adhere to the procedure described in this document and fulfill all necessary steps to successfully complete the registration process. This includes providing all relevant and accurate information, submitting required documentation, and responding to any requests for clarification. They are also responsible for ensuring that the data provided complies with SBTi's requirements for registration. Failure to meet these requirements or provide complete information may result in the rejection of the registration application.

- 3.3. SBTi Services Quality Management Unit:** Responsible for monitoring adherence to SOP procedures, ensuring consistency and effectiveness in the registration and evaluation processes. This includes providing feedback and reviewing the SOP's effectiveness and recommending improvements as necessary.

4. Definitions

This section provides key definitions used by the Target Operations Team (TOT) to assess entities. Definitions are organized into categories to clarify various aspects of the registration process and entity classifications.

4.1 Entity classifications and relationships

4.1.1 Applicant: An entity submitting a registration application to engage and seeking to set targets with SBTi Services.

4.1.2 Entity: Any organization, either legally incorporated or operating as a non-incorporated joint venture or partnership with defined legal responsibilities, “whose transferable securities are admitted to trading on a regulated market”¹. The entity must be capable of generating profit or other financial gain and engaged in market production at economically significant prices.² This definition encompasses all types of organizations, including SMEs, corporates, and financial institutions.

4.1.3 Independent Entity: An entity not holding or controlled by significant participating interest in other enterprises, and is not considered related³ as described in this document.

4.1.4 Related entity: An entity is considered related if it belongs to the same group⁴, 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

¹ Directive 2013/34/EU, Article 2(1)(a-d). Official Journal of the European Union, L 182, 29 June 2013.

² System of National Accounts, 2025.

³ Commission Recommendation of 6 May 2003 concerning the definition of micro, small, and medium-sized enterprises (Text with EEA relevance), notified under document number C(2003) 1422. Official Journal of the European Union, L 124, 20 May 2003, pp. 36–41. Official Journal L 124, 20/05/2003, pp. 36-41.

⁴ As defined in 4. Definitions, 4.1.8.

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 parent⁵. This implies a financial relationship that necessitates consideration for consolidation.

4.1.5 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 method⁶.

4.1.6 Parent entity: An Entity that controls one or more subsidiary entities. A parent entity must prepare consolidated financial statements and a consolidated management report if it meets any of the following criteria:

- Majority Voting Rights and Control Through Voting Rights.
- Appointment Rights: The parent entity has the right to appoint or remove a majority of the members of the administrative, management, or supervisory body of another entity (a subsidiary entity) and is also a shareholder or member of that entity.
- Dominant Influence: as outlined below.
- Unified management: The parent entity and one or more other entities, are managed on a unified basis according to a contract or the memorandum or articles of association of those other entities; or
- The administrative, management, or supervisory bodies of the parent entity, consist mainly of the same persons during the financial year and until the consolidated financial statements are drawn up.

A parent entity and all its subsidiary entities must be consolidated regardless of the location of the subsidiary entities' registered offices⁷.

4.1.7 Subsidiary: An entity controlled by a parent entity, including any subsidiary entity of an ultimate parent entity⁸. It must be consolidated in the parent's financial statements. The

⁵ Directive 2013/34/EU, Article 2(3), making reference to IAS 24. Official Journal of the European Union, L 182, 29 June 2013.

⁶ Directive 2013/34/EU, Article 2(3), making reference to IAS 24. Official Journal of the European Union, L 182, 29 June 2013.

⁷ Directive 2013/34/EU, Article 2(9). Official Journal of the European Union, L 182, 29 June 2013.

⁸ Directive 2013/34/EU, Article 2(10). Official Journal of the European Union, L 182, 29 June 2013.

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.

4.1.8 Group: A parent entity and all its subsidiary entities⁹.

4.1.9 Affiliated entities: Any two or more entities within a group¹⁰.

4.1.10 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 participating interest when it exceeds a percentage threshold lower than or equal to 20%¹¹.

4.1.11 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 presumption¹². 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 information¹³.

4.1.12 Dominant influence: Influence that can be exercised over an entity to achieve the operating and financial policies desired by the holder of the influence, notwithstanding the rights or influence of any other party. If one organization exerts such a dominant influence

⁹ Directive 2013/34/EU, Article 2(11). Official Journal of the European Union, L 182, 29 June 2013.

¹⁰ Directive 2013/34/EU, Article 2(12). Official Journal of the European Union, L 182, 29 June 2013.

¹¹ Directive 2013/34/EU, Article 2(2). Official Journal of the European Union, L 182, 29 June 2013.

¹² IAS 28, Paragraph 5. Investments in Associates and Joint Ventures. International Accounting Standards Board.

¹³ IAS 28, Paragraph 6. Investments in Associates and Joint Ventures. International Accounting Standards Board.

over an entity, this entity should be treated as a subsidiary of the organization and consolidated into the group accounts of the organization¹⁴.

4.1.13 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 returns¹⁵.

4.2 Financial and accounting definitions

4.2.1 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 income¹⁶.

4.2.2 Annual financial statements: Comprehensive reports that provide a true and fair view of an organization'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 compliance¹⁷.

4.2.3 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 entity¹⁸.

4.2.4 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 turnover¹⁹.

¹⁴ Dominant influence: (IAS 27. Consolidated and Separate Financial Statements. International Accounting Standards Board).

¹⁵ IFRS 10. Consolidated Financial Statements. International Accounting Standards Board.

¹⁶ IAS 28. Investments in Associates and Joint Ventures. International Accounting Standards Board.

¹⁷ Directive 2013/34/EU, Article 4(3). Official Journal of the European Union, L 182, 29 June 2013.

¹⁸ Directive 2013/34/EU, Article 4(3). Official Journal of the European Union, L 182, 29 June 2013.

¹⁹ Directive 2013/34/EU, Article 2(6). Official Journal of the European Union, L 182, 29 June 2013

4.2.5 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 organization's assets, liabilities and equity at the end of its latest financial year²⁰.

4.2.6 Employees: 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 entity²¹. 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), which standardizes the count by converting part-time and temporary staff into full-time employee equivalents.

4.3 Eligibility definitions and organization types

4.3.1 Organization type: A classification defined by SBTi Services assigned to an applicant entity as a corporate, financial institution, or small and medium-sized enterprise (SME), based on its legal identity, business activities, and financial characteristics. This categorization is used to ensure proper alignment with SBTi Services's registration, evaluation process, and specific eligibility requirements, including financial thresholds and organizational structure.

4.3.2 Financial institution: An entity whose business generates 5% or more of its revenue specifically from asset classes which are considered required and optional under the latest [SBTi Financial Institutions Criteria](#). This includes, but is not limited to, banks, asset managers, private equity firms, asset owners, and re/insurance companies. Public financial institutions are not currently covered within the SBTi.

²⁰ The balance sheet total referred to in paragraphs 1 to 7 of Directive 2013/34/EU, Article 3(11), consisting of the total value of the assets listed in sections A to E under 'Assets' in the layout set out in Annex III, or the assets listed in sections A to E in Annex IV. *Official Journal of the European Union*, L 182, 29 June 2013.

²¹ GHG Protocol. (2022). Category 7: Employee Commuting. GHG Protocol.

4.3.3 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)²².

4.3.4 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.
- 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.

4.3.5 Corporate: An entity that does not meet the eligibility criteria as a Financial Institution, nor the criteria for the tailored small and medium-sized enterprises (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 rather than the tailored SME validation route.

4.3.6 Exclusions: Specific conditions or categories under which an entity is deemed ineligible for a particular process or service. In the context of this document, exclusions are the types of entities or activities that disqualify an organization from proceeding with commitments, target submission and validation e.g. fossil fuels policy.

4.3.7 Non-eligible entity: Any entity that does not meet the eligibility criteria for target validation, described in “6.1 Step 1. Eligibility Determination”. This includes entities involved in fossil fuel activities, public sector institutions (except for those that qualify as an SME), educational institutions, and non-profit organizations. A brand, licensee, or specific region

²² SBTi Services, Small and Medium Enterprise (SME) Target Setting Process. Available at: <https://sbtiservices.com/services/sme>.

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 approach²³.

4.3.8 Fossil fuel entity: An entity directly involved in the exploration, extraction, mining, and/or production of oil, natural gas, coal, or other fossil fuels. This includes integrated oil and gas companies, integrated gas companies, exploration and production pure players, refining and marketing pure players, oil products distributors, gas distributors and retailers, and traditional oil and gas service companies.

4.3.9 Non-profit organization (NPO) and non-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 taxes²⁴. 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.

4.3.10 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 provision out of taxation or other incomes; to redistribute income and wealth by means of transfers; and to engage in non-market production²⁵.

4.3.11 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

²³ NT C1, Criteria Assessment Indicators, SBTi Services. Available at: <https://docs.sbtiservices.com/resources/CriteriaAssessmentIndicators.pdf>.

²⁴ 2025 System of National Accounts (SNA), Non-Profit Institution Definition. United Nations, New York, 2025.

²⁵ 2025 System of National Accounts (SNA), Government Units Definition. United Nations, New York, 2025.

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-profit²⁶.

4.3.12 Sector-specific criteria: Criteria unique to different industries that should be met for setting targets also known as sector-specific pathways which are absolute emissions or emissions intensity pathways. For a specific sector these may be used for calculating near-term and long-term intensity targets as well as long-term absolute targets, in most cases.

4.3.13 FLAG sector: The FLAG sector refers to Forestry, Land, and Agriculture, encompassing industries involved in the management and use of natural resources related to land and biological systems. Specifically, a FLAG sector entity or entity includes those involved in Agriculture, Forestry, and Other Land Use (AFOLU).

4.3.14 Mandatory FLAG sector: Sectors that must adhere to the FLAG guidance developed by the SBTi. The following are the concerning sectors:

- Forest and Paper Products – Forestry, Timber, Pulp, Paper, and Rubber
- Food Production – Agricultural Production
- Food Production – Animal Source
- Food and Beverage Processing
- Food and Staple Retailing
- Tobacco

4.4 Other relevant definitions

4.4.1 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 [Commitment Compliance Policy](#).

4.4.2 Target validation: Process through which the SBTi reviews and confirms that an entity's submitted science-based targets meet the criteria and standards set by the SBTi

²⁶ Educational Institution Definition. UNESCO Institute for Statistics, 2016. Available at: [UNESCO UIS](#).

4.4.3 SME tailored target validation route: Simplified process tailored for small and medium-sized enterprises (SMEs) to set science-based climate targets. This route allows SMEs to bypass the initial commitment stage and the full corporate target validation process. For near-term targets, setting a scope 3 target is not required, while net-zero target options will include scope 3 emissions reduction requirements.

4.4.4 Corporate target validation route: Comprehensive process that allows entities to set science-based climate commitments while requiring adherence to all applicable [Corporate Assessment Indicators \(CAI\)](#). This route is designed for larger entities and involves a thorough review of targets, ensuring that corporations meet established criteria for target validation, including both scope 1 and scope 2 emissions, as well as scope 3 emissions when applicable. Entities classified as SMEs have the option to choose this target validation route instead of the one specifically tailored for SMEs. By doing so, they must adhere to both the applicable criteria and service offerings associated with the chosen route.

5. Registration Form

The registration form details the specific information required for the registration process, including entity details, eligibility criteria, and contact information. For a complete and thorough breakdown of these requirements—covering each field and the necessary documentation for a successful registration—please refer to [Annex 1](#). Annex 1 provides step-by-step guidance to ensure that all relevant information is accurately captured and submitted in the registration form, minimizing the risk of errors or omissions.

6. Registration Process

6.1 Due diligence:

SBTi Services TOT conducts a due diligence process to ensure that applicant information is complete and assessed according to this procedure. This process consists of two key components: desk research and document review.

6.1.1 Desk research

6.1.1.1 Conducting research: Conducting research to cross-reference the submitted information with publicly accessible sources, including the applicant entity's websites, third-party databases, industry reports, and news articles.

6.1.1.2 Validating information: Validate the entity's submitted information, such as their emissions data, financial performance, and sector involvement, to ensure alignment with publicly available information and official entity disclosures, as well as the registration requirements outlined below.

6.1.1.3 Identifying inconsistencies: Identify any inconsistencies or discrepancies in the information provided.

6.1.2 Document review

6.1.2.1 Reviewing documents: Review the documents received during this stage to ensure that they are accurate, genuine, and fit for their intended purpose by cross-checking entity-provided information, such as financial statements, emissions data, and corporate reports, against public records and official entity disclosures.

6.1.2.2 Ensuring accuracy and completeness: Ensuring the accuracy and completeness of the submitted information.

6.1.2.3 Identifying inconsistencies: Identify any inconsistencies or discrepancies in the information provided.

6.2 Step 1: Eligibility determination

Eligibility for target setting with the Science Based Targets initiative (SBTi) is determined based on two main criteria:

6.2.1 Non-eligible entities criteria:

The following types of entities are not eligible for target validation by SBTi:

- **Public sector entities:** The SBTi does not currently assess targets for cities, local governments, public sector institutions, or other government-affiliated entities as described in [4.3, Eligibility Definitions and Entity Classifications](#). Public sector institutions that meet the small and medium-sized enterprise (SME) criteria can submit targets through the SME route.
- **Educational institutions:** The SBTi does not currently assess targets for educational institutions as described in [4.3, Eligibility Definitions and Entity Classifications](#).
- **Non-profit organizations:** The SBTi does not currently assess targets for non-profit or non-for-profit organizations as described in [4.3, Eligibility Definitions and Entity Classifications](#).

Entities must fall within the definition outlined in section [4.1, Entity Classifications and Relationships](#) to be considered for target validation.

6.2.2 Conformity with SBTi's target-setting policies and rules:

SBTi Services conducts a thorough review of the entity's activities to determine eligibility. This includes evaluating the entity's conformity to SBTi's target-setting rules.

- **Specific criteria for fossil fuel involvement²⁷:** As part of this evaluation, entities involved in fossil fuel activities are subject to due diligence to identify any direct or indirect participation in coal, oil, or gas-related activities, including those of subsidiaries or joint ventures. These companies are typically restricted from committing to the Science Based Targets initiative (SBTi) or validating targets until the oil and gas method is finalized, with the following exceptions:
 - Companies deriving less than 50% of revenue from the sale, transmission, and distribution of fossil fuels or providing equipment/services to fossil fuel companies.

²⁷ For the latest definition, please refer to the [Oil and Gas sector page](#) on the SBTi website. As outlined there, the policy reflects updated criteria regarding fossil fuel companies and their eligibility status.

- Companies with less than 5% revenue from fossil fuel assets for extraction activities.
- Electric utilities that mine coal for their own power generation.
- Subsidiaries of fossil fuel companies, provided they are not considered fossil fuel companies themselves.

SBTi reserves the right to expand or limit the possibilities of target setting to other entities, and any changes will be made public through official channels. The fossil fuel involvement criteria is an example of criteria that may evolve over time.

If the applicant entity's submission, including any follow-up responses to inquiries from SBTi Services, fails to provide sufficient evidence that it fits within any of the categories described above, the application will be rejected. A formal explanation will be issued detailing the reasons for ineligibility.

SBTi Services will ensure that all required documentation and reviewing steps are completed to confirm the entity's eligibility before advancing to the next stages of the assessment.

6.3 Step 2: Organization type assignment

All applicants considered in this step must first meet the eligibility requirements defined in [Section 4.3 Eligibility Definitions and Entity Classification](#). Eligible entities undergo a structured assessment for organization type classification. For companies that have not been excluded in *6.2 Step 1. Eligibility Determination*, the team will assign an organization type based on the criteria described in Section 4.3 and further outlined below. This classification is essential for ensuring accurate categorization and determining the appropriate target submission pathway.

6.3.1 Classification of financial institution

Financial institutions as defined in the latest [SBTi Financial Institutions Criteria](#) follow specific validation guidelines tailored to the financial sector.

Financial institutions are eligible to make commitments under the Commitment Compliance Policy.

6.3.2 Classification of small and medium-sized enterprises (SMEs)

If the applicant has not been excluded in previous steps and is not classified as a financial institution, the team assesses whether the entity qualifies as an SME based on the SBTi criteria outlined in [Section 4.3](#). Eligibility for the SME route depends on several factors depicted in the SME definition, including the entity's independence and relationships with other entities. During the due diligence stage, the SBTi Services reviewer must determine whether the entity qualifies as an SME given its own entity data and its relationships with other entities. This process is further described in [6.4 Assessment of Entity Relationships and Sector Implications](#).

SMEs are not eligible to make commitments.

6.3.3 Classification of corporates

Entities that do not meet the SME eligibility criteria and have not been previously classified as an financial institution or excluded from target setting will be assigned a corporate organization type. These entities must adhere to the standard SBTi validation procedures that are tailored to their specific industry and size.

Corporates can commit under the Commitment Compliance Policy and initiate their target-setting process exclusively through the *Corporate Target Validation Route*.

6.4 Step 3: Assessment of entity relationships.

The applicant entity's assessment involves a comprehensive review of the information provided by the applicant entity, as well as relevant data about the parent entity and any applicable business relationships. The data that the reviewer will assess is requested through the registration form as depicted in [Annex 1](#) and includes, but is not limited to, the following: *Turnover*, *Total Assets*, *Employees* (as outlined in [4.2 Financial and Accounting Definitions](#)), scope 1 and location-based scope 2 emissions (beyond or below 10,000.00 tCO₂e, sector classification as outlined on the [SBTi Sector Classifications Descriptions document](#).

If the initial submission is incomplete or if the reviewer considers necessary, additional data may be requested on a case-by-case basis to accurately determine the relationships between the applicant and any related or associated entities. This will enable the reviewer

to classify the applicant entity's type and, ultimately, its organization type. This process ensures that all necessary steps are taken to determine the applicant's eligibility for SME or corporate organization type classification as outlined in [4.3 Eligibility Definitions and Entity Classification](#)

If the applicant entity and other related entities meet these SME criteria according to the below assessment process, the applicant will be classified as an SME and eligible to proceed with the tailored SME target validation route. If the criteria are not met, the entity will be categorized as a corporate, provided it has not been excluded in previous stages or determined a financial institution.

6.4.1 Evaluation of applicant entity relationships.

If the applicant entity is classified as an *Independent Entity* as indicated in the [4.1 Entity Classification and Relationships section](#), only the applicant-level information will be considered, excluding the assessment of data from other entities. An entity with a *Participating Interest* alone as described in the same section, which refers to rights in the capital of other entities creating a durable link but not constituting *Control* or *Significant Influence*, may also be assessed as an *Independent Entity*.

When an applicant is not an *Independent Entity* and is identified as a *Related entity* with a *Parent Entity* as explained in the [4.1 Entity Classification and Relationships section](#), the applicant and the parent entity is assessed to determine eligibility for the SME route. This process may involve evaluating whether the parent entity exercises *Control* or *Significant Influence* over the applicant entity, which may necessitate consolidation of financial statements. In cases where the parent entity and its subsidiaries meet the definition of *Related Entities*, the data from these related entities must be fully integrated into the parent entity's assessments. A typical example of this relationship is a wholly owned subsidiary.

Additionally, if the applicant entity is part of a *Group* (a parent entity and all its subsidiary entities), the assessment will consider the unified management and influence exerted by the parent entity over the *Affiliated Entities*. This includes reviewing the *Control*, *Significant Influence*, and/or *Dominant Influence* of the parent entity as described in [4.1 Entity Classification and Relationships section](#) within the group to ensure comprehensive evaluation of the Group's financial aspects and other implications related to the SME assessment as mentioned in [section 6.3.2](#).

If the applicant entity is an *Associated Entity*, it will be evaluated based on the *Significant Influence* exerted by the parent entity over its operating and financial policies. This influence is typically reflected in the financial statements using the *Equity Method*. A proportion of the associated entity's data must be included, as explained in the definitions section [4.2 Financial and Accounting Definitions](#).

6.4.2 Impact of parent entity's sector on classification.

In cases where the parent entity is classified as a financial institution, including private equity firms, specific criteria must be applied to assess the applicant entity's eligibility for SME classification. The following outlines the assessment process for entities with a parent classified as a financial institution:

- **Financial institution, including private equity:** If the parent entity is classified as a financial institution, including private equity (PE) firms as depicted in [4.3 Eligibility Definitions and Entity Classification](#), the applicant's emissions profile will be assessed according to how its parent entity categorizes the applicant's emissions within its emissions inventory:
 - **Scope 3 emissions:** If the applicant's emissions fall under the parent entity's scope 3 emissions, the entity may still qualify as an independent entity and can be categorized as an SME if it meets the rest of the SME eligibility criteria points. If the applicant entity does not meet the rest of the SME eligibility criteria points, it would then be categorized as a corporate.
 - **Scope 1 and scope 2 emissions:** If the applicant's emissions fall within the parent entity's scope 1 and scope 2 emissions, the applicant will be assessed alongside the parent financial institution. As financial institutions are disqualified from SME status, this will automatically disqualify the applicant from the SME route. Consequently, the applicant will need to be categorized as a corporate, since the financial institution organization type would have been previously assigned as explained in [section 6.3.1](#).
- **Other sectors:** If the parent entity operates in a sector other than financial institutions, the sector classification will be evaluated against mandatory sector-specific pathways developed by the SBTi and applicable at the time of registration as specified on the SMEs criteria definition explained in [section 6.3.2](#).

This evaluation may be re-assessed when the target validation forms are submitted. If the parent entity's sector mandates adherence to specific criteria for target-setting, the applicant will be excluded from the SME classification and may be reclassified as a corporate or financial institution, depending on whether they meet the relevant criteria.

The above assessment ensures conformity with the SME definition, which mandates that the applicant cannot be a subsidiary of a parent entity whose combined businesses fall into the Standard validation route, including falling under the mandatory use of a specific sector pathway for their target validation process. If the entity fails to meet the criteria outlined above, it will be classified as a corporate entity. This classification ensures that only entities meeting the full SME eligibility criteria are eligible for SME target submission, while others will be assessed under the appropriate organizational type.

6.4.3 Applicant entity types and SME eligibility – quick reference

The table below provides a high-level summary of how different applicant entity types and ownership structures affect SME eligibility. It is intended as a quick reference and should be used in conjunction with the full definitions and guidance provided in sections 4.1, 4.2, 4.3, 6.4.1, and 6.4.2 of this document.

Entity Type / Structure	Key Characteristics / Influence	Section Reference	SME Eligibility Implication
Independent Entity	No Control / Significant Influence from another entity. May include entities with Participating Interest (not constituting control).	4.1 , 6.4.1	Assessed on its own. Eligible for SME route.
Related Entity with Parent	Parent exerts Control or Significant Influence. May trigger financial consolidation.	4.1 , 6.4.1	Applicant and parent assessed together. Often disqualified from SME route.

Group (Parent + Subsidiaries + Affiliated Entities)	Unified management; Dominant Influence over affiliated entities may apply. Full evaluation of Group data.	4.1 , 6.4.1 , 6.4.2	Typically ineligible for SME route due to group consolidation.
Associated Entity	Parent has Significant Influence. Assessed using the Equity Method. Partial data from associate included.	4.2 , 6.4.1	May be ineligible for SME route depending on influence and data impact.
FI or PE Parent – Scope 3	Applicant emissions fall under parent’s Scope 3 only.	4.3 , 6.4.2	May be eligible as SME if all other criteria are met.
FI or PE Parent – Scope 1/2	Applicant emissions fall under parent’s Scope 1 and 2.	4.3 , 6.4.2	Ineligible for SME route. Treated jointly with parent FI.
Parent in Other Sector with Mandatory Pathway	Sector-specific pathway applies (e.g. Steel, Oil & Gas). Evaluated during validation form submission.	4.3 , 6.4.2	May be reclassified as corporate or financial institution. Not eligible as SME if sector criteria apply.

6.5 Step 4: Pricing tier

At this stage, pricing tiers are determined based on the applicant entity's headquarters location and *annual turnover*. This applies specifically to corporates and financial institutions (FIs). All small and medium-sized enterprises (SMEs) will have a uniform pricing structure but can request a discount where applicable. Please note that any updates or corrections to pricing tier information must be submitted prior to execution of the contract for an SBTi validation service.

Entities may refer to the [SBTi Services Target Validation Service Offerings](#) for the most up-to-date pricing information.

6.6 Step 5: Post-registration actions and outcomes

The completion of a registration application does not automatically guarantee approval or acceptance into the initiative. Organizations must meet all eligibility criteria and provide the required supporting documentation as outlined in this document. SBTi Services will conduct a thorough review of each submission to ensure that the entity complies with all relevant eligibility and applicable SBTi Standards.

6.6.1 Confirmation of registration

Upon successful completion of the review process, only those entities that fully meet the eligibility criteria will receive formal confirmation of their registration. This notification will be communicated via the SBTi Services Validation Portal and via email.

The review outcome will classify the applicant into one of two categories: Accepted or Rejected.

6.6.1.1 Accepted

- The applicant entity is officially registered and deemed eligible to proceed with setting science-based targets.
- The applicant entity will receive confirmation of their assigned organization type (e.g., corporate, financial institution, or SME) through the Validation Portal under their account.
- The applicant entity will receive pricing tier classification, including determination of discount eligibility where applicable.
- Entities classified as corporates or financial institutions will be eligible to make commitments where applicable and in line with the Commitment Compliance Policy and can proceed with target setting through the corporate route for corporates or the financial institutions route for financial institutions.
- SME-designated entities are not eligible to make commitments but may proceed via the tailored SME route or the corporate route for setting science-based targets.

6.6.1.2 Rejected

If SBTi Services determines that an applicant entity does not meet the above depicted requirements, an email will be sent to the entity notifying a rationale for the decision, which may be based on one or more of the following reasons (including but not limited to):

- **Sector or Activity Exclusion:** The entity operates within a sector or engages in activities that are ineligible for participation in the SBTi, such as those related to fossil fuel extraction, production, or services tied to coal, oil, or gas.
- **Conflict of Interest:** A material conflict of interest relating to the entity is identified and cannot be removed during the provision of the Services.
- **Reputational Impact on Service Provider:** The entity does or omits to do something that brings, or is likely to bring, SBTi's brand or its services into disrepute or damages its relationship with other clients, customers, or supporters.
- **Non-Eligible Entity Type:** If the entity falls under a category that SBTi deems ineligible for target validation (e.g., non-profit organizations, governmental bodies, or public institutions that do not meet the specific organizational criteria).
- **Insufficient or Inaccurate Information:** The entity has failed to provide sufficient documentation or has submitted inaccurate or incomplete information that prevents a thorough evaluation. This may include inconsistencies in business activities, ownership details, or other critical organizational data.

Rejected entities will receive an email explaining the reason for rejection. If applicable, they may be allowed to address the issues and resubmit their application at a later date. The Target Operations Team (TOT) will review the response and any new materials to make a final decision on eligibility.

In alignment with international standards applicable to validation and assurance bodies, SBTi Services has implemented a dedicated complaints process to address concerns raised by any of its customers or potential customers.

Customers dissatisfied with SBTi Services' staff conduct, validation processes, or decisions may file a complaint following the [Complaints Standard Operating Procedure](#).

6.6.2 Ongoing monitoring and eligibility review

It is the entity's responsibility to keep their registration details up to date and ensure that the information is accurate. The entity should review all registration details for accuracy prior to submitting target validations.

In cases where an entity requests changes to its submitted details—such as organizational structure, ownership, or business activities—these updates will be reassessed by the Target Operations Team (TOT) assigned reviewer. The reassessment will follow the same rigorous

procedure outlined in this SOP, and any changes will be subject to approval or rejection. If the modifications result in non-conformity with this SOP, the entity's registration status may be revoked or updated accordingly.

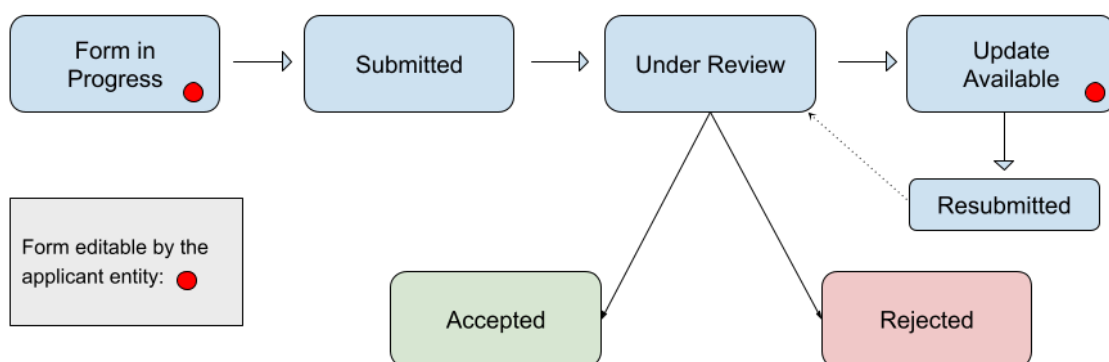
SBTi Services may monitor the eligibility of registered entities to ensure adherence to the criteria depicted herein. This ongoing evaluation extends beyond the initial registration process, ensuring that the entity and its associated business relationships continue to comply with SBTi's requirements over time.

7. Registration Status Monitoring and Notifications

The Accounts page on the Validation Portal features a "Registration Status" field that indicates the current status of an account. Figure 1 below illustrates the progression of the application through various account statuses. Definitions for each status are also provided below.

Users can monitor account status updates through the Validation Portal. Each time the status of an account changes, users associated with the account will receive an email notification. This notification will inform them of the status change and provide a link to the Validation Portal for further details.

Figure 1. Account statuses.



Form in Progress: This status appears when the entity user pauses the account creation process. The status "Form in Progress" indicates that the registration is still editable. Users can click the "Show" button to continue and submit the account registration.

Submitted: Once the user successfully submits the registration, the account status updates to "Submitted" on the homepage. Accounts in this status are read-only and cannot be edited by the user.

Under Review: When an SBTi Services reviewer begins evaluating the application, the status changes to "Under Review." Users can view the registration in read-only mode by clicking the "Show" button, which redirects them to the "Application in Review" page.

- **Query Pending:** If the reviewer has questions or requires additional information from the applicant, the status changes to "Query Pending." The applicant will receive a notification and can provide the necessary information to continue with the review.

Update Available: If SBTi Services identifies inconsistencies during the review, or the entity requests to make a change to their account information, the status updates to "Update Available" allowing the registration to be edited again. Once the user resubmits the application, the status changes to 'Resubmitted'.

Accepted: When the registration is accepted by SBTi Services the status updates to "Accepted" in the portal homepage.

Rejected: When the corresponding registration is Rejected by SBTi Services, the Account Status is updated to "Rejected" in the portal homepage.

8. Confidentiality and Data Handling

SBTi Services ensures that all applicant entity data is handled with strict confidentiality and in full adherence to relevant data protection regulations, including UK GDPR. Data collected during the registration and validation process is managed according to the protocols outlined in the [SBTi Data Security & Confidentiality Policy](#), the [SBTi Privacy Policy](#) and Terms and Conditions of the validation contract, which detail the specific protections, retention periods, and rights of the applicant entity. Applicant entities can refer to these documents for comprehensive information on how their data is stored, accessed, and protected throughout the process.

9. Review and Update

The SBTi Services' Registration Standard Operating Procedures will undergo an extensive annual review to discuss potential updates, improvements, or changes in applicability. Any changes are promptly incorporated into the procedure document, and updates will be available to all stakeholders through official channels.

10. References

1. European Commission, Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises. Official Journal of the European Union L 124, 20 May 2003, pp. 36–41.
2. European Parliament and Council, Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings. Official Journal of the European Union L 182, 29 June 2013, pp. 19–76.
3. International Accounting Standards Board, International Accounting Standard (IAS) 24, Related Party Disclosures.
4. International Accounting Standards Board, International Accounting Standard (IAS) 27, Consolidated and Separate Financial Statements.
5. International Accounting Standard (IAS) 28, Investments in Associates and Joint Ventures.
6. International Financial Reporting Standards (IFRS) 10, Consolidated Financial Statements.

7. Educational Institution Definition. UNESCO Institute for Statistics, 2016. Available at: UNESCO UIS. [UNESCO UIS](#).
8. United Nations, 2025 System of National Accounts (SNA), New York, 2025.
9. SBTi, Science Based Targets initiative (SBTi) Getting Started Guide. Sector-Specific Guidance. Available at: <https://sciencebasedtargets.org/resources/files/Getting-Started-Guide.pdf>
10. Science Based Targets Initiative. "Commitment Compliance Policy." Available at: <https://docs.sbtiservices.com/resources/CommitmentCompliancePolicy.pdf>
11. GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Washington, DC: WRI & WBCSD, 2015.
12. Category 7: Employee Commuting. GHG Protocol, 2022.
13. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Revised Edition. Washington, DC: WRI & WBCSD, January 2004.

Annex 1. Registration Form

1. Initial registration steps

This annex outlines the information and documentation that applicant entities are required to submit during the registration process with SBTi Services. The applicant entity must ensure that all mandatory information is provided. Below, you will find the necessary details and documentation requirements in the 'Registration Form' section.

1.1 Validation portal access

Applicant entities must initiate the registration process by accessing the online [Validation Portal](#) available on the [SBTi Services website](#). The Validation Portal is the SBTi Services 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.

1.2 Creating an account

Upon accessing the portal by creating a user account, the applicant entity will be able to create an entity account. This account provides access to the validation portal, where all relevant documents, target submissions, and entity information are securely stored and managed. Once logged in, the entity will be prompted to "Get Started" by completing the registration form, which requires entering key details about the organization.

2. Filling in the Registration Form

Complete the Registration Form by filling in the required fields, including entity details, organization type, and emissions data. Ensure accuracy and completeness.

2.1 Company²⁸ details

The applicant begins by providing their basic applicant entity's details. The following fields need to be completed:

²⁸ In the context of the registration form, "Company" refers to the participating entity.

- **Company Legal Name (required):** The formal name under which the applicant entity is registered in the relevant jurisdiction. If the legal name entered already exists in the system, an error message appears, The applicant entity should contact registration@sbtiservices.com for assistance.
- **Company Operating Name (required):** The name under which the applicant entity does business, which could be distinct from its legal name. This is the name that will be displayed publicly in the SBTi Target Dashboard.
- **LEI (optional):** Unique identifier for legal entities participating in financial transactions.
- **ISIN (optional):** International Securities Identification Number
- **Ticker/Stock Symbol (optional):** Unique series of letters assigned to publicly traded companies for stock exchange purposes.
- **Headquarters Location (required):** The primary location of an entity's headquarters.

2.2 Digital marketing information

The applicant must submit details about their entity's digital presence, including:

- **Primary website URL (required)**
- Additional website URL (optional)
- Social Media profiles (optional)

2.3 Eligibility section

This Validation Portal section is designed to determine the organization type of the applicant entity wishing to register and determine its eligibility as per SBTi guidelines. The

organization type is a classification defined by SBTi Services and assigned as corporate, financial institution, or small and medium-sized enterprise (SME), based on its legal identity, business activities, and financial characteristics. This categorization is used to ensure proper alignment with SBTi Services' registration, evaluation process, and specific eligibility requirements, including financial thresholds and organizational structure.

This section includes questions about entity classification, emissions, and financial details. The applicant will proceed to the 'About your organization' sub-section, where they must provide further details:

- **Type of Organization (required):** Choose one of the following from a drop-down list:
 - Privately-Owned Company, Publicly-Listed Company, State-Owned Enterprise, or Non-Profit Organization. (Note: Non-profit organizations are not allowed to participate and will have their registration rejected)
- **SBTi Sector Classification (required):** Select the sector that best aligns with their business activities according to the [SBTi Sector Classification Descriptions](#).
- **Number of Employees (required):** As referred on [4.2 Financial and Accounting Definitions](#)
- **Business Activities (required):** A brief description of the entity's activities, products, and services.
- **Carbon footprint in tCO₂e across scope 1 and location-based scope 2 (required):** Options are either less than 10,000 tCO₂e or more than 10,000 tCO₂e.

2.3.1 Fossil fuel involvement

Applicants must answer specific questions about involvement in fossil fuel-related activities:

- **Does the entity fall into the SBTi's classification of a [Fossil Fuel entity](#)? (required)**
- **What percentage of the entity's revenue is derived from the sale, transmission, and distribution of fossil fuels? (required)**

- **What percentage of the entity's revenue is derived from providing equipment or services to fossil fuel companies? (required)**
- **What percentage of the entity's revenue comes from fossil fuel assets (e.g., coal mines, lignite mines, etc.) for extraction activities with commercial purposes? (required)**
- **Does the entity mine coal for its own power generation? (required)**
- **Is the entity a subsidiary of a fossil fuel entity? (required)**
- If the entity exceeds certain thresholds related to fossil fuel revenue, it would be required to upload financial reports or supporting evidence to verify the provided percentage (XLS or PDF files, max size 10mb.)

2.3.2 Financial institutions involvement

Applicants must answer specific questions about their financial institution's involvement.

- **Does the entity meet the SBTi definition of a Financial Institution (FI)? (required)**
- **What percentage of the entity's most recent annual revenue comes from financial institution related activities? (required)**

Pricing tier determination questions

- **What was the entity's total annual turnover in euros (€) for the last financial year? (required).** Consult the *turnover* definition in [4.2 Financial and Accounting Definitions](#)
- **Provide the total assets of the entity in euros (€) as of the end of the last financial year. (required)** Consult the *total assets* definition in [4.2 Financial and Accounting Definitions](#)

2.3.3 Parent entity

If the applicant's entity is a subsidiary or part of a larger parent entity structure (including private equity funds), they must provide the following information:

- Parent entity name
- If the parent entity is classified as a financial institution including private equity, the applicant must specify:
 - How does the financial institution parent entity categorize the applicant's entity within its emissions profile? Options are within the FIs scope 1+2 or within the FIs scope 3.

If the applicant entity is a subsidiary or part of a larger parent entity structure (excluding private equity funds that categorize the applicant entity within their scope 3), they must provide the following information:

- How many employees, including those within your parent entity structure, are employed within your organization?
- Does your parent entity and/or any of the combined businesses under its umbrella fall into the SBTi's classification of a fossil fuel entity?
- What was your parent entity and combined businesses' total annual turnover in euros (€) for the last financial year?
- Provide the total assets of your parent entity and combined businesses' in euros (€) as of the end of the last financial year.
- What is the parent entity and/or any of the combined businesses' most updated carbon footprint in CO₂e across scope 1 and location-based scope 2? Options are Less than 10,000 tCO₂e or more than 10,000 tCO₂e.

2.3.4 Document upload section

Section within the registration form where users submit required and optional documentation, such as financial records or sustainability reports necessary for eligibility verification.

- **Documentation for annual revenue, total assets, and headcount (required):**
Examples of relevant documents include: Annual financial statements; consolidated financial statements; tax returns; payroll records; balance sheets; annual reports. (XLS or PDF files, max size 10MB.) (required)
- Sustainability Report (optional): Please include a link to the English language version of your entity's most recent sustainability report, if available.

2.3.5 Discount section

If eligible, the applicant must indicate if the entity requests fee discounts for future SBTi Services. If so, a statement explaining why the standard SBTi Services fees create a significant barrier to the entity's participation is required to qualify for future fee discounts. Full applicability details are available in the [Target Validation Service Offerings document](#).

Financial Institutions are excluded from any discount requests.

2.4 Contact information

The applicant must provide details for the following contacts:

- **Primary and Secondary Contacts (required):** Only individuals directly employed by the applicant's organization should be listed as Primary and Secondary contacts. The registration form must be completed by a Primary or Secondary contact. **Consultants may only be added as additional contacts.**
- **Other Required Contact Types:**
 - **Executive Level Contact:** A senior leader responsible for executive functions or sustainability within your organization, such as Head of ESG, Chief Sustainability Officer, or an equivalent senior executive role.
 - **Contract Contact:** The individual responsible for signing validation contracts on behalf of the entity.
 - **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.
- **Contact Information Fields:**

- **First Name**
 - **Last Name**
 - **Email**
 - **Contact Type:** Choose from Technical, Communications, Executive, Contract, Finance, Consultant
- **Additional Contacts:** The applicant may add up to ten additional contacts. These additional contacts will receive access to the entity's profile upon approval and will be included in all communications.

2.5 Participation reason

- **Why would you like to set a science-based target? (required):** The applicant must specify why they would like to participate in the SBTi. Options include but are not limited to:
 - Customer request, supplier request, investor request, government incentive, demonstrating climate leadership, and other relevant reasons.

2.6 Submission of registration

- Once all required fields are filled out, the applicant is able to submit its registration.

2.7 Registration Form definitions

Portal Account: The user profile created by an entity or individual to access the SBTi portal, where all relevant documents, target submissions, and entity details are stored and managed.

Portal Homepage: The interface on the SBTi portal where users can monitor the status of their registration submissions.

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.

Registration Process: The standardized procedure through which corporates, SMEs and financial institutions submit applications to engage with SBTi Services. It includes the collection, submission, and assessment of key operational, financial, and sustainability-related information.

SBTi Sector Classification: The categorization of companies 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](#).

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.

Business Activities: A description of the entity's operations, products, and services.

ISIN (International Securities Identification Number): An alphanumeric code used to identify securities.

LEI (Legal Entity Identifier): A unique identifier for legal entities participating in financial transactions.

Ticker/Stock Symbol: A unique series of letters assigned to publicly traded companies for stock exchange purposes.

HQ Location (headquarters location): This refers to the primary location of the submitting entity's headquarters. Required during registration.

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.

Contract Contact: The individual responsible for signing validation contracts on behalf of the entity

Executive Level Contact: A senior leader responsible for executive functions or sustainability within your organization, such as Head of ESG, Chief Sustainability Officer, or an equivalent senior executive role.

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.

Scope 1 Emissions: Direct greenhouse gas (GHG) emissions from sources that are owned or controlled by the entity²⁹ calculated in tonnes of carbon dioxide equivalent (tCO₂e).

Location-Based Scope 2 Emissions: GHG emissions calculated using the average emissions intensity of the grids on which energy consumption occurs³⁰. This method uses regional or national grid emission factors to estimate the emissions from electricity consumption, regardless of the specific energy contracts an entity has.

3. Support

By following the steps outlined in this document, entities can ensure their registration and validation process with SBTi Services proceeds smoothly. For further assistance or clarification on any part of the process, applicants are encouraged to contact our support team at info@sbtiservices.com. If your entity has already submitted its registration and has further questions about it, please reach out to registration@sbtiservices.com. We are committed to supporting your journey toward setting science-based targets and driving sustainable business practices.

²⁹ WBCSD/WRI, 2004. *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*. Revised Edition. Washington, DC: WRI & WBCSD, January 2004.

³⁰ WBCSD/WRI, 2004. *GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard*. Washington, DC: WRI & WBCSD, 2015.

