



SBTi quick overview

Differ 2024-02-20

SBTi requires you to follow a specific process and specific reduction targets

The GHG Protocol outlines what needs to be included in a report and the methods for its calculation

SBTi offers guidance and validates science-based climate targets that align with sector specific requirements



Commit

Develop

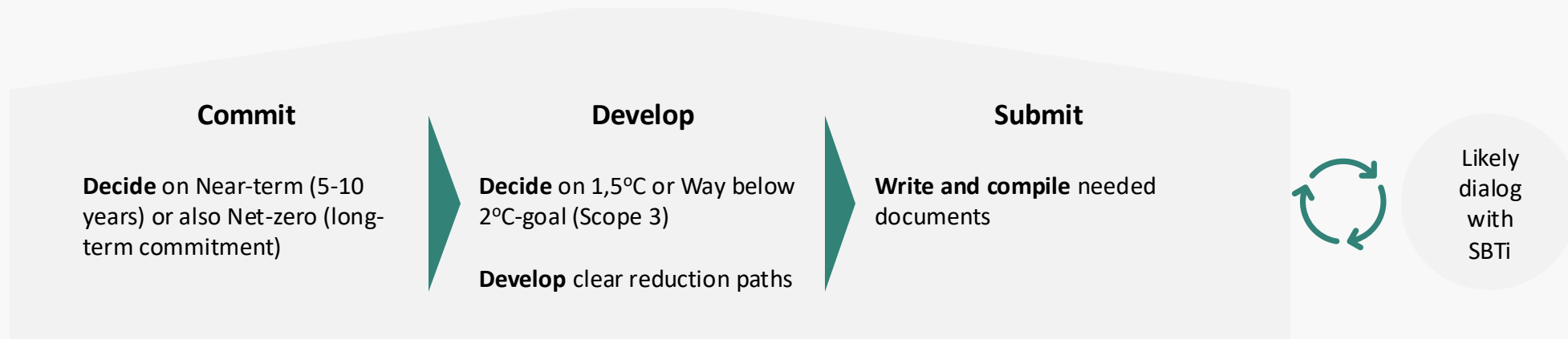
Submit

The approval of SBTi targets-setting is quantitative and qualitative – based on discussions with SBTi



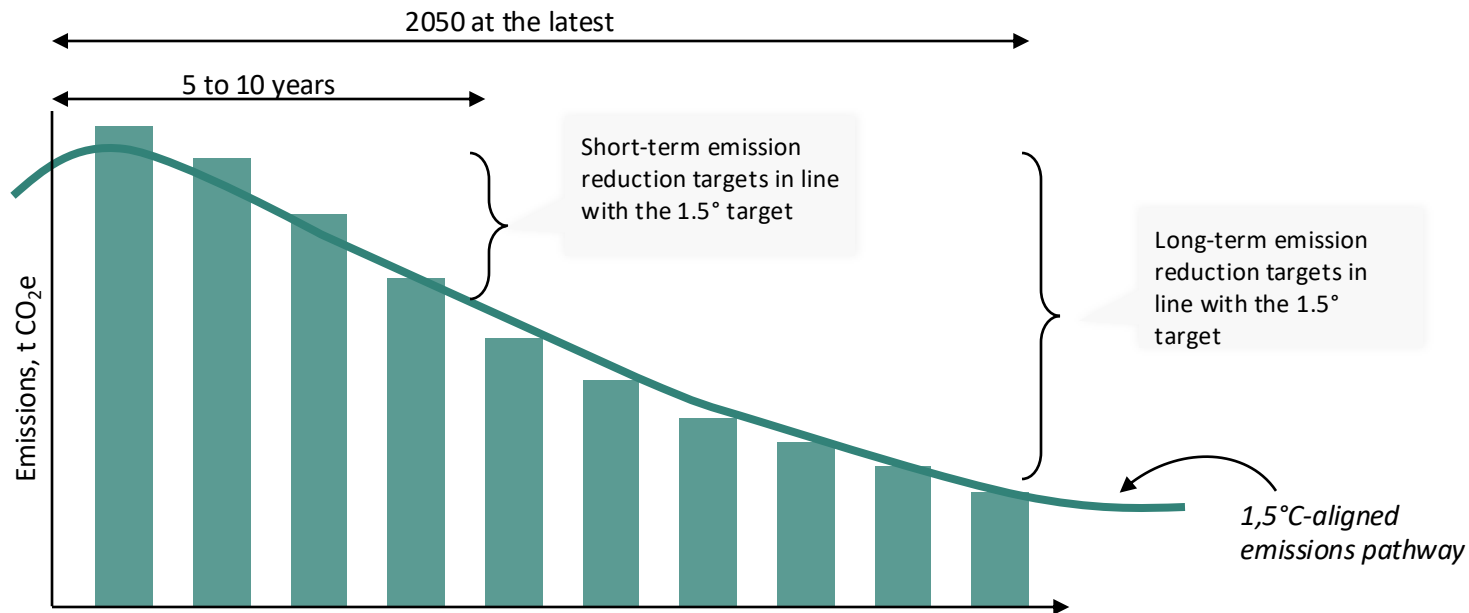
Good preparation of the quantitative parts simplifies qualitative process and reduces possibility of changes

Initially the main question is understanding what to commit to and envision reductions paths



Source: SBTi – Set a target; SBTi – Commitment letter v. 1.2



SBTi demands that the company commits to a reduction aligned with the Paris Agreement



Companies should also act to reduce emissions beyond their own value chain

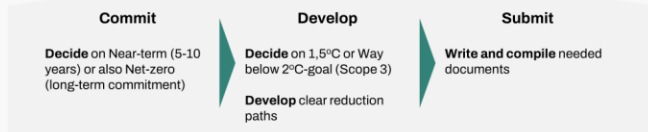
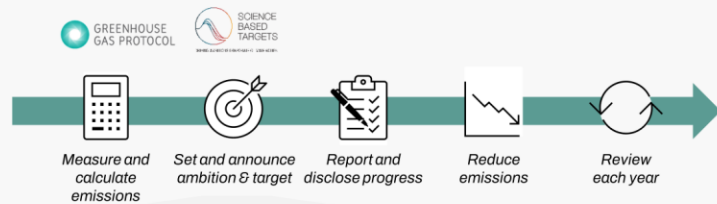
Emissions that, once the company has reached its long-term targets, should be balanced by capturing and storing carbon from the atmosphere

SBTi considerations when deciding on objectives

	<i>Maximum timeframe to meet the targets</i>	<i>Ambition in terms of limiting temperature rise</i>	<i>How much of the emissions should be covered</i>	<i>Eligible methods to set your targets</i>
<p>Short term scientific targets</p> 	5 – 10 years	Scope 1 & 2: 1,5°C Scope 3: Well below 2°C	Scope 1 & 2: 95% coverage Scope 3 (If > 40% of emissions): >67% coverage	<ol style="list-style-type: none"> 1. Absolute reduction 2. Sector-specific intensity convergence 3. Renewable electricity 4. Supplier or customer engagement 5. Scope 3 economic intensity reduction 6. Scope 3 physical intensity reduction
<p>Long- term scientific targets</p> 	By 2050 at the latest	Scope 1, 2 & 3: 1,5 °C	Scope 1 & 2: 95% coverage Scope 3: 90% coverage	<ol style="list-style-type: none"> 1. Absolute reduction 2. Sector-specific intensity 3. Renewable electricity 4. Scope 3 economic intensity reduction 5. Scope 3 physical intensity reduction

Going from "commit" to "submit" requires specific development steps

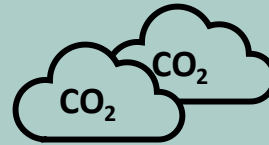
Initially the main question is understanding what to commit to and envision reductions paths



Source: SBTi - Set a target, SBTi - Commitment letter v. 1.1

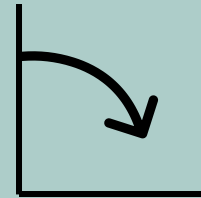
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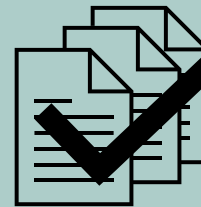
GHG methodology and estimation

- Consolidation of methods and assumptions on emissions
- Development of methods for calculating and estimating emissions



Reduction pathways

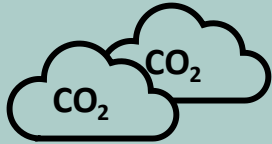
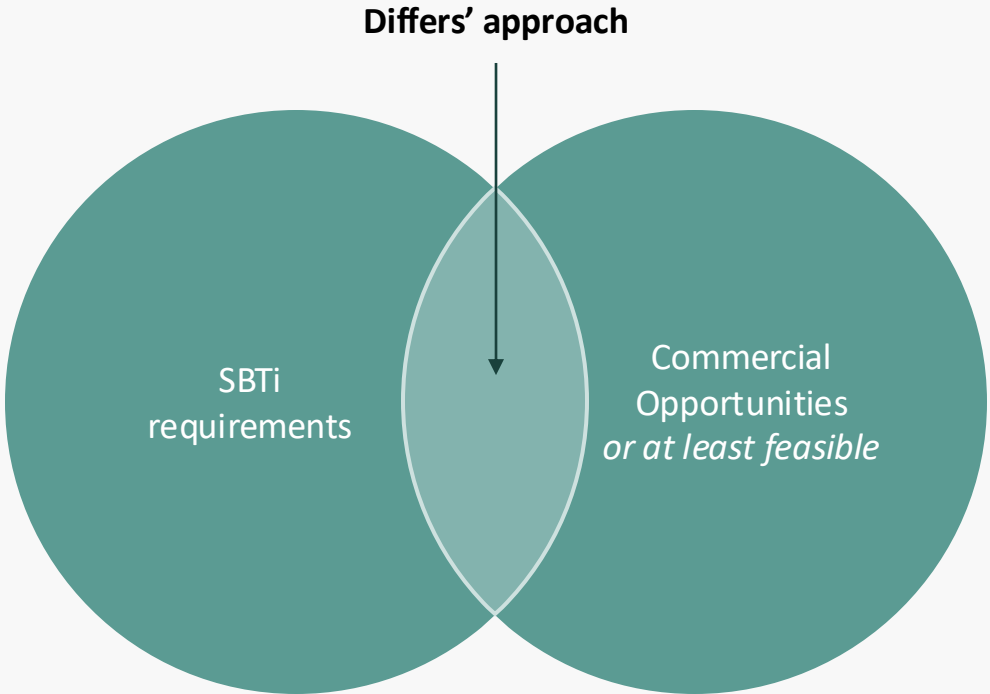
- Mapping reductions
- Estimate the total reduction potential



Target submission

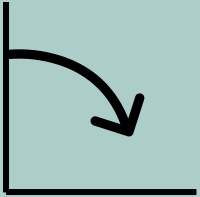
- Adaptation to SBTi standards
- Finalising SBTi documentation for submission

Differs' methods takes SBTi and commercial requirements into account



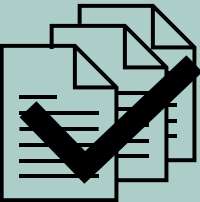
GHG methodology and estimation

- Sets methods that can be used to track emissions
- Estimates using readily available data



Reduction pathways

- Feasible and anchored in the organization
- Take into account external factors that contribute



Target submission

- Engaging stakeholders for sign-off and understanding
- Inclusion, ambition and time horizon

Interested in learning more about SBTi? Contact one of our consultants who can help you



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A photograph of a city street scene. In the foreground, three people are sitting on a concrete ledge. The person on the right is wearing large, brown, furry boots with black claws. The person in the middle is wearing blue jeans and white sneakers. The person on the left is wearing brown pants and black boots. The word "differ." is overlaid in the center of the image in a large, bold, black font. In the background, there is a street with a silver car, a red newspaper box labeled "ITRACK TIMES", and buildings with arched windows.

differ.