

## SBTi Automotive Sector Net-Zero Standard – Public Consultation Draft Overview

The Science Based Targets Initiative (SBTi) recently released its Public Consultation Draft for the <u>Automotive Sector Net-Zero Standard</u>, aiming to provide a standardized framework for automakers and auto part manufacturers to reduce greenhouse gas (GHG) emissions in line with limiting global warming and achieving net-zero emissions by 2050.

This new Standard is intended to replace the relevant sectors of SBTi's Land Transport Guidance and align with the updated SBTi Corporate Net-Zero Standard, offering comprehensive, sector-specific pathways, criteria, and calculation methodologies.

## Key elements introduced:

- Replacement of SBTi's Land Transport Guidance for the automotive sector
- Alignment with the SBTi Corporate Net-Zero Standard, including cross-framework criteria guidance
- Establishment of a new aggregated scopes 1, 2 & 3 emissions indicator for new vehicle manufacturers
- Adoption of new criteria requiring companies to increase their share of low-emission vehicle sales, replacing the previous commitment to the Zero Emissions Vehicle Declaration
- Introduction of a vehicle-cycle GHG emission accounting methodology
- Inclusion of regional emissions pathways to reflect economic and market differences
- Introduction of new criteria for auto part manufacturers to target emissions from material sourcing and manufacturing
- Incorporation of comprehensive well-to-wheel methodology with standardized default inputs

## Roadmap for implementation:

- a) Upon finalization: Companies setting new targets must use SBTi Automotive Sector Net-Zero Standard
- Within 6 months of finalization: Companies updating previous approved targets may use SBTi Automotive Sector Net-Zero Standard or SBTi's Land Transport Guidance
- c) After 6 months: Only the SBTi Automotive Sector Net-Zero Standard will be accepted for updating previously approved targets

This draft is open for consultation until August 11, 2025, and companies are encouraged to provide feedback on the proposed Standard and suggested changes.

Trio can assist in evaluating how this new Standard may influence your net-zero strategy, offering practical guidance for effective implementation.

Contact us -