Starting Line and Leadership Practices 2.0 - In force from 1 June 2021

Minimum criteria required for participation in the Race to Zero campaign

The Race to Zero is an umbrella campaign—driven by science—that aggregates commitments to become net zero, absolute zero, or climate positive from a range of leading networks and initiatives across the climate action community. Networks and Initiatives that join Race to Zero are termed "Partners," while the companies, cities, states and regions, investors, and other individual entities that participate in these networks and initiatives are termed "Members."

Partner networks and initiatives define the exact criteria that businesses, cities, states and regions, investors, universities, and other Members setting targets are required to meet, tailored for different types of actors. Please refer to the websites of the individual networks and initiatives that make up the Race to Zero Partners for full details regarding the criteria they apply to their participants to become Members. Note that, for some networks and initiatives, only a subset of their participants are put forward as Race to Zero Members.

The High-level Climate Champions, backed by the UNFCCC, require that the commitments brought forward by networks and initiatives recognized in the Race to Zero campaign meet a minimum set of common criteria:

- "Starting Line" criteria define procedural steps for all actors in the Race to Zero
- "Leadership Practices" define substantive areas where networks and initiatives must at least reach the current frontier of best practice, and indicate how leaders can push beyond it.

Networks and initiatives must satisfy both the Starting Line and Leadership Practices to join Race to Zero. The Champions review these criteria in consultation with participants in the Race to Zero and scientific experts on at least an annual basis. The most recent review was carried out in January-March 2021.² To join Race to Zero, networks and initiatives' applications are reviewed by an Expert Peer Review Group, chaired by the University of Oxford (see below). Please see the Expert Peer Review Group Interpretation Guide for further details regarding how the criteria are applied.

The Race to Zero criteria and review process serve two purposes. First, they ensure the credibility of the campaign by laying out clear benchmarks for Partners and Members based in science and best practices. Second, Race to Zero aims to support all actors to set strong targets and work together to improve them

¹ For a definition of these and other key terms, please refer to the Race to Zero <u>Lexicon</u>. For brevity, these three end states are referred to as "(net) zero" below.

² Summary is available <u>here</u>.

over time, including by developing common approaches to outstanding questions. Our vision is a 'race' that everyone can join and, together, win.

Starting line

Pledge	Pledge at the head-of-organization level to reach (net) zero GHGs as soon as possible, and by midcentury at the latest, in line with global efforts to limit warming to 1.5C. Set an interim target to achieve in the next decade, which reflects maximum effort toward or beyond a fair share of the 50% global reduction in CO2 by 2030 identified in the IPCC Special Report on Global Warming of 1.5C
Plan	Within 12 months of joining, explain what actions will be taken toward achieving both interim and longer-term pledges, especially in the short- to medium-term.
Proceed	Take immediate action toward achieving (net) zero, consistent with delivering interim targets specified.
Publish	Commit to report publicly both progress against interim and long-term targets, as well as the actions being taken, at least annually. To the extent possible, report via platforms that feed into the UNFCCC Global Climate Action Portal.

Leadership practices

Scope	 Targets must cover all greenhouse gas emissions: Including Scope 3 for businesses and investors where they are material to total emissions and where data availability allows them to be measured sufficiently. Including all territorial emissions for cities and regions
	Leading targets may also include: 1. Cumulative emissions (for all actors) 2. Consumption emissions (for cities, states, and regions)
Sinks and credits	 In the transition to (net) zero, prioritize reducing emissions, limiting any residual emissions to those that are not feasible to eliminate. Clearly specify what sinks or credits are used to make what, if any, neutralization claims, clarifying how sinks and credits are used both on the path to (net) zero, and after (net) zero is obtained. Any neutralization of residual emissions must transition to permanent removals by the time (net) zero status is achieved.

	 Encourage immediate contributions to the preservation and restoration of natural sinks, not necessarily linked to neutralization claims. Ensure that any credits achieve robust outcomes for additionality, permanence, and accounting, and do not undermine social justice or harm biodiversity. 	
Empowerment and equity	Seek to enable all actors to contribute to the global transition toward (net) zero through engagement, information sharing, access to finance, and capacity building. Develop pledges, plans, and actions in consideration of equity, drawing on, inter alia, the Sustainable Development Goals and Articles 2 and 4 of the Paris Agreement.	

Application process and annual review

Commitments under the Race to Zero campaign are collected via leading networks and initiatives. These are the entities responsible for establishing substantive and criteria. In exceptional cases the Champions will consider individual actors for inclusion.

The Champions are ultimately responsible for deciding what networks and initiatives are included in the Race to Zero. All partners' members will be included in the Race to Zero except when the Champions deem there is evidence to demonstrate that criteria is not being followed.

Process

- The network or initiative fills out the <u>application form</u>.
- The <u>Expert Peer Review Group</u> reviews the application and makes a recommendation to the High-level Champions. Please see the Expert Peer Review Group terms of reference for full details.
- Based on the recommendations of the Expert Peer Review Group, the Champions make a final decision for inclusion.
- Networks or initiatives that are not included will be given a clear explanation as to why, and what steps would need to be taken for future inclusion. The Champions will aim to find ways to assist networks and initiatives to meet the minimum criteria.
- The Expert Peer Review Group will re-review participating networks and initiatives each year to check in on progress, offer support to Partners and their Members to speed ahead in the Race to Zero, and to ensure all participants continue to meet the criteria.