

SECOND INPUT FOR THE UPDATE OF THE SBTI CORPORATE NET-ZERO STANDARD

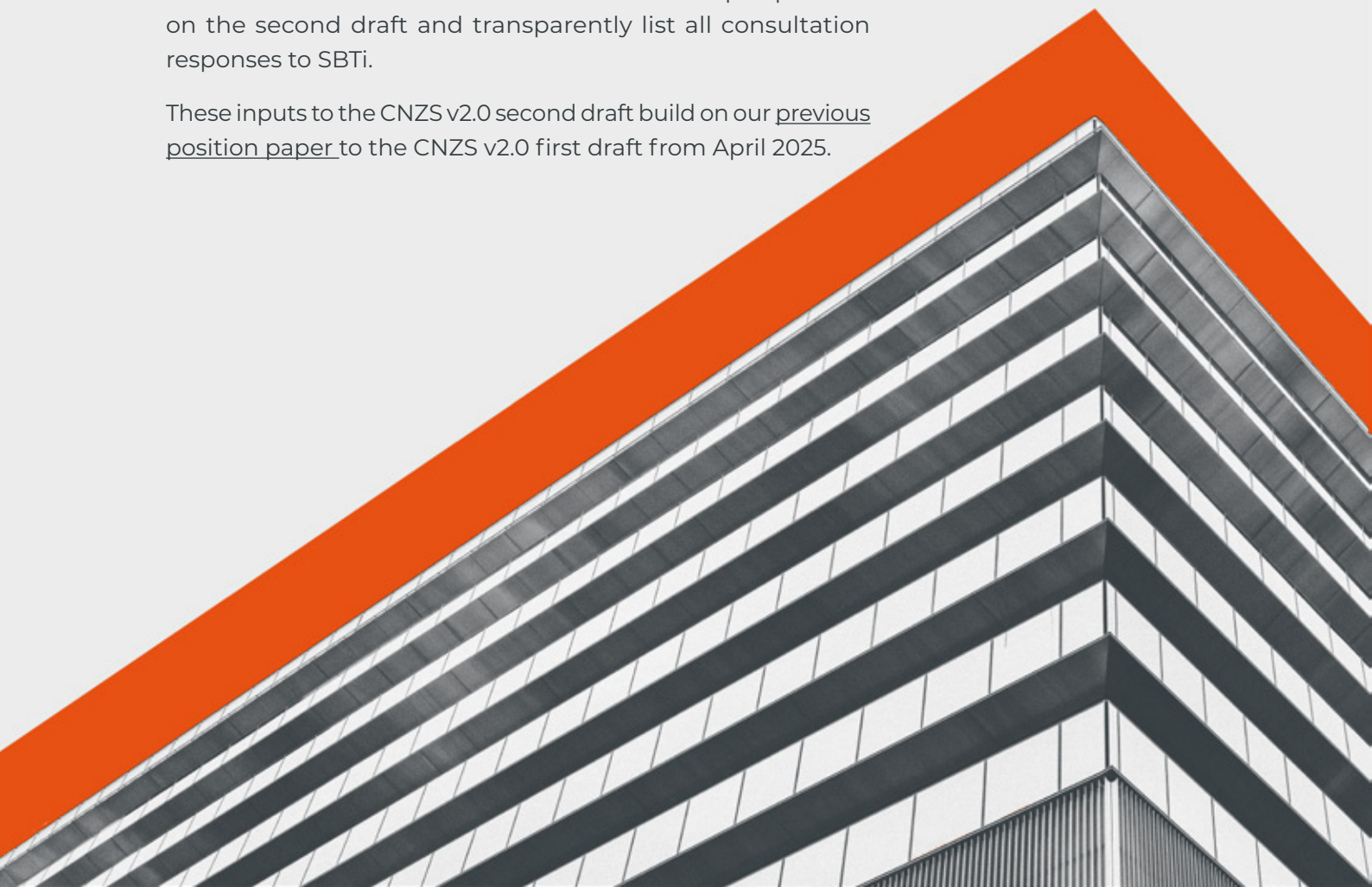
December 2025 | **Position paper**

Several interrelated corporate climate standards are currently under development, including the ISO Net Zero Aligned Organisations Standard, the SBTi Corporate Net-Zero Standard v2.0 and a major revision of the GHG Protocol.

In November 2025, the Science Based Targets initiative (SBTi) published a **second draft of the Corporate Net-Zero Standard v2.0 (CNZS v2.0)**. Stakeholders were invited to provide feedback on the draft standard through a survey by 12 December 2025.

This document discloses NewClimate Institute's perspectives on the second draft and transparently list all consultation responses to SBTi.

These inputs to the CNZS v2.0 second draft build on our [previous position paper](#) to the CNZS v2.0 first draft from April 2025.



Summary: high-level inputs on the CNZS v2.0 second draft

We consider that the second draft of the CNZS v2.0, henceforth CNZS v2.0 second draft, proposes significant improvements compared to both the first draft of the CNZS v2.0 and the previous CNZS v1.3. However, we identify several areas for enhancement to ensure the transparency and integrity of companies' climate strategies and to incentivise the replication of good practices from leading companies.

1. **Identification of relevant emission sources and target boundaries:** The SBTi's proposed approach in the CNZS v2.0 second draft, which sets target boundaries based on companies' own identification of relevant scope 3 emission sources, is an improvement to the CNZS v1.3. It will cover a far greater proportion of emissions, ensure more transparency and focus on companies' key emission sources, as long as their **inventories are well-audited with "reasonable assurance"** where possible (→ responses to Questions 35–36).
2. **Activity-level reporting and alignment targets:** We welcome that the CNZS v2.0 second draft proposes companies report more granular data on their major emission sources and set targets for these specifically.
 - a. **Increased focus on transition-specific alignment targets:** The introduction of *volume alignment targets* for scope 3 (S3) Categories (Cat) 1, 2, 4, 6 and 9, *supplier energy alignment targets* for S3 Cat 1, 2, 5 and 8, and *zero-emission vehicle (ZEV) adoption targets* for S3 Cat 4, 6 and 9 represent a change in the right direction to make scope 3 target setting **more effective in incentivising, guiding and tracking transitions**, and more in line with SBTi's original Scope 3 Discussion Paper in July 2024 ([SBTi, 2024](#)). By setting transition-specific alignment targets in addition to GHG emission reduction targets, our research suggests that companies could guide and measure the progress of their climate strategies in a more targeted and transparent way ([NewClimate, 2025](#)).
 - b. **Doubtful relevance of supplier alignment targets:** The supplier alignment target with "suppliers that have *aligned* status"¹ option for S3 Cat 1, 2, 4, 5, 6, 8, and 9, however, does **not represent an equally informative and robust target-setting method** from our point of view. Compared to transition-specific alignment targets, supplier alignment targets remain less transparent in showing how exactly a company aligns its actions and interventions in the value chain with low-carbon transition in a respective sector. Quality of supplier alignment targets critically depends on the validation or verification quality of their suppliers' alignment status and their goodwill to fulfil these commitments in the future, not on the specific interventions in the supply chain by the company itself. For this reason, we suggest using supplier alignment targets only as recommended additional target metrics, not as central scope 3 target setting options. This would further simplify the scope 3 target setting options in the CNZS v2.0.
 - c. **Questionable Paris-compatibility of fossil fuel phase-out targets:** As for the newly introduced target options for the use of sold product emissions from fossil fuels for S3 Cat 11 and 13, both revenue phase-out targets (Option 1) and sales alignment targets as a share of revenue (Option 2) seem **very generic** and **not necessarily in line with decarbonisation pathways** for specific commodities (e.g. coal), geographies (e.g.

¹ SBTi defines an aligned counterparty as a "counterparty (e.g., supplier, customer, franchisee, lessor, or lessee) that has set or is implementing a target consistent with reaching net-zero GHG emissions by 2050, and demonstrates measurable progress over time in accordance with recognized science-based standards." ([SBTi, 2025, p. 55](#))

Europe) and products (e.g. ICEs). Apart from certain specific sectors, such as professional service firms (→ responses to Questions 53-56), we do not consider a revenue-based metric suitable to effectively incentivise, guide and track companies' transition towards decarbonisation benchmarks, given their relative nature on companies' revenue size and prices for high- and low-carbon commodities, products and services (→ responses to Questions 54-56). Instead, we recommend using **specific phase-out dates** suitable for commodities, geographies and products and services.

- d. **Risk of limited comparability within sectors:** With the introduction of multiple options for scope 3 target setting, SBTi might run the risk of similar companies within a given sector **setting a very heterogenous set of targets**, thus potentially making it **difficult to compare in ambition** unless further specified and narrowed down in sector-specific standards such as the forthcoming [SBTi Automotive Sector Net-Zero Standard](#).
3. **Activity pool and sector-level interventions:** We are encouraged that the CNZS v2.0 second draft further clarifies how companies can take action at the activity pool level (CNZS-C19) and/or use sector-level interventions to support the scale-up of low-carbon alternatives at the sector level (CNZS-C20).
- a. **Exclusively counting towards transition-target achievement:** We agree with the standard's provision that **any action at the activity pool level can only count toward alignment targets** (CNZS-C19), not toward emission reduction targets.
 - b. **Call for evidence for activity pool interventions:** While we generally agree with the high-level guardrails and quality criteria for activity pools (→ responses to Questions 57-58), we caution the **limited empirical experience and existing scientific evidence** to claim climate-specific interventions at the activity pool level toward (alignment) target achievement. Against this backdrop, we propose that SBTi conducts a call for evidence and systematic literature review – similar to the one previously done for the use of carbon credits published in July 2024 ([SBTi, 2024](#)) and the energy and other commodity Environmental Attribute Certificates (EACs) in March 2025 ([SBTi, 2025](#)) – and should reserve the right to further develop specific provisions in the CNZS v2.0 and sector-specific standards.
 - c. **Further research for sector-level interventions:** Similarly, we consider the guardrails for sector-level interventions proposed by the CNZS v2.0 second draft important (→ responses to Question 60). However, we caution the **limited empirical experience and scientific evidence** to claim sector-specific interventions through unbundled EACs toward (alignment) target achievement. SBTi's evidence synthesis report of March 2025 concludes that "limited consensus on whether or not EACs can be effective in substantiating claims of emissions performance or also emissions reductions", which makes it difficult to use EACs "to substantiate claims in a standardised way" ([SBTi, 2025, page 12](#)). Further research is needed to inform the sector- and geography-specific criteria for their use in line with the higher-level guardrails and systemic effects on incentivising and guiding effective corporate climate action. SBTi could commission and support research to this end and reserve the right to further develop specific provisions in the CNZS v2.0 and sector-specific standards based on obtained insights, also linking to developments under the GHG Protocol's Actions and Market Instruments (AMI) workstream. Additionally, the *interim* timeframe (C20.3) could be further specified.

- 4. Bioenergy and bio-based feedstocks:** We support the inclusion of criteria on bioenergy and bio-based feedstocks in the CNZS v2.0 second draft (→ responses to Questions 33-34). The draft includes requirements for companies that use or produce bioenergy and/or products from bio-based feedstocks (C6.3): (1) Companies shall report the data on land-related emissions and removals associated with the bioenergy/bio-based feedstock and provide evidence (2) that the production of the bio-based feedstock is not linked to deforestation and (3) that the biomass is certified by recognised external verification schemes, where available. We consider the inclusion of this provision an important first step, as bioenergy and bio-based feedstocks are not emissions-free and have a range of sustainability implications, including for biodiversity, water resources and food security. The potential for sustainable biomass is limited and should be reserved for sectors that have no or limited opportunity to decarbonise their activities otherwise. We would therefore recommend that the SBTi further strengthens provision C6.3 by requiring companies to demonstrate that the technical mitigation potential of available technologies remains very limited, and that there are limited opportunities to electrify production processes or sold products.
- 5. Responsibility for ongoing emissions:** We support the inclusion of criteria that encourage companies to take responsibility for their ongoing emissions but ensure that companies should first and foremost focus on reducing their value chain emissions (→ responses to Questions 67-71). For this reason, we welcome the inclusion of an eligibility criteria for companies seeking recognition (C23.1). This will help prevent companies that do not prioritise emission reductions from making claims about taking responsibility for their ongoing emissions. While we acknowledge that the SBTi is striving for a broad uptake of the optional recognition for ongoing emissions, we worry that the bar for companies seeking the *recognised* status (i.e. 1%) is very low and may not lead to additional support for climate action outside the value chain (→ responses to Questions 67). The gap between optional *recognition* and *leadership* status is also extremely large, with likely no or very few companies in a position to meet the requirements for the leadership status. Although the integrity principles to assess companies' mitigation and financial contributions are mostly good in theory, their value in practice will depend on carbon credit standards and methodologies used. Principles for financial contributions towards climate adaptation and loss and damage are not yet well established and would need to be tested out in practice. We would therefore recommend that the SBTi places the burden of proof on the companies for the time being and agrees on a broad set of integrity principles for these activities in the near future.
- 6. Neutralisation of emissions at the net-zero target year:** We consider the criteria in the current proposal inadequate and misaligned with scientific insights on net zero (→ responses to Questions 72-73). The proposal allows companies to neutralise residual fossil fuel emissions with non-durable carbon dioxide removals (CDR). However, the science is very clear that ongoing fossil fuel emissions—including fossil methane—can only be neutralised with removals that are durable over a thousand years. Companies cannot claim to have net-zero emissions if they 'neutralise' their residual fossil emissions with non-durable CDR. Due to measurement, reporting and verification (MRV) inaccuracies and insufficient land availability, non-durable CDR is also an unsuitable approach to neutralise biogenic methane emissions. We would therefore strongly recommend the SBTi to change criterion C29.2 on storage durability to specify that at the net-zero target year, residual emissions shall be neutralised with durable CDR. We recommend that the SBTi moves away from the terms *short-lived* and *long-lived* removals, as these are not generally used in the climate science

community and their meaning may be subject to interpretation. We suggest the terms *durable* and *non-durable* or *permanent* and *non-permanent* instead. Finally, we welcome the inclusion of a requirement for applying corresponding adjustments to ensure that the same removal does not count towards two (or more) net-zero claims, which could lead to less reduction efforts compared to the situation where just one entity claims a removal towards its net-zero target.

7. Transparency and claims: The SBTi's revision of the CNZS provides a critical opportunity to revisit the types of claims that companies can make before and after the validation of their near- and long-term targets. This also relates to aspects such as the longevity of single validation claims and investigations by SBTi on existing validations in case of potential misconduct.

- a. Evolution from an ex-ante validator to also becoming an ex-post verifier:** The CNZS v2.0 second draft differentiates between **commitment claims** similar to current SBTi practice and newly introduced **performance claims** and **conformance claims**. The latter type of claims expands the SBTi's role from an ex-ante validator of climate targets towards also becoming an ex-post verifier of performance of a company's progress to meet its targets (→ responses to Question 77). Alongside many more detailed provisions in the draft CNZS v2.0, this will also lead to increasingly complex validation and verification procedures on the SBTi's side.
- b. Positive improvements to validation practice:** For commitment claims, the second draft positively proposes a **regular renewal** of existing validations within five-year intervals and the introduction of an **integrity assessment in case of suspected misconduct** (so-called spot checks). While we consider SBTi's current proposals in the CNZS v2.0 second draft encouraging in addressing previous shortcomings, we recommend the **renewal of existing validations every two years** (rather than five years) to ensure their continued relevance and conformity with SBTi's latest methods and standards. This might also facilitate a faster transition from validation under the previous version 1.3 to a revised version 2.0.
- c. Delayed timeline for validations under the Version 2.0 standard:** SBTi will still allow validations under the previous CNZS 1.3 up **until December 2027** while encouraging new companies to get validated under the new CNZS v2.0 after its release in early 2026 (see A.8 Development process). We strongly recommend **discontinuing validations under the previous version immediately upon release** of the new standard and requiring companies to be validated under the new standard until December 2027 to maintain their position on the SBTi target dashboard. Various stakeholders rely on SBTi validations for meaningful, comparable insights. Prolonged coexistence of targets validated under different standards risks distorting this accountability mechanism. Allowing companies to remain on outdated validations during this critical decade for corporate climate action might undermine the value of the SBTi for all stakeholders except less ambitious companies benefitting from looser requirements.

Survey questions

NewClimate Institute will submit the following responses to SBTi's [second public consultation](#) by December 12, 2025 (11:59 PM PT).

Introduction

	Question	Answer
17	To what extent do you think the Corporate Net-Zero Standard V2.0 is readable and easy to understand?	Somewhat agree
18	If you somewhat or strongly disagree, explain why	n/a
19	To what extent do you think the Corporate Net-Zero Standard V2.0 is ambitious enough to meaningfully take science-based climate action?	Somewhat agree
20	If you somewhat or strongly disagree, explain why.	n/a
21	To what extent do you think the Corporate Net-Zero Standard V2.0 is actionable?	Somewhat agree
22	If you somewhat or strongly disagree, explain why.	n/a
23	To what extent do you think the Corporate Net-Zero Standard V2.0 will assure the credibility of companies' climate action?	Somewhat agree
24	If you somewhat or strongly disagree, explain why.	n/a
25	To what extent do you think that the draft Corporate Net-Zero Standard V2.0 strives for equity?	Neutral
26	If you somewhat or strongly disagree, explain why.	n/a
27	To what extent do you think that the draft Corporate Net-Zero Standard V2.0 does not compromise environmental sustainability?	Neutral
28	If you somewhat or strongly disagree, explain why.	n/a
29	The introduction section outlines the SBTi framework of standards and explains how to use the two cross-sector standards (Corporate Net-Zero Standard V2.0 / Financial Institutions Net-Zero Standard V1.0) and sector standards / sector criteria documents in conjunction. How clear is this explanation?	SBTi could provide further clarity on how the Corporate Net-Zero Standard v2.0 interrelates with sector-specific standards such as the forthcoming SBTi Automotive Sector Net-Zero Standard . This is critical to understand how sector-specific standards further complement and specify target-setting requirements, for example to understand whether and how they further specify which scope 3 alignment targets companies can set in respective sectors (CNZS-C18) or to define additional criteria of interventions at the activity pool or sector level (CNZS-C19 and CNZS-C20). Currently, this remains unclear and limits an independent assessment of how these standard-setting requirements will play out.
30	How do you suggest we can improve clarity in this section and throughout the Standard on using various SBTi Standards in conjunction?	A key option available for SBTi would be to specifically reserve the right to further define particular provisions in sector-specific standards, for example on the scope 3 alignment targets companies can set in respective sectors (CNZS-C18) or on additional criteria of interventions at the activity pool or sector level (CNZS-C19 and CNZS-C20). This might enhance the users' understanding which provisions the SBTi expects further complementary requirements in sector-specific standards for, such as the SBTi Automotive Sector Net-Zero Standard .

1 Net-zero ambition

Question	Answer
31 If companies were required to publish their net-zero ambition in a publicly accessible location (e.g., on their website or in an annual sustainability report), what impact do you believe this would have?	<p>It would enhance transparency.</p> <p>It would strengthen credibility for companies pursuing SBTi validation.</p> <p>It would enhance accountability.</p> <p>It would increase administrative burden.</p> <p>It might discourage some companies from pursuing SBTi validation due to concerns about public scrutiny.</p> <p>It could create disproportionate challenges for smaller or resource-limited companies.</p> <p>It would have little to no impact.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
32 Is public disclosure of a company's own net-zero ambition important?	<p>It demonstrates transparency and allows external stakeholders to hold companies to account.</p> <p>It strengthens trust in corporate commitments and the SBTi process.</p> <p>It is useful but not critical.</p> <p>It adds little value, as credibility depends more on internal implementation.</p> <p>It could expose companies to reputational risk before validation is complete.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>

2 Base year assessment

	Question	Answer
33	In relation to bioenergy and bio-based feedstocks, should the provision of evidence demonstrating the sustainability of these materials be immediately mandatory for validation, or would a phased implementation be more appropriate?	<p>Immediately mandatory for all companies.</p> <p>Phased implementation beginning with high-impact value-chain actors (e.g., feedstock producers and tier 1 suppliers with greater influence over sourcing practices).</p> <p>Phased implementation for all companies.</p> <p>Should be a recommendation only.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
34	Where this evidence is not yet available, what additional mechanisms or safeguards could be applied to ensure sustainability and credibility?	<p>We do not consider additional safeguards feasible in this context. Without the necessary evidence, it is not possible to ensure the sustainability or credibility of the bioenergy used. Even where evidence is provided, existing certification and labelling systems can contain loopholes that limit full assurance. Therefore, in the absence of robust, verifiable proof from companies, no supplementary mechanism can reliably compensate for this gap or guarantee sustainable outcomes.</p>
35	How do you anticipate this assurance requirement for Category A companies would affect their ability to seek validation under the SBTi Standards?	<p>Obtaining assurance could present a significant barrier to entry.</p> <p>It may be challenging for some companies but necessary to maintain credibility.</p> <p>Assurance requirements are reasonable and should not be a barrier to entry.</p> <p>Assurance requirements are essential for credibility.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
36	Should assurance be required for all companies seeking validation under the SBTi Standards, regardless of size?	<p>Yes - It should be required for all companies.</p> <p>No - It should remain mandatory only for Category A companies.</p> <p>Yes - A phased approach would be appropriate (e.g., extending to Category B companies by 2035).</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>

3 Target setting

General

Question	Answer
37 The SBTi is exploring different design options to ensure there are no gaps between the expiry of validated targets and the start of a new target cycle. Which of the following approaches do you consider preferable?	<p>Approaches placed in the following order:</p> <ol style="list-style-type: none"> 1. Mid-term target requirement: Requiring near- and mid-term targets (e.g., 10-year targets alongside 5-year ones), allowing continued progress while performance against previous targets are assessed. 2. Mid-term target recommendation: Encouraging organizations to set near- and mid-term targets (e.g., 10-year targets alongside 5-year ones). 3. Early renewal requirement: Companies are required to set new targets before the end of the current target period. 4. Early renewal option: Companies may set new targets before the end of the current target period.

Scope 1

Question	Answer
38 What safeguards or requirements do you think are most important to ensure that this new approach maintains ambition and credibility across companies and sectors?	<p>Asset replacement rules (i.e., a benchmark, like technology readiness or availability, to signal when assets should be replaced).</p> <p>Transparent reporting on asset replacement timelines.</p> <p>Ensuring full consideration of non-asset replacement options (e.g., energy efficiency, fuel switching).</p> <p>Ensuring the new approach is consistent with a carbon budget.</p> <p>Interim emission reduction targets consistent with the science-based carbon budget and asset decarbonization plan.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
39 How should alignment metrics be used for scope 1 target setting?	<p>Used as an alternative to scope 1 emission-reduction targets.</p> <p>Used in addition to scope 1 emission-reduction targets.</p> <p>Not used for scope 1 target setting.</p>
40 Which companies should be required to set long-term scope 1 emissions reduction targets?	<p>Only Category A companies with more than 5% of emissions from emissions-intensive activities in heavy industry and transport.</p> <p>Category A and Category B companies with more than 5% of emissions from emissions-intensive activities in heavy industry and transport.</p> <p>All Category A companies, regardless of emissions profile.</p> <p>All companies using the Asset Decarbonization Plan approach.</p> <p>All companies seeking validation under the SBTi Standards (both Category A and B).</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>

Scope 2

	Question	Question
41	On what basis should companies be able to make exclusions from a low-carbon electricity (LCE) target, if at all?	<p>Based on external criteria, i.e., conditions in the market.</p> <p>5% of electricity consumption to allocate as the company chooses.</p> <p>Whatever exclusion mechanism is chosen, it should only be permitted for the first target-setting period.</p> <p>No consumption should be excluded.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
42	If you chose 'based on external criteria', which of the following do you think is most appropriate?	<p>The absence of an energy attribute certificate system for electricity in the market.</p> <p>The absence of a low-carbon electricity product available through an electricity supplier in the market.</p> <p>The absence of both an energy attribute certificate system and an LCE product.</p> <p>Not relevant to me.</p> <p>I'm not sure.</p> <p>I don't agree with any of the presented options.</p>
43	How should energy efficiency be addressed in scope 2 target setting?	<p>All companies should additionally set energy efficiency targets.</p> <p>Companies have sufficient economic incentive to improve energy efficiency already and do not need energy efficiency targets.</p> <p>Companies are sufficiently regulated with regards to energy efficiency already.</p> <p>Not relevant to me.</p>
44	Do you agree or disagree that a commissioning or re-powering date limit of ten years is appropriate for a LCE target, with certain exemptions permissible? See RE100 and 24/7 frameworks for eligible exemptions.	<p>a. Strongly agree</p> <p>b. Somewhat agree</p> <p>c. Neutral</p> <p>d. Somewhat disagree</p> <p>e. Strongly disagree</p>
45	If you said 'somewhat disagree' or 'strongly disagree', please provide your reasoning.	n/a
46	How should a phase-in towards hourly matching start in 2030?	<p>A percentage of the entire impacted LCE portfolio should start hourly matching in 2030.</p> <p>A percentage of all impacted sites should switch to hourly matching in 2030.</p> <p>All sites in the company's highest-consuming deliverability region should switch to hourly matching in 2030.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
47	Please provide any additional comments to support your response.	<p>Research shows that hourly matching comes with a range of benefits for energy system decarbonisation. These include investment in technologies that contribute to decarbonising the energy system at times where renewable energy is currently still scarce and systemwide cost savings. These</p>

		<p>impacts already occur at rates below 100% hourly matching and increase as the hourly matching rates increase. The phase-in needs to be set up in a way that accounts for emissions at all hours in a <i>growing percentage of sites</i>, so that companies focus on difficult-to-decarbonise hours right away. The other options presented would allow companies to cherry-pick easier-to-decarbonise hours for hourly matching.</p>
48	<p>Should the SBTi provide a standardized list of low-carbon electricity (LCE) procurement types (e.g., on-site generation, power purchase agreements, utility green tariffs, unbundled certificates) to help determine whether company claims are classified as ‘purchasing’ or ‘matching’?</p>	<p>No, companies should determine for themselves whether their LCE procurement constitutes purchasing or matching, without a standardized list.</p> <p>No, the SBTi should not define a list of procurement types, but should clearly define the criteria for when LCE is considered to be ‘purchased’, including what constitutes a physical and/or contractual link, or ‘matched’.</p> <p>Yes, the SBTi should provide a list of procurement types to guide classification, but should not prescribe a hierarchy among them.</p> <p>Yes, the SBTi should provide a list of procurement types and should establish a hierarchy (e.g., indicating which types represent stronger or higher-impact purchasing relationships).</p> <p>I’m not sure.</p> <p>I don’t agree with any of the options.</p>
49	<p>Do you agree or disagree that LCE criteria including physical deliverability, hourly matching, and a facility age limit sufficiently incentivize energy efficiency improvements?</p>	<p>a. Strongly agree</p> <p>b. Somewhat agree</p> <p>c. Neutral</p> <p>d. Somewhat disagree</p> <p>e. Strongly disagree</p>
50	<p>If you said ‘somewhat disagree’ or ‘strongly disagree’, please provide your reasoning.</p>	<p>Strong LCE criteria are necessary for market-based accounting and matching. However, they do not themselves provide a unique and significant signal for companies to maximise energy efficiency improvements. It is possible to continue to procure electricity to cover consumption in a market-based system, under which energy efficiency can be helpful but is not necessarily a key element. Location-based accounting and targets are metrics that specifically prioritise energy efficiency and systems-level changes. The two, market- and location-based targets, help ensure that efficiency receives the attention it deserves.</p>

Scope 3

	Question	Answer
51	What should the long-term milestones be for low-carbon energy use by companies' value chains?	<p>Reach 100% low-carbon energy by 2050, with no distinction between electricity and heat.</p> <p>Reach 100% low-carbon energy by 2050, and 100% low-carbon electricity by 2040 to reflect faster decarbonization of the power sector.</p> <p>Set separate targets – 100% low-carbon electricity by 2040 and 100% low-carbon heat by 2050.</p> <p>Move faster on electricity – achieve 100% low-carbon electricity by 2035, while maintaining 100% low-carbon heat and overall energy by 2050.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p> <p>.....</p> <p>Note While we generally agree with setting separate targets and moving faster on electricity, we strongly recommend applying geography-specific milestones with regards to the company's value chain locations (e.g. Europe or Southeast Asia).</p>
52	How should companies set their near-term targets (5-year) to align with the long-term milestones above?	<p>Companies set their own 5-year milestones within the overall pathway to reach 100% low-carbon energy.</p> <p>Linear alignment: Targets follow a straight-line path from a base year to 100% low-carbon energy.</p> <p>SBTi milestones: Targets to meet milestone percentages, e.g., 70% low-carbon energy by 2030, 100% low-carbon electricity by 2040, and 100% low-carbon heat by 2050.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
53	Should companies that provide professional or advisory services that enable or support fossil fuel extraction, production, distribution, or marketing be required to set revenue phase-out targets for those activities?	<p>Yes, all such service providers should set revenue phase-out targets.</p> <p>Yes, but only those deriving a significant share of revenue from fossil fuel-related clients.</p> <p>No, professional service providers should not be required to set such targets.</p> <p>Unsure.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
54	At what threshold of fossil fuel-related revenue should these requirements apply?	<p>Any level of involvement (>0%).</p> <p>1% or more of revenue.</p> <p>5% or more of revenue.</p> <p>10% or more of revenue.</p> <p>Only when services are directly linked to fossil fuel expansion or marketing.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>

<p>55</p> <p>To what extent do you think Option 1 is suitable or unsuitable for the following products?</p>	<p>Fossil fuels (coal, oil, gas) – Unsuitable</p> <p>Services that support fossil fuel extraction, processing, distribution, marketing, sales or expansion. – Unsuitable</p> <p>Products that consume fossil fuels (e.g., gas fuel boilers, thermal engines). – Unsuitable</p> <p>Products that contain or form GHGs that are emitted during use phase (i.e., refrigeration, fertilizers). – Unsuitable</p> <p>.....</p> <p>Note Please refer to our explanations in <i>High-level inputs on the CNZS v2.0 second draft</i> for further explanations on why we consider Option 1 as unsuitable.</p>
<p>56</p> <p>To what extent do you think Option 2 is suitable or unsuitable for the following products?</p>	<p>Fossil fuels (coal, oil, gas) – Somewhat suitable</p> <p>Services that support fossil fuel extraction, processing, distribution, marketing, sales or expansion. – Somewhat suitable</p> <p>Products that consume fossil fuels (e.g., gas fuel boilers, thermal engines). – Somewhat suitable</p> <p>Products that contain or form GHGs that are emitted during use phase (i.e., refrigeration, fertilizers). – Somewhat suitable</p> <p>.....</p> <p>Note Please refer to our explanations in <i>High-level inputs on the CNZS v2.0 second draft</i> for further explanations on why we consider Option 1 unsuitable.</p>

Activity pool

	Question	Answer
57	The Standard proposes the option of addressing emissions at the activity pool level for hard-to-trace emission sources in the value chain. How important do you believe the following guardrails are for addressing emissions at the activity pool level in a credible manner?	<p>Demonstration that traceability at the activity level cannot be established, in line with the Standard's conditions. - Very important</p> <p>Accounting and reporting rules (e.g., to ensure companies don't claim emission reductions in their inventories when there's no clear physical or accounting link, in line with the GHG Protocol guidance). - Very important</p> <p>Differentiated claims (e.g., prohibiting claims that suggest direct purchase or value chain decarbonization when the action only involves the purchase of an environmental attribute certificate, rather than the underlying physical commodity). - Very important</p> <p>Quality criteria to ensure that interventions deliver a comparable transformation and climate impact to direct value-chain mitigation. - Very important</p>
58	To what extent do you support or oppose the proposed quality criteria for activity pools set out in Box 3.	<p>Functional equivalence: Goods/services are substitutable and provide the same utility. - Strongly support</p> <p>Physical connectivity: Demonstrable probability that purchases/services are physically served by the pool. - Strongly support, but physical connectivity should be required for some claims, rather than only probability.</p> <p>Geographic and operational clarity: Pools represent real sourcing regions, logistics routes, factory clusters or grids and avoid overly broad or overlapping pools. Boundaries must be disclosed. - Strongly support</p> <p>Temporal relevance: Emissions factors (EFs) quantifying pool performance align to the reporting year. Where unavailable, use data ≤3 years old data with justification and update plans. Short-lived interventions (e.g., fuels) must align with the same reporting period. - Strongly support</p> <p>Emissions factors: Use the most representative, minimally disaggregated EF available, together with justification. - Strongly support</p> <p>Double-counting safeguards: Apply residual averages for non-participating actors and consider independent registries (or equivalent controls) to manage claims where multiple buyers share a pool. - Strongly support</p> <p>Transparency & MRV: Public disclosure of pool boundaries, EF methodology, chain of custody models, allocation rules and reconciliation periods. Third-party verification is required for pooled claims. - Strongly support</p>
59	Are there any additional options for addressing emissions at the activity pool level that the SBTi should consider, and how could performance against these options be credibly demonstrated?	<p>The SBTi could consider strengthening requirements for physical connectivity within activity pools, as credible mitigation claims depend on a demonstrable link between interventions and the activities they are intended to influence. Probabilistic approaches may be appropriate for some claim types, but higher-integrity claims should require clearer physical or operational connections.</p>

Sector-level interventions

	Question	Answer
60	<p>The Standard proposes interventions at the sector level (e.g., unbundled procurement of commodity or energy EACs from sources that cannot be traced to the company's value chain) as an option when a low-carbon alternative is not yet available in the value-chain of the company. How important do you believe the following guardrails are for addressing emissions at the sector level?</p>	<p>Justification for addressing emissions at the sector level. - Very important</p> <p>Eligibility criteria defining which sectors and activities qualify as hard-to-abate. - Very important</p> <p>Limits on the portion of emissions addressed through sector-level interventions. - Very important</p> <p>Accounting and reporting guardrails (e.g., not deducting mitigation outcomes from sector-level interventions from the company's GHG emissions inventory). - Very important</p> <p>Differentiated claims (e.g., disallowing claims that imply direct value-chain mitigation, such as "low-carbon procurement"). - Very important</p> <p>Quality criteria to ensure that interventions contribute to sectoral transformation consistent with 1.5°C pathways. - Very important</p>
61	<p>To what extent do you agree that Advanced Market Commitments (AMCs) should be incorporated into the Corporate Net-Zero Standard as an eligible form of sector-level intervention for addressing scope 3 emissions?</p>	<p>Strongly disagree</p>
62	<p>If AMCs are incorporated as an eligible form of sector-specific intervention for addressing scope 3 emissions, how could this be implemented into the Standard to ensure credible outcomes? Please consider safeguards, matching requirements, or design principles.</p>	<p>We strongly oppose incorporating AMCs as an eligible form of sector-specific intervention for scope 3 emissions. AMCs represent non-binding intentions to purchase future goods or services and should not be treated as credible, value-chain interventions. Our recent analyses show that companies can often walk away from such commitments, such as commitments made under the First Mover Coalition with no consequences, undermining their reliability. Introducing AMCs would also add further unnecessary complexity to understanding and assessing scope 3 targets.</p>

4 Taking responsibility for ongoing emissions

	Question	Answer
63	How likely is your organization or client to seek optional recognition for ongoing emissions responsibility?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
64	If you selected 'Very likely' or 'Somewhat likely' in the previous question, please indicate which recognition level you are likely to pursue.	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
65	If you selected "Recognized" status, what proportion of your ongoing emissions do you expect to cover in addition to the required 1% of scope 1-3 emissions (i.e., minimum level for recognition)?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
66	If you selected "Recognized" status, would introducing a mid-range recognition level focused on 100% coverage of scope 1 and 2 emissions, or 100% coverage of the company's highest-emitting scope, make you more or less likely to participate at a higher tier?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
67	Do you think the proposed minimum responsibility level for recognition (1% of ongoing scope 1-3 emissions) is appropriate given the desire for wide participation? If not, please indicate what minimum % coverage you consider credible.	<p>No - Too high (may limit participation).</p> <p>Yes - The 1% level is appropriate.</p> <p>No - Too low, credible level is 5%.</p> <p>No - Too low, credible level is 10%.</p> <p>No - Too low, credible level is 20%.</p> <p>No - Too low, credible level is 25%.</p> <p>No - Too low, credible level is over 25%.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options</p> <p>.....</p> <p>Note We generally consider it positive that this proposed option covers scope 1, 2 and 3 emissions. However, the appropriate percentage may be different for various sectors and companies. In those sectors where companies already spent resources on BVCM or offsetting, the 1% requirement is unlikely to drive any additional action.</p>
68	Would introducing a mandatory requirement in 2030 to take responsibility for 1% of scope 1-3 emissions prevent your company from undergoing validation with the SBTi?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
69	What do you consider to be an appropriate required level of responsibility in 2035 for Category A companies?	<p>1% of scopes 1-3 is appropriate.</p> <p>This should not be required.</p> <p>5% of scopes 1-3 is appropriate.</p> <p>10% of scopes 1-3 is appropriate.</p> <p>Over 10% of scopes 1-3 is appropriate.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p> <p>.....</p> <p>Note While the appropriate percentage may also differ between sectors after 2035, we generally consider it important that the percentage is >10% to incentivise investments in durable CDR technologies, which are necessary to bring global emissions to net zero.</p>

70	<p>What are the potential benefits of including illustrative detail on the post-2035 requirement at this stage for companies?</p>	<p>Supports mid-to long term planning.</p> <p>Enables earlier alignment of strategies, investments, and resources.</p> <p>Helps companies make informed decisions about their SBTi participation.</p> <p>Provides clarity for investors and external stakeholders on direction of travel.</p> <p>No significant benefit – such details should be introduced in the next Standard revision.</p> <p>Unsure/cannot assess.</p>
71	<p>If you consider there is a benefit in including this illustrative detail now, please indicate how important you consider the inclusion of the following illustrative criteria to be at this stage.</p>	<p>C28.1. Responsibility level (e.g., starting at a portion of ongoing scope 1–3 emissions in 2035, rising linearly to 100% by 2050). - Somewhat important</p> <p>C28.2. Eligible activities (requirement to support ex-post short-lived and long-lived removals). - Somewhat important</p> <p>C28.3. Mitigation outcome share and scaling trajectory (illustrative threshold for long-lived removals and other eligible mitigation outcomes, and the corresponding ramp up pathway). - Somewhat unimportant</p> <p>C28.4. Temporal consistency (requirement for mitigation outcomes to occur within the same period as the emissions they address). - Neutral</p> <p>C28.5. Shared responsibility for scope 3 emissions (conditions under which responsibility can be shared among value-chain partners). - Somewhat important</p> <p>C28.6. Reporting requirements (disclosure of required information to the SBTi from 2035). - Somewhat important</p>
72	<p>Which durability approach do you consider most appropriate for neutralizing residual emissions at the net-zero target year?</p>	<p>Portfolio approach with a share of more durable and less durable removals aligned with global removals pathway from Paris-aligned scenarios (option presented in draft Standard).</p> <p>Like-for-like approach, matching storage durability to the atmospheric lifetime of different greenhouse gases.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p> <p>.....</p> <p>Note Residual fossil fuel GHG emissions and other GHG emissions from the long carbon cycle, such as methane from degraded peat lands, can only be neutralised with durable CDR.</p> <p>Some argue that the non-durability of land-based CDR may be acceptable for counterbalancing shorter-lived residual GHGs, like biogenic methane (like-for-like). However, despite the need and ability of companies to play a role in the protection and restoration of ecosystems, we see serious limitations with regards to quantifying non-durable land-based carbon sequestration in a GHG-equivalent metric at the corporate level and pursuing measures to maximise that metric. These include: MRV inaccuracies, insufficient land availability, and the risk (which we see materialising in practice) that companies use non-durable removals to delay the systemic transitions necessary to reduce biogenic methane at source.</p>

73	What level of responsibility should companies hold for neutralizing residual scope 3 emissions at the net-zero target year?	<p>No responsibility</p> <p>Shared responsibility</p> <p>Direct responsibility</p> <p>Not relevant to me</p> <p>I don't agree with any of the presented options</p>
74	Is there information or further guidance that would help financial institutions understand how the neutralization requirements in Corporate Net-Zero Standard V2 apply to their counterparties?	<i>n/a (question will only appear for financial institutions)</i>
75	Please explain your response	<i>n/a (question will only appear for financial institutions)</i>

5 Assessing performance and renewing targets

	Question	Answer
76	How willing is your company to publicly disclose the percentage achievement for each target?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
77	How should the SBTi communicate company performance against targets?	<p>Displaying achievement percentages on the SBTi Target Dashboard is sufficient.</p> <p>The SBTi should indicate whether each company has met or not met its target(s).</p> <p>The SBTi should provide graded performance categories (e.g., "on track," "partially met," "not met").</p> <p>The SBTi should require companies to publish explanations for any underperformance.</p> <p>The SBTi should publish aggregate or anonymized summaries of overall progress.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
78	How could the reporting requirements be made more clear?	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
79	When gaps in performance are identified, should companies be required, recommended, or permitted to purchase or use removals to address these gaps? Note: Companies would not be permitted to claim that they have met their targets even if removals are used to address the performance gap.	<p>Removals should not be used to address performance gaps.</p> <p>Use of removals should be required.</p> <p>Use of removals should be recommended.</p> <p>Use of removals could be permitted.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>

6 Claims

	Question	Answer
80	<p>Is the information in Chapter 6 and Annex D clear and accessible enough to support the development of claims?</p>	<p>Yes, following Chapter 6 and Annex D I know how to set claims.</p> <p>Yes, Chapter 6 and Annex D are clear, but I think more details are needed.</p> <p>Yes, Chapter 6 and Annex D are clear, but I would like to have more examples.</p> <p>No, I think Chapter 6 or Annex D are not clear.</p> <p>No, I need more information beyond Chapter 6 and Annex D.</p> <p>Not relevant to me.</p> <p>I don't agree with any of the presented options.</p>
81	<p>Do you foresee any risks or potential misinterpretations arising from proposed claims in Annex D, and what mitigation measures would you suggest to address them (for example, clearer definitions, disclosure requirements, third-party verification, or communication guidance)?</p>	<p>While the single examples listed in Annex D seem reasonable to us, we generally caution about the complexity of parallel commitment claims (ex-ante validation) and newly introduced performance claims and conformance claims (ex-post verification). SBTi will need to ensure that users properly understand their respective meaning and differences and consider how they will be used by companies in their communication to the outside world. This particularly also refers to newly introduced progress verification statements. In this context, for example, we strongly suggest a well-designed user dashboard that provides comprehensive and easy-to-access explanations to users, such as journalists, courts, researchers, public agencies, civil society organisations and others, on what these validations and verifications actually mean (e.g. an ex-ante validation of targets, not entire transition plans) and their underlying assumptions (e.g. scope coverage). In addition, SBTi's complaint mechanism ought to allow submissions on identified misconduct around the communication of SBTi validations and verifications and make any findings to companies public.</p>

7 Annex E: Integrity principles for substantiating progress on scope 1, 2 and 3 targets using EACs

	Question	Answer
82	To what extent do you agree or disagree that the integrity principles for energy and commodity environmental attribute certificates (EACs) presented in Annex E provide sufficient guardrails to ensure the certificates meaningfully convey the desired attribute and are transacted in a manner that ensures robust and credible demonstration of performance against targets.	For scope 1 - Somewhat disagree For scope 2 - Somewhat disagree For scope 3 - Somewhat disagree
83	Are there any key gaps or missing principles that could strengthen the proposed integrity principles for energy and commodity EACs?	While we generally consider the listed higher-level principles important, their sufficiency in ensuring the certificates meaningfully convey the desired attribute and are transacted in a manner that ensures robust and credible demonstration of performance against targets within the CNZS v2.0 will critically depend on (a) their sector- and geography-specific application and (b) further evidence gathering on the impact of the use of commodity EACs.
84	For companies that purchase energy and commodity environmental attribute certificates (EACs) or stakeholders that have awareness or experience of EAC markets, to what extent do you consider the principles outlined in Annex E to be reasonable and practicable for guiding the credible use of EACs toward achievement of science-based targets? Note: Please do not consider carbon credits within the context of this question.	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i> Very reasonable – The principles reflect current market realities, align with established best practices, and can be readily implemented by companies. Reasonable – The principles are broadly appropriate and feasible, though some clarification or minor adjustments may be needed. Somewhat reasonable – The principles are directionally appropriate but may be difficult to apply in practice or require further technical development. Not reasonable – The principles are impractical, inconsistent with how EAC markets currently function, or could lead to unintended consequences. Unsure / Not applicable I do not have sufficient information or experience to assess the reasonableness of the principles.
85	For “somewhat reasonable” or “not reasonable”, please explain.	<i>n/a (question will only appear for corporates, financial institutions, professional services and consultancies)</i>
86	To what extent do you agree or disagree that the integrity principles for Ongoing Emissions Responsibility Mitigation Impact Contributions (Annex E) provide sufficient guardrails to ensure the program drives additional climate action and reduces the risk of greenwashing?	Ex-post delivery - Somewhat agree Robust quantification - Somewhat agree Additionality - Neutral Transparency and disclosure - Somewhat agree Vintage - Somewhat disagree Avoidance of leakage - Neutral Risk of reversal safeguards - Strongly disagree Social and environmental safeguards - Somewhat agree Independent verification - Somewhat agree No double issuance or allocation - Somewhat agree Transparency of value distribution - Somewhat agree

87	Are there any key gaps or missing principles that could strengthen the proposed integrity principles for Ongoing Emissions Responsibility Mitigation Impact contributions?	<p>The criteria listed are generally sufficient in theory, but whether they are sufficient in practice depends on what standards are used.</p> <p>We would recommend that the vintage year changes over time, rather than setting it as 2021.</p> <p>Criterion C23.1 on eligibility is good and could be added to the list of integrity principles. Further, we would recommend expanding the list of principles to include that any activities used to claim responsibility for ongoing emissions should not lead or contribute to the lock-in of fossil fuels.</p> <p>Finally, we recommend expanding the environment and social safeguards principles to include, inter alia, safeguards around air, land and water, land acquisition and involuntary resettlement, corruption and cultural heritage.</p>
88	To what extent do you agree or disagree that the integrity principles for Ongoing Emissions Responsibility Climate Finance Contributions presented in Annex E provide sufficient guardrails to ensure the program drives additional climate action and reduces the risk of greenwashing. (Select one per row)	<p>Clear categorization and avoidance of double counting. - Neutral</p> <p>Additionality. - Neutral</p> <p>Credible pathway to climate impact. - Neutral</p> <p>Delivery safeguards. - Neutral</p> <p>Transparency. - Neutral</p> <p>Environmental and social safeguards. - Neutral</p> <p>Independent review. - Neutral</p> <p>Temporal relevance. - Neutral</p>
89	Are there any key gaps or missing principles that could strengthen the proposed integrity principles for Ongoing Emissions Responsibility Climate Finance contributions?	<p>There is very little evidence of how companies can best channel finance to issues such as loss and damage and adaptation. We are also not sure if experts on adaptation and loss and damage were sufficiently consulted during the drafting of the CNZS v2.0. For these reasons, we think it would be better to place the burden of proof on companies and reevaluate in a few years what integrity principles for climate finance contributions to adaptation and loss and damage should look like.</p>
90	To what extent do you agree or disagree that the proposed integrity principles for neutralization ensure credible, transparent, and verifiable claims at the net-zero target year?	<p>Ex-post delivery - Somewhat agree</p> <p>Robust quantification - Somewhat agree</p> <p>Additionality - Neutral</p> <p>Transparency and disclosure - Somewhat agree</p> <p>Vintage - Strongly disagree</p> <p>Avoidance of leakage - Somewhat agree</p> <p>Risk of reversal safeguards - Strongly disagree as these criteria will not be implemented over a 1,000-year period</p> <p>Social and environmental safeguards - Neutral</p> <p>Independent verification - Neutral</p> <p>No double issuance or allocation - Neutral</p> <p>Transparency of value distribution - Somewhat agree</p>
91	Are there any key gaps or missing principles that could strengthen the proposed integrity principles for neutralization?	<p>We recommend including an integrity principle on the permanence of removals at the net-zero target year. We would also recommend changing the vintage year from 2021 to (close to) the net-zero target year. We would recommend expanding the text on additionality to include that activities should not lead or contribute to the lock-in of fossil fuels. We support the requirement for corresponding adjustment under Article 6 to avoid that two entities claim the same removal towards their net-zero target, which could lead to higher atmospheric CO₂ concentrations compared to the situation where just one entity would make the claim.</p>

92	To what extent do you consider the integrity principles outlined in Annex E to be reasonable or unreasonable for each activity type?	n/a
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