



CORPORATE NET-ZERO STANDARD VERSION 2.0: FREQUENTLY ASKED QUESTIONS

June 2026

Innovations and value-add of Corporate Net-Zero Standard V2.0

1. What is new in this Standard?

Corporate Net-Zero Standard V2.0 is a significant step forward for the SBTi and includes the following key innovations:

- **Target setting:**
 - **Targets for different contexts:** Science-based targets are offered for companies in different contexts, including sectors, geographies and legacy capital stocks.
 - **Reflecting companies' levers:** Targets are designed to reflect levers that companies have and actions that they can and should take to manage transition risks and opportunities.
 - **Set on best-efforts basis:** Targets are set on a best-efforts basis subject to uncertainties and dependencies, with the expectation that companies use all levers to meet them, and are fully transparent about implementation progress.
- **Target implementation:** The Standard includes an implementation hierarchy, starting with actions to reduce companies' carbon footprints, to projects and use of market instruments in the context of activity pools and sector approaches, each of which can count towards meeting targets.
- **Ongoing emissions responsibility:** This is included in the Standard as a complement to—not a substitute for—companies reducing their carbon footprints, recognizing the need for development of carbon markets to meet international carbon objectives.

2. Why should companies use the Standard?

- **Managing transition risks and opportunities:** Corporate Net-Zero Standard V2.0 is the best means for companies to manage transition risks and opportunities. There are clear economic benefits of using it, including that this supports strategic thinking about the net-zero transition within companies, unlocks cost savings, and improves the reputation of companies with financial institutions and customers.

- **Recognized as the ‘gold standard’:** Corporate Net-Zero Standard V2.0 builds on Corporate Net-Zero Standard Version 1, which has become recognized as the ‘gold standard’ to which companies, supply-chains and financial institutions work in a consistent, transparent, assured and well-understood manner.
- **End-to-end approach:** Corporate Net-Zero Standard V2.0 is a key foundation of the SBTi’s [new strategy](#), where it will act as an end to end partner on the net-zero transition, setting ambition and supporting implementation, including through system assessments of progress reducing emissions, benchmarking of companies and facilitating action to address barriers to action.

3. Why is the Standard relevant to the Global South?

- **Tailored options:** Corporate Net-Zero Standard V2.0 includes flexibilities that are designed to accommodate Global South contexts, including requirements for transition plan disclosure and data assurance, decarbonization approaches, and the setting of scope 3 targets being optional for some companies.
- **Transition risks and opportunities:** The Standard is the best means for companies to manage transition risks and opportunities related to emerging domestic approaches and export markets (e.g., CBAM and CSRD).

4. Does the Standard remain science-based?

- **Consistency with the science:** The Standard is designed to achieve net-zero by 2050 or sooner, which is consistent with global efforts to limit temperature increase to 1.5°C by the end of the century.
- **Integrity of the process:** Corporate Net-Zero Standard V2.0 was developed through a broad, multi-stakeholder process in line with the SBTi’s [Standard Operating Procedure for the Development of Standards](#). The SBTi’s Technical Department led the revision process. The independent Technical Council reviewed and approved the Standard, and the Board of Trustees formally adopted it. This combination of stakeholder engagement, practical testing and independent oversight helped ensure the revised Standard is rigorous, credible and workable for businesses seeking to advance their net-zero ambitions.

Transition between Versions 1 and 2.0 of Corporate Net-Zero Standard

5. Should companies use Version 1.3.1 or Version 2.0 of the Standard for setting targets?

- **Companies currently working towards setting targets under Version 1 or the near-term criteria:** Companies currently moving from commitments to setting targets, or target renewal, will have been planning against Corporate Net-Zero Standard Version V1.3.1 and should continue to use this, laying a strong foundation to move to Version 2.0 for the subsequent cycle. Innovations of Corporate Net-Zero Standard V2.0 will be available for users of Version 1, while flexibilities under Version 1 may be attractive (e.g., combined scopes 1 and 2 targets, scope 3 target boundary, data assurance requirements). Version 1 will remain open for target submission until the end of 2027.

- **Companies with 2030 targets:** These companies should continue to use Version 1 for the current cycle, and start to set targets for the next cycle (2030-35) from 2028, to allow sufficient lead-time for implementation. In the meantime, and for the remainder of the target cycle, innovations of Corporate Net-Zero Standard V2.0 will be available for users of Version 1, as above.

6. What should companies do if they are making progress yet are off-track with respect to their 2030 targets?

- **Transparency about progress reducing emissions:** Targets are set on a best-efforts basis, subject to uncertainties and dependencies. Companies are expected to use all levers to reduce emissions and to address any implementation barriers. They should report annually on progress reducing emissions and implementation barriers, with full transparency about any emerging gaps between performance and target. This will manage legal and reputational risks, and allow companies to tell a positive, evidence-based story about actions they are taking to transform their business.
- **Maintain alignment between current state and net-zero:** In addition to addressing implementation barriers, Corporate Net-Zero Standard V2.0 allows for periodic resetting of targets to maintain alignment between current state and net-zero. Companies using all levers to drive emissions reductions and address implementation barriers, and meeting transparency requirements, will be allowed to remain within the SBTi framework and continue the journey to net-zero with SBTi as a partner.

Interoperability of Corporate Net-Zero Standard V2.0 with other approaches: ISO, GHG Protocol

7. Is Version 2.0 in competition with ISO's net-zero standard?

- **Complementarity of the ISO net-zero standard:** The SBTi welcomes ISO's net-zero standard as a useful addition to the ecosystem supporting the corporate net-zero transition. The SBTi will remain the 'gold standard' for end-to-end setting *and* meeting emissions targets through the translation of science to action in corporate contexts, already adopted by over 11,000 companies worldwide and widely used in assessment of companies by third parties. The ISO standard covers different components of the net-zero transition, from setting high-level targets similar to those in Corporate Net-Zero Standard V1, to governance and policy advocacy. It may be particularly attractive to companies as they first engage with the net-zero transition, including SMEs and those in lower income countries, who could then transition to the SBTi and access more tailored target-setting approaches, together with system-wide, end-to-end and continuous improvement benefits. The two standards combined offer a strong framework for companies to navigate the net-zero transition.
- **Interoperability with ISO:** There is good alignment between both standards that could enable organizations to achieve dual validation under both standards via the SBTi, subject to the final design of the ISO standard and ISO accreditation of the SBTi; or via SBTi plus ISO validation by an accredited body.

8. How does the revised Standard incorporate elements being explored in the revision of the GHG Protocol (GHGP)?

- **Join-up between the SBTi and GHGP:** There is close collaboration between both organizations, with mutual representation in the governance bodies and working groups, to ensure alignment and inter-operability.
- **Accounting of the mitigation hierarchy:** Corporate Net-Zero Standard V2.0 incorporates elements that fit into different statements being consulted on by GHGP, including the conventional GHG inventory (physical inventory), the use of project-based interventions and market instruments, according to the implementation hierarchy. Companies are expected to report the impact of interventions according to GHGP and where applicable other established accounting frameworks. Actions and market instruments that do not fit into the physical inventory are to be reported separately.
- **Interim guidance:** The SBTi intends to provide interim guidance while the revision is in place. Transitional arrangements (e.g., grandfathering) will be considered for companies setting targets while the GHGP revision process is ongoing.

Implementing Corporate Net-Zero Standard V2.0: Project-based interventions, hourly matching of scope 2 emissions, third party recognition

9. How are project-based interventions considered in target implementation?

- **Interventions within the company boundary:** The impact of project-based interventions can be reported in the physical inventory when projects lead to measurable changes in emissions within the organizational boundary between the base year and the target year.
- **Interventions in activity pools and sector approaches:** Project-based interventions can be used according to the mitigation hierarchy in Corporate Net-Zero Standard V2.0, including in activity pools and at the sector level. When projects lead to measurable changes in emissions outside of the organizational boundary (e.g., for activity pool and sector-level interventions), these will need to be reported separately. This approach will be further elaborated through guidance, including general guidance about what will count towards targets, and sector-specific guidance (e.g., in the case of FLAG, scope of landscape interventions and how these should be accounted).

10. Why is the approach to scope 2 time-matching voluntary?

- **Power sector decarbonization:** Corporate Net-Zero Standard V2.0 is designed to support power sector decarbonization, given that this is the foundation for decarbonization of the wider economy.
- **Hourly matching of scope 2 emissions:** This could contribute to power sector decarbonization, through strengthening price signals for investment in new low-carbon capacity. However, as a novel practice, there are significant uncertainties that remain about the best way to deploy this approach.
- **Approach in Corporate Net-Zero Standard V2.0:** Recognizing these uncertainties, Corporate Net-Zero Standard V2.0 treats hourly matching as a leadership practice, which it incentivizes through an optional recognition program, and it requires disclosure

of hourly matching for the largest electricity users. Additionally, the SBTi will undertake a call for evidence to better inform the evolution of this topic in science-based target setting; the SBTi will continue to collaborate with the GHGP throughout the revision process following established governance and procedures.

11. Will the SBTi be accrediting programmes directly that issue commodity certificates and carbon credits?

- **Integrity principles:** The Standard introduces high-level integrity principles to guide the credible use of market instruments.
- **Recognition of third party frameworks:** Building on these principles, the SBTi will develop more detailed criteria to support companies through the use of these instruments, and, where appropriate, using these criteria to recognize programs and instruments that meet these criteria, building upon existing and developing infrastructure of standards and certification frameworks.

Using innovations in Corporate Net-Zero Standard V2.0

12. Is Corporate Net-Zero Standard V2.0 ready to use? When can innovations be pulled forward to companies that have or will set targets under Version 1?

- **Use of Corporate Net-Zero Standard V2.0:** This will be open for use from the beginning of 2027. Much of what companies need to set targets is already available; further guidance will be provided as follows:
 - **Target-setting methods and pathways:** In addition to the linear contraction method already updated for companies setting targets under Version 1, further methods will be finalized following consultation expected to be available for use in Q4 2026.
 - **Further guidance on actions and market instruments:** While Corporate Net-Zero Standard V2.0 provides comprehensive requirements on target implementation, including detailed scope 2 target implementation, the SBTi intends to provide additional guidance on key topics through the Corporate Net-Zero Standard V2.0 - Implementation Guidance. This will provide further clarity on the following topics:
 - Further guidance on the use of market instruments for scope 1 target implementation, e.g., energy certificates (expected end of 2026).
 - Additional guidance on projects in the context of activity-pool and sector-level interventions (expected end of 2026).
 - Guidance on commodity certificates will be developed in the context of sector approaches (see below) and the SBTi interoperability and recognition framework.
 - **Sector approaches:** A program to update and add to sector approaches will be launched in summer / early autumn this year. This is designed to allow deep engagement with companies and experts in order that sector contexts are accounted for. Draft approaches will be developed by early in 2027, for finalization before the end of that year.

- **Ongoing Emissions Responsibility (OER):** Further details for participation in the OER recognition program will be provided in the second half of 2026.
- **Pulling forward of innovations to Version 1:**
 - **New target-setting methods:** These are already available under Version 1.
 - **Best-efforts approach to targets:** This already applies to targets set under Version 1.
 - **Other innovations:** Projects and market instruments - the approach to the mitigation hierarchy will be available under Version 1 on the same timeline for Version 2.0 above.
 - **OER:** Available for companies with targets set under Version 1 from early 2027.