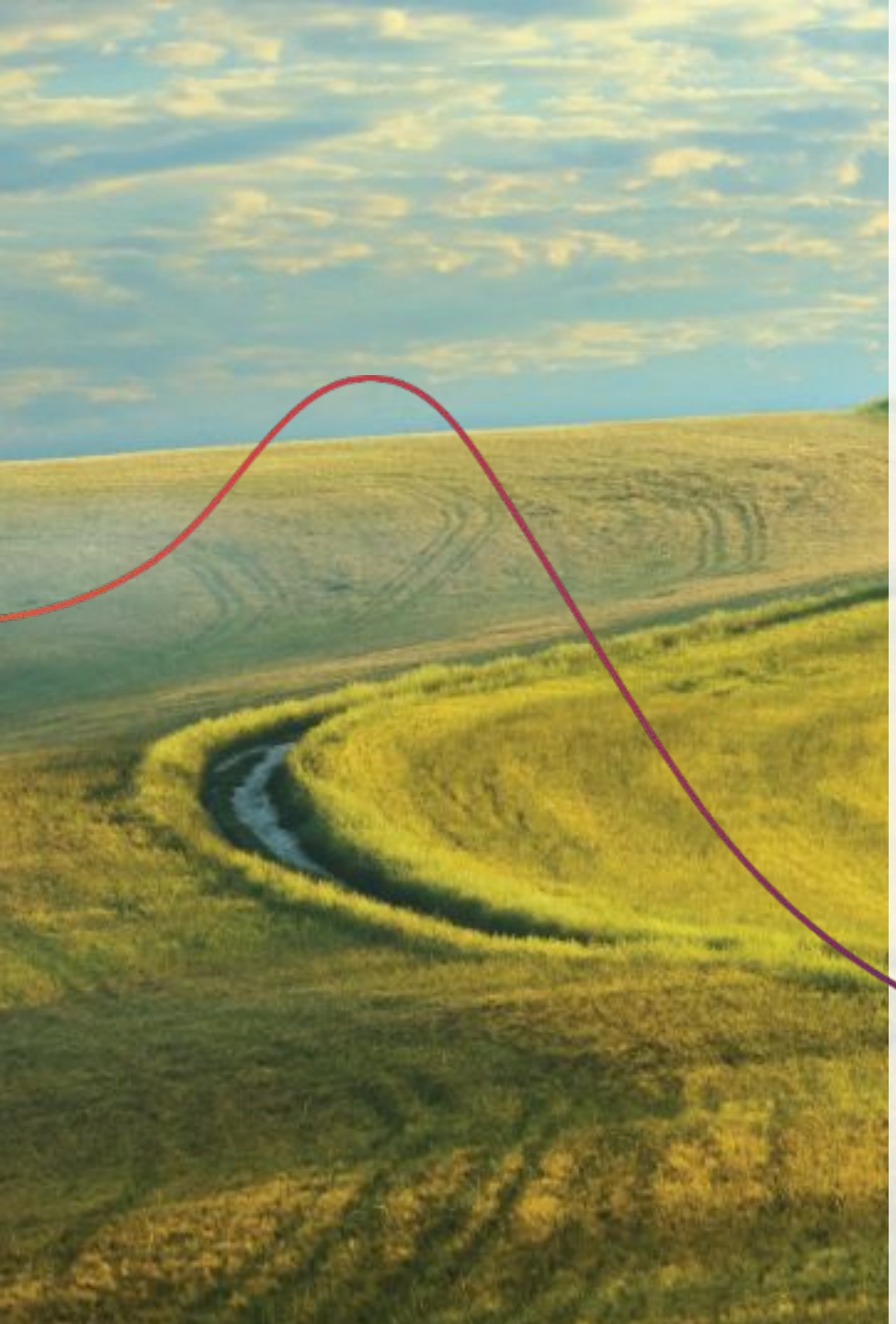


SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Power Sector Net-Zero Standard

First Public Consultation Feedback Summary Report

July 2026

ABOUT THE SBTi

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

We develop standards, tools, and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

The SBTi is incorporated as a UK charity, with a subsidiary SBTi Services Limited, which hosts our target validation services. Partner organizations who facilitated SBTi's growth and development are CDP, the United Nations Global Compact, the We Mean Business Coalition, World Resources Institute (WRI), and World Wide Fund for Nature (WWF).

PARTNERS

ABOUT THIS DOCUMENT

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

This document presents a summary of overall the feedback received during the first round of public consultation on the Power Sector Net-Zero Draft Standard, both through the consultation survey and direct engagement with interested stakeholders (written feedback, roundtables, direct outreach).

This document outlines an overview of the feedback received and how this feedback will inform the next version of the Power Sector Net-Zero Standard. The full log of feedback received during this consultation round can be found here.

Thank you to all stakeholders that submitted feedback in response to the public consultation, or engaged in any way during the public consultation.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

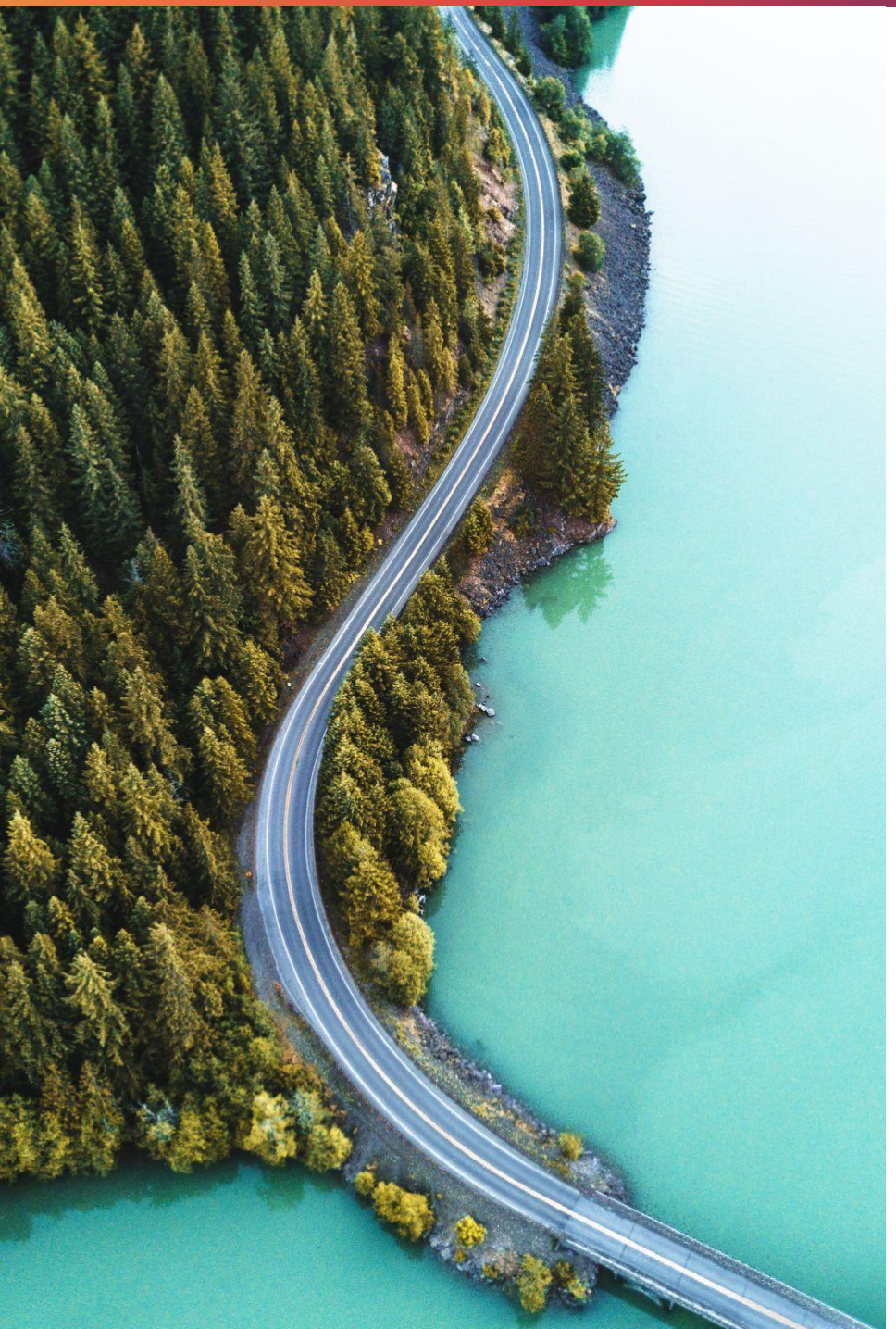
CONTENTS

- Background information
  - About the Power Sector Net-Zero Standard
  - Power Sector Net-Zero Standard Development process
- Public consultation structure and participants
- Consultation feedback summary
- Survey response by question
- Disclaimer

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BACKGROUND INFORMATION



SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

ABOUT THE POWER SECTOR NET-ZERO STANDARD

The Power Standard will enable companies involved in power generation, transmission and distribution, storage and retail activities to set ambitious and actionable science-based targets. It will replace the SBTi's Quick Start Guide for Electric Utilities and offer updated sector-specific criteria to address the unique emissions and operations of companies across the sector.

The first public consultation period sought feedback from all interested stakeholders to ensure a Standard that is practical, scientifically robust, and credible.

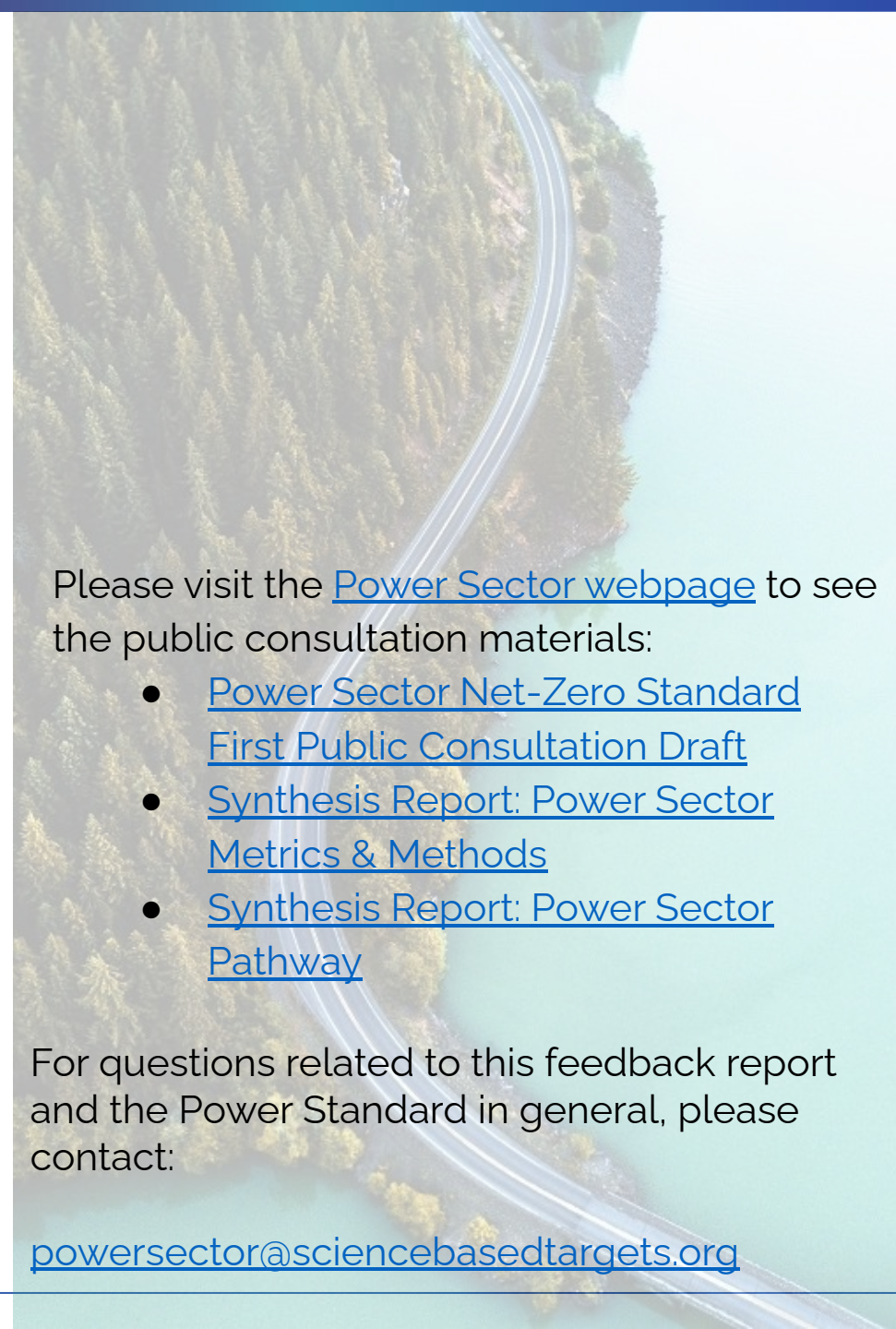
Power Sector Net-Zero Standard First Public Consultation Draft
Power Sector Standard Terms of Reference

POWER SECTOR STANDARD DEVELOPMENT PROCESS

The **first round of public consultation** was open for 62 days, from September 2 until November 3, 2025.

The objective of the consultation was to invite stakeholders to review the draft Standard and share feedback on its content, clarity and applicability. Feedback from stakeholders is an essential part of the development of the Power Sector Net-Zero Standard, ensuring that it reflects sector realities, supports implementation, and accelerates climate action.

The **next steps** of the Power Standard development are a second round of public consultation and pilot testing, which will inform final revisions to the draft Standard for approval by the SBTi Technical Council and finally adoption by the Board of Trustees.



Please visit the Power Sector webpage to see the public consultation materials:

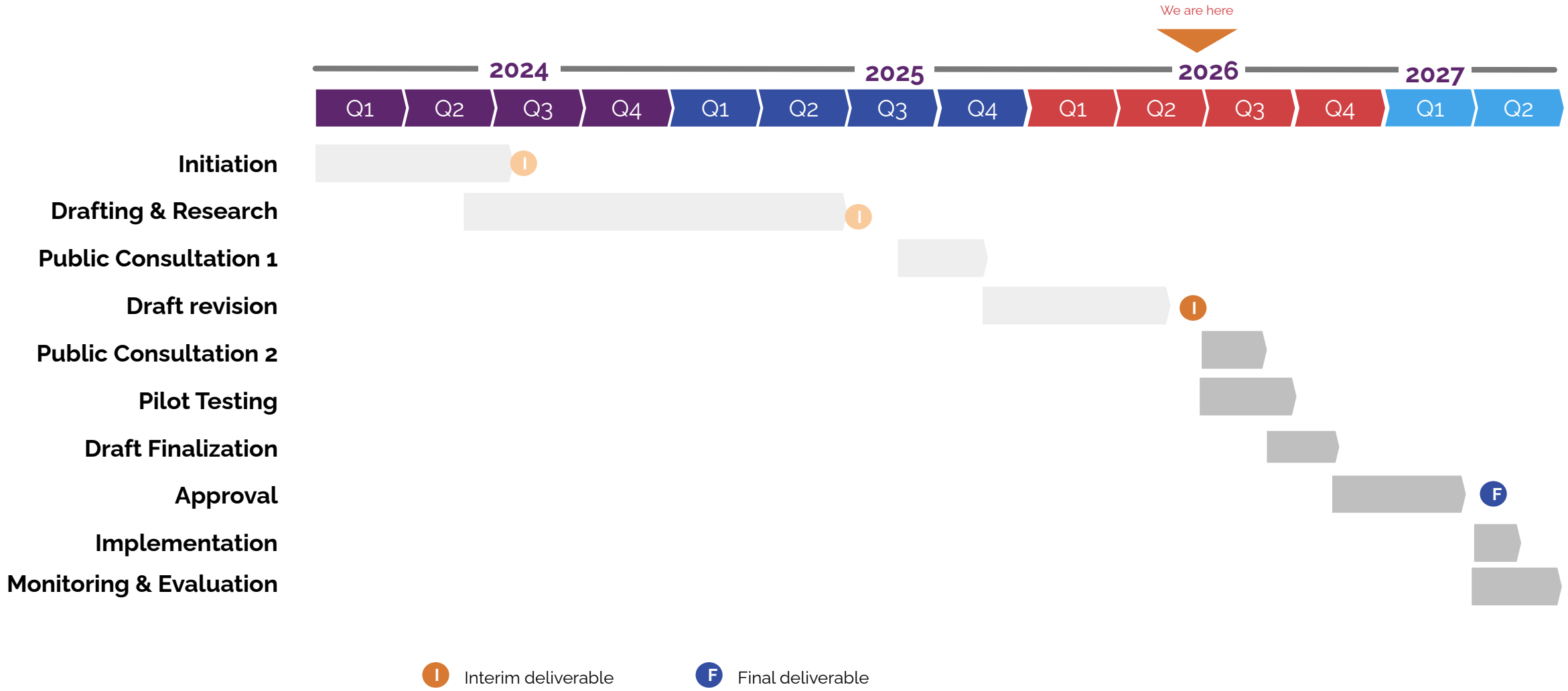
- Power Sector Net-Zero Standard First Public Consultation Draft
- Synthesis Report: Power Sector Metrics & Methods
- Synthesis Report: Power Sector Pathway

For questions related to this feedback report and the Power Standard in general, please contact:

powersector@sciencebasedtargets.org

POWER SECTOR STANDARD DEVELOPMENT PROCESS - TIMELINE

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

PUBLIC CONSULTATION STRUCTURE AND PARTICIPANTS

STRUCTURE OF POWER STANDARD FIRST CONSULTATION

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

POWER STANDARD DRAFT AND ANNEXES

- **A. INTRODUCTION**
- **B. ABOUT THIS STANDARD**
- 1. CORPORATE NET-ZERO COMMITMENT
- **2. DETERMINING PERFORMANCE IN THE TARGET BASE YEAR**
- **3. TARGET SETTING**
- 4, ADDRESSING THE IMPACT OF ONGOING EMISSIONS
- 5. ASSESSING AND COMMUNICATING PROGRESS
- 6. SBTI CLAIMS

The consultation focussed on **4 key chapters** of the draft that cover **scope** and **applicability**, sector specific **disclosure** requirements and **targets** for the emissions and activities in scope of the Power Standard

The Power sector Standard draft also includes a number of **Normative Annexes** to support the use and assessment of conformance against the Power Standard (e.g. **Definitions**, **Metrics**, **Methods** and **Pathways**, Sector specific **claims**).

SUPPORTING DOCUMENTS

This Standard is supported by **informative documentation** that provides further background on the rationale and **methodology** for the selection of metrics, methods and pathways underlying the target setting framework proposed in the power standard.

STRUCTURE OF POWER STANDARD FIRST CONSULTATION

CONSULTATION TOPICS

SCIENCE BASED TARGETS
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CHAPTER	CONSULTATION TOPICS	
A. INTRODUCTION B. ABOUT THIS STANDARD	INTEROPERABILITY SCOPE APPLICABILITY	• **Interoperability** rules for the draft Corporate Net-Zero Standard V2 criteria • Completeness and clarity of activities and emissions in **Scope** • **Applicability** based on emissions and revenue thresholds.
2. DETERMINING PERFORMANCE IN THE TARGET BASE YEAR	DISCLOSURE REQUIREMENTS	• Definition and **completeness** of the **sector specific** emission and non-emission **metrics** proposed for each activity in scope
3. TARGET SETTING	TARGETS FOR POWER GENERATION	• **Near term target setting** and technology share metrics • **Asset retirement plan**, phase out dates, non-baseload capacity exemption • **Sustainable biomass** sourcing
	TARGETS FOR TRANSMISSION, DISTRIBUTION, STORAGE	• Targets on the **share of electricity losses** for T&D and storage activities • **SF6 emissions mitigation** through monitoring and maintenance
	TARGETS FOR TRADE AND RETAIL	• Target on **share of electricity** purchased and sold from **low-carbon sources**

*The survey included **64 questions**, of which **44 were focused on the technical topics***

PARTICIPANTS | CONSULTATION SURVEY RESPONSES

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

129

Responses to the survey

Responses received through:

- ✓ Survey Monkey [128]
  - 66% reached the end of the survey
  - Avg. of 50/64 questions answered
- ✓ Email [1]

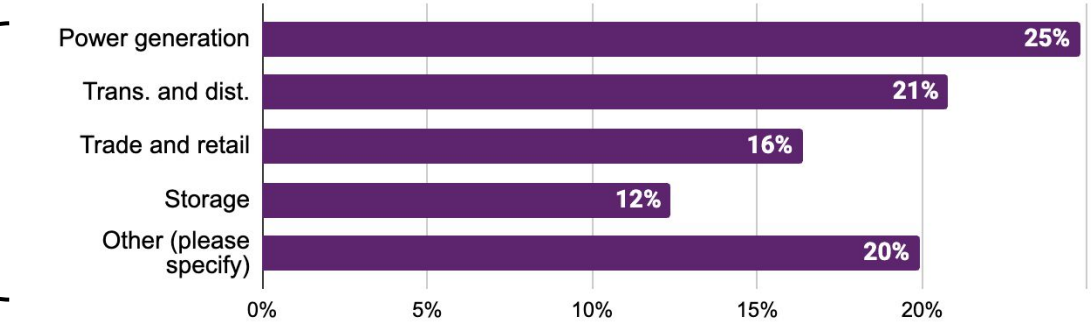
Geographies

38

Countries (Headquarters)

Response by stakeholder type

Industry response by business activity



40% of respondents chose more than one activity, and 6% chose N/A (not shown). "Other" includes finance, standard setting bodies, consultancy, advisory, chemicals, construction, and gas production/transmission.

PARTICIPANTS | OTHER CONSULTATION FEEDBACK

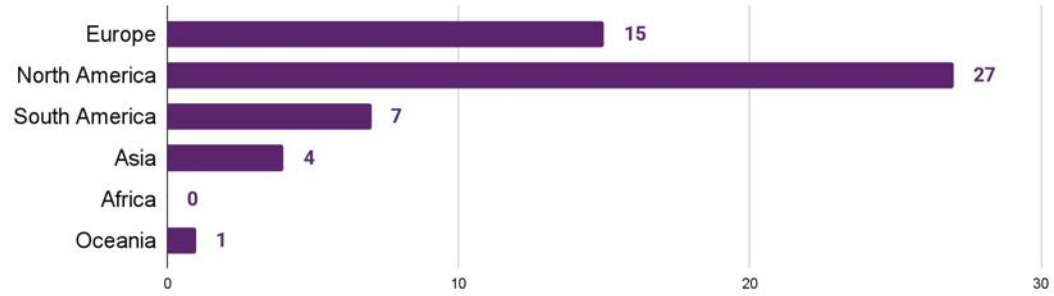
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

54

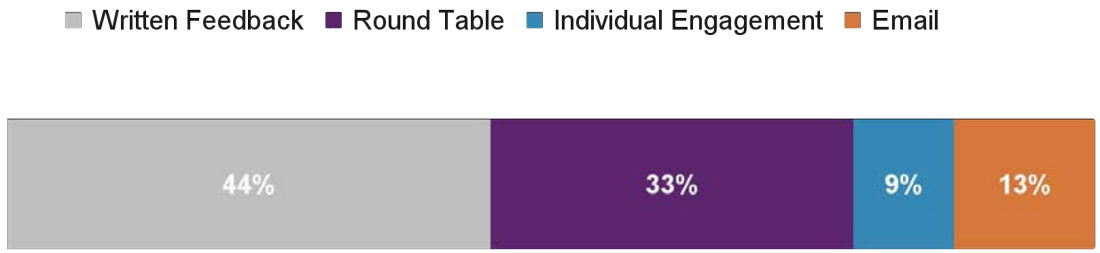
Comments through other stakeholder engagement, including:

- Formal **written feedback** received in the Power Sector inbox
- **Round tables** with, industry (incl. investors) and industry associations
- 1:1's with **individuals** and subject matter experts
- **Emails** and questions to staff

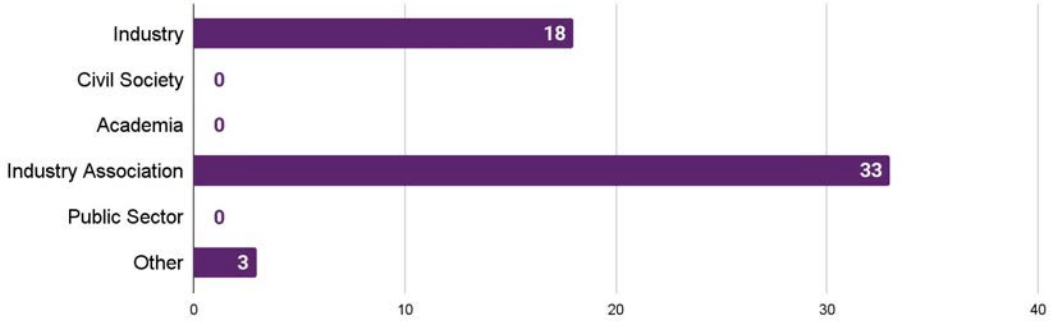
Response by Geography



Response Type



Response by Stakeholder Type



PARTICIPANTS | GAP IN PARTICIPATION

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Survey methods included the consultation survey, as well as formal written feedback, industry roundtables, and bilateral meetings with subject matter experts.
- The majority of responses to the consultation survey was from Industry (76%), but relevant feedback was received from all stakeholder types.
- 38 countries across all global regions were represented between the survey and other consultation methods.. Most consultation survey participants were from Europe (55%) and North America (19%).
- Considering both the consultation survey other engagement methods, greater participation from Asia and South America was observed compared to previous public consultations.
- At SBTi, we recognize the ongoing challenge of engaging stakeholders who have historically not participated in these processes, such as civil society and academia. Despite improvements in this area, a participation gap remains to be addressed in future consultations.
- Feedback ranged in quality and completion rate, with a significant decrease in response rate for later survey questions.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CONSULTATION FEEDBACK SUMMARY

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

SECTION A | SCOPE AND APPLICABILITY

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Activities and emissions	73% of survey respondents found **the scope of the Power Sector standard to be clearly defined**, with some stakeholders seeking more clarity on inclusion of heat generation and the **role of specific power generation technologies.** Significant feedback on the need **address Transmission and Distribution separately** while other stakeholders commented that **trade activities should be disaggregated/excluded** from retailers On **emissions**, stakeholders highlighted need for inclusion of **methane** emissions within scope and more clarity on treatment of **biogenic** and **Scope 3** emissions	✓ Inclusion of more detail on the list of activities/technologies and emissions in scope and transmission and distribution treated separately. Electricity trading activities excluded from scope. ✓ Metrics addressing methane emissions have been included for disclosure. Scope 3 emissions, except cat. 3 for electricity retailers, are not within scope of the Power Sector Standard but covered by SBTi Corporate Net-zero or other applicable SBTi Sector Standards. Clarification added on this and on accounting of biogenic emissions
Applicability	General agreement on the **applicability criteria and support (for the proposed absolute emissions threshold** of 10,000 tCO_2e, with 29% of responses pointing that the proposed threshold value was too low,	✓ The SBTi will enhance clarity on applicability through a dedicated standard section, and maintain proposed emission and revenue thresholds
Interoperability	General agreement on clarity of applicability of Corporate Net-Zero Standard V2 in parallel with SBTi Power Standard, with some stakeholders seeking better alignment between CNZS v2 and the Power Standard (e.g. on the role of market based instruments and the definition for low carbon electricity)	✓ The Power Standard aligns with the new architecture of SBTi Corporate Net-Zero Standard V2 and includes clear guidance on the applicability of SBTi Sector standards in conjunction.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 2 | DISCLOSURE REQUIREMENTS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Metrics	Most (70%) stakeholders agreed that the **metrics for determining performance were comprehensive and representative**. Those that disagreed suggested simplification through standardize use of CO2-equivalent metrics in all calculations and need for more guidance to determine applicability thresholds and disclosure requirements..	✓ The SBTi will evaluate use of CO2-equivalent metrics where appropriate and aligned with scenario assumptions. Details included in the metrics annex to specify where to be used for disclosure/applicability /target-setting.
Low-carbon electricity	Stakeholders agreed that the new metric on the **low-carbon electricity share** is an appropriate indicator to assess performance of companies with power generation activities (70%) as well as for trade and retail activities (65%). Those that disagreed are seeking more granularity in the definition, or suggesting using classification based on emission thresholds. Additional feedback was received on the need to for **clarity on the role of market based instruments**.	✓ The definition of low carbon electricity is revised based on an emission intensity threshold in line with the associated pathway for Scope 2 targets in Corporate Net-zero Standard V2. Clarification added on the use of marked-base instruments.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR POWER GENERATION

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Target Setting Options	The majority (80%) of respondents are in favor of including **multiple options for near-term target-setting,** with general agreement on the options proposed, although feedback was more in favour of the **low-carbon electricity share** then the **asset decarbonization plan** as suitable alternative to emission intensity for near-term targets. Those who disagreed found that **emissions-based targets should remain mandatory,** also for the near-term, and raised concern that multiple options might decrease comparability among companies.	✓ Scope 1 target options for power generation activities include emission intensity or asset transition targets. Target option on low carbon electricity is no longer included, to align more closely with the final Corporate Net Zero Standard Version 2 and increase comparability with SBTi cross-sector requirements.
Pathway and ambition	Some stakeholders **reflected positively on the ambition** of the pathways for near-term target setting options while others perceived the pathways derived from IPCC C1 and IEA NZE scenarios as overly ambitious. Stakeholders requested **regional pathway variability** based on distinct operational environments and the greater flexibility to choose their own degree of ambition for near-term target setting.	✓ Pathways revised to include regional disaggregation between Advanced economies and Emerging Market and Developing Economies, drawing from the IEA WEO NZE 2024 scenario.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR POWER GENERATION | TARGET METHODS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
SDA Adjustments	The majority of respondents agreed that the adjustments introduced to the Sectoral Decarbonization Approach (SDA), namely the **maintenance** and **linear adjustment methods**, suitably address the need for companies that are fully or highly decarbonized to have achievable targets while still preserving the underlying principles of the SDA. General agreement on the use of a **low intensity threshold** for eligibility of SDA adjustments, with few stakeholders requesting more clarity on the choice of the threshold or considering it too low.	✓ The linear adjustment is confirmed as an SDA method adjustment for power generation companies. More clarity included on the derivation of the intensity threshold for adjustment applicability. The maintenance method is superseded as it is now addressed among the general target setting criteria of CNZS V2 (see CNZS-C9.10 on maintenance of net-zero performance).
Low carbon electricity share	General agreement on the proposed method and pathway for the **target on the low carbon electricity share.** Stakeholders seeking different methods and/or target trajectory, emphasized the challenges of portfolio decarbonization, especially in emerging markets and the need for closer alignment with the reality of asset lifetimes.	✓ Target option on low carbon electricity for scope 1 power generation activities is no longer included, to align more closely with the final Corporate Net Zero Standard Version 2 and increase comparability with SBTi cross-sector requirements.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR POWER GENERATION | ASSET DECARBONIZATION PLAN

	Stakeholder Feedback	SBTi Response
Mandatory vs. optional	General agreement on the proposal to introduce the **asset decarbonization plan** to phase out unabated fossil fuel power generation, but mixed feedback on whether it should be an alternative or an additional requirement to other near-term target setting options. Stakeholders opposed to the asset plan cited a **preference for emissions-based targets** while others had further concerns around the potential disclosure of highly confidential data to be included in such asset plan.	✓ The asset decarbonization plan (ADP) is included within the target options for scope 1 power generations activities. The ADP method has been revised to allow for two possible approaches, the carbon budget based on the applicable pathway or phase out milestones consistent with the transition pathway for power generation assets. The SBTi will further investigate through consultation feasibility of disclosure for the data required for the ADP option.
Phase out dates and geographies	Split agreement on **the proposed phase out dates** for unabated fossil fuel power generation, with a minority of respondents (24%) indicating there should be more flexibility for unabated coal. Respondents also suggested **OECD vs. non-OECD groupings** do not adequately capture countries' unique decarbonization constraints and propose revising current geographic grouping Specific feedback was received seeking recognition within the asset plan of **distinct economic, regulatory, and political operating environments**, and the impact of factors like energy security, demand growth, grid reliability, and socioeconomic conditions.	✓ The phase out dates for unabated fossil fuel power generation are now translated into a dedicated pathway (Power generation asset transition pathway) associated to the Asset Decarbonization Plan target option. The Power generation asset transition pathway includes regional disaggregation between Advanced economies and Emerging Market and Developing Economies (as per IEA WEO NZE 2024 scenario) in line with the other pathways applicable to the power sector (e.g. emission intensity). ✓ Recognition of specific regulatory and operating environments is addressed through allowed exemptions detailed in criterion PS-C3 for non-baseload power generation.

✓ *Adapted in line with feedback* ✓ *Partly adapted in line with feedback* ? *For further consultation / feedback dismissed* › *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR POWER GENERATION | ASSET DECARBONIZATION PLAN

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Non-baseload capacity exclusion	79% of survey respondents **agreed with the proposed exemption for non-baseload gas generation capacity.** 71% of respondents supported the proposed criteria for companies to justify exemption of non-baseload capacity while 66% found the associated definition to be adequate. Negative feedback on the exemptions for non-baseload gas generation capacity (21%) sought **more specificity in evaluating regulatory requirements** for grid stability and a **more explicit definition** of non-baseload capacity. Concerns were raised for operating environments where **seasonal and climatic factors lead to highly variable dispatch rates over time.**	✓ Revision of sub-criteria regarding exclusion of assets for non-baseload power generation (e.g. peaking plants) from the Asset Decarbonization Plan target option and inclusion of more specificity on the definition and eligibility for exclusion, which will be further investigated through consultation.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR POWER GENERATION | BIOMASS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Sustainable sourcing requirement	77% of survey respondents **supported the requirement for sustainable sourcing of biomass for power generation** (100% by 2030). Some stakeholders suggested that total life cycle emissions could be assessed in place of an external "sustainable" designation Stakeholders suggested that the **scope should be expanded to include biogas** and the use of captured waste methane, Specific feedback was also received on the role of **waste-to-energy** technologies, suggesting they should be exempted from sustainability certification requirements.	✓ The requirement for sustainable biomass sourcing is now addressed within CNZS V2 through criterion CNZS-C35 on sustainable sourcing of bio-based feedstock used by companies. ✓ Waste and biogas from waste are not considered biomass. Further revisions may follow, pending GHGP guidance updates.
Recognition of third party certification	Stakeholders expressed consistent feedback that SBTi should align with **existing biomass certification reporting requirements** as closely as possible to avoid complexity, duplication, and reporting burden. The open response question seeking feedback on which criteria the SBTi should utilize to recognize third-party biomass certification schemes received 41 responses, mostly focussing on legitimacy of full LCA emissions mitigation protection of human rights and preservation of ecosystem services.	> The SBTi will work to align with existing certification schemes and will develop criteria and processes for recognizing third-party frameworks, standards, and programs, where applicable. Feedback received will be used to inform the future development of third party recognition frameworks relating to biomass sustainability.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
> *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR TRANSMISSION, DISTRIBUTION, STORAGE | ELECTRICITY LOSSES

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Proposed criteria	General agreement on the proposed criteria to minimize electricity losses in transmission and distribution networks While feedback was generally positive, a few key issues were raised, including **separation** of transmission and distribution sub-sectors and distinction of technical vs. **non-technical losses**; On the proposed target for storage activities, most **stakeholders agreed that it should be a recommendation**, rather than a requirement. There was broad agreement (77%) on the inclusion of a criterion to address **SF6 emissions** from transmission and distribution activities, but some stakeholders suggest a more specific framing of the requirements**.**	✓ Metrics and targets now distinguish between technical and non-technical losses and address transmission and distribution separately. ✓ Criteria for electricity losses from storage activities now include only recommendations. › The SBTi will further investigate through consultation and pilot testing the most appropriate best practice requirements and references for SF6 emissions mitigation, where relevant.
Benchmark values	Split agreement on **the benchmark values proposed** for limiting losses in T&D networks. Stakeholders requested **greater regional granularity**, suggested the best practice values were unfeasibly low, and raised concerns that recalculations could cause temporary and unintended breaches of the maintenance threshold.	✓ Benchmarks for T&D electricity losses are differentiated between Advanced economies and Emerging Market and Developing Economies, with two options proposed for consultation.

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK BY TOPIC

CHAPTER 3 | TARGETS FOR ELECTRICITY RETAIL | LOW CARBON ELECTRICITY

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	Stakeholder Feedback	SBTi Response
Target setting	Most stakeholders (71%) agreed that target on the **share of low carbon electricity purchased and sold is appropriate for companies with electricity retail activities.** Similar to other proposed activity metrics, some stakeholders expressed a preference that the **SBTi remain focused on only emissions based metrics** and targets. Importantly, many stakeholders commented that **trade should be disaggregated/excluded from retail** to align with their unique operational profiles and differentiated treatment in GHGP.	✓ .The target setting method proposed for targets on the low carbon electricity (LCE) purchased and sold to end users is aligned with the method proposed for Scope 2 LCE targets in CNZS V2, therefore using Linear alignment. The Technology share approach proposed in the first consultation draft of the power standard is no longer included among the Methods applicable within SBTi Standards framework. ✓ In response to stakeholder feedback and to better align with current reporting best practices, electricity trade activities are excluded from scope.
Metrics	Similar to the feedback received for targets for power generation, most stakeholders (82%) expressed a **preference for additional granularity** in the low carbon vs. unabated fossil fuel technology share metric. Other feedback on metrics and accounting sought clarity on the **inclusion of market based mechanisms** in calculating low-carbon technology share for trade and retail.	✓ The definition of low carbon electricity is revised based on an emission intensity threshold in line with the associated pathway for Scope 2 targets in Corporate Net-zero Standard V2. Clarification added on the use of marked-base instruments, which is addressed at entity level within Chapter 4 on Target Implementation in CNZS V2 .

✓ *Adapted in line with feedback*
✓ *Partly adapted in line with feedback*
? *For further consultation / feedback dismissed*
› *Further development & research needed*

SUMMARY OF CONSULTATION FEEDBACK - KEY DECISIONS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Scope and Applicability

- Revised Scope to specify inclusion/exclusion of sector specific activities, Transmission and Distribution addressed separately, trade activities excluded from Standard Scope
- Alignment with the final architecture of SBTi Corporate Net-Zero Standard V2, including link between Standards and applicable Pathways and target-setting Methods.

Targets for power generation

- Scope 1 target options for power generation activities include **Emission intensity,** through the Sectoral Decarbonization Approach or **Asset Transition** targets through the Asset decarbonization plan (ADP) method.
- The ADP method has been revised to allow for two possible approaches, the *carbon budget,* based on the applicable pathway or *science-based milestones* consistent with the transition pathway for power generation assets.
- Applicable pathways now include **regional disaggregation** between Advanced economies and Emerging Market and Developing Economies, drawing from the IEA WEO NZE 2024 scenario.

Targets for other sector activities

- Metrics and targets on electricity losses now distinguish between **technical** and **non-technical losses** and address transmission and distribution separately.
- Storage activities are subject to only recommendations to reduce electricity losses
- Criterion and target for electricity retailers now exclude trading and guidance is added on the use of market instruments in line with Corporate Net-Zero Standard V2 requirements for target implementation

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SURVEY RESPONSE BY QUESTION

GENERAL | QUESTION 15

Q15.1. The power sector standard is easy to understand

SCIENCE BASED TARGETS
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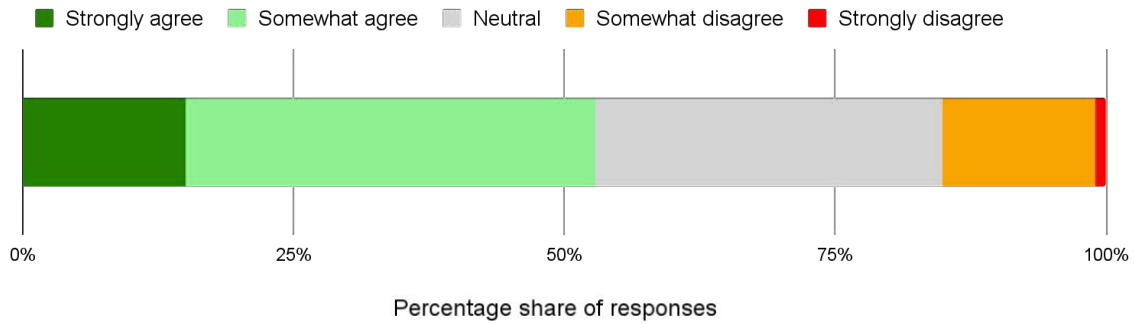
Feedback received

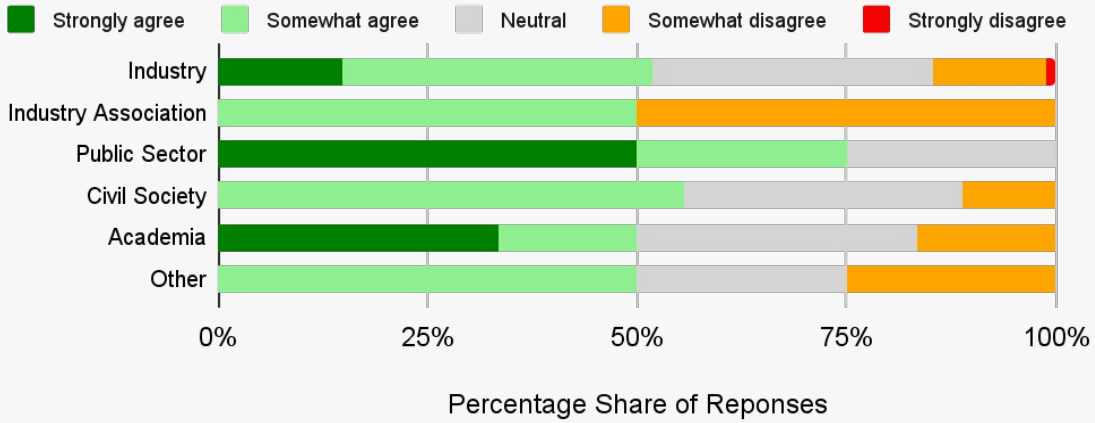
More than half the respondents agreed that the power standard is easy to understand, with homogeneous responses through stakeholder types and geographies. While this feedback is positive, only 15% of respondents strongly agreed, indicating more could be done to clarify common areas of confusion. Importantly, only 16% of stakeholders disagreed that the standard was easy to understand. Disagreement was higher in North America (33%), Europe (15%), and South America (9%) that in Africa and Oceania (0%).

All Responses

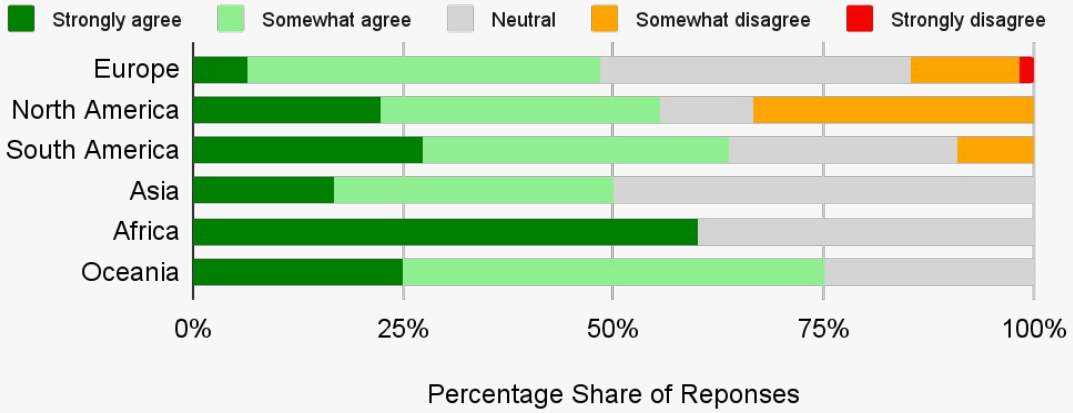


Number of responses = 106

Response by Stakeholder Type



Response by Geography



GENERAL | QUESTION 15

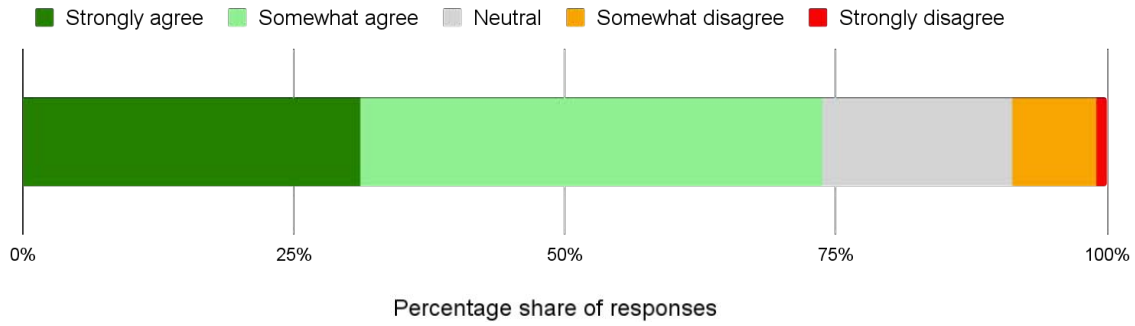
Q.15.2. The Power Sector Standard is ambitious enough to meaningfully take science-based climate action

Feedback received

74% of respondents agreed that the Power Standard is ambitious enough to meaningfully take science-based climate action. >60% of all stakeholder groups and geographies agreed, and agreement varied greatly by stakeholder type (100% academia, 50% industry association).

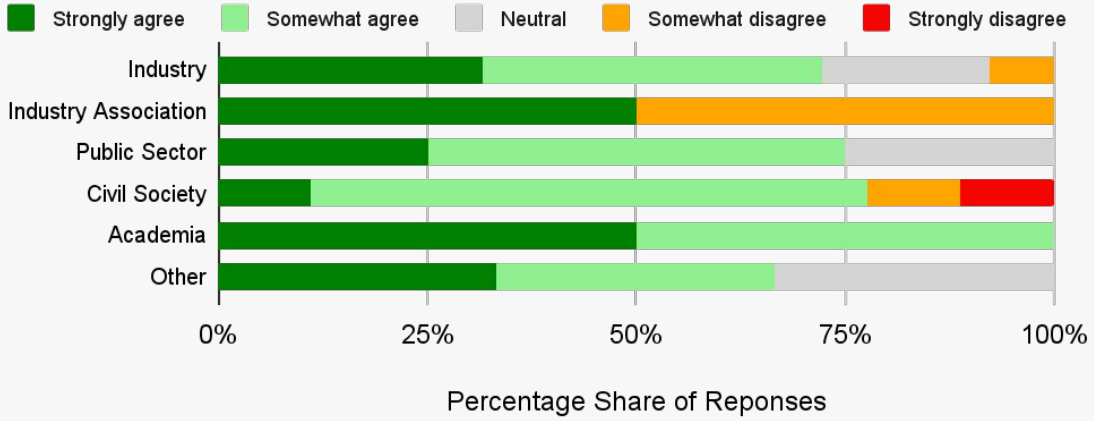
This result shows that the ambition of the Power Standard is widely supported, but that more could be done to ensure alignment with key stakeholder types including civil society and industry associations.

All Responses

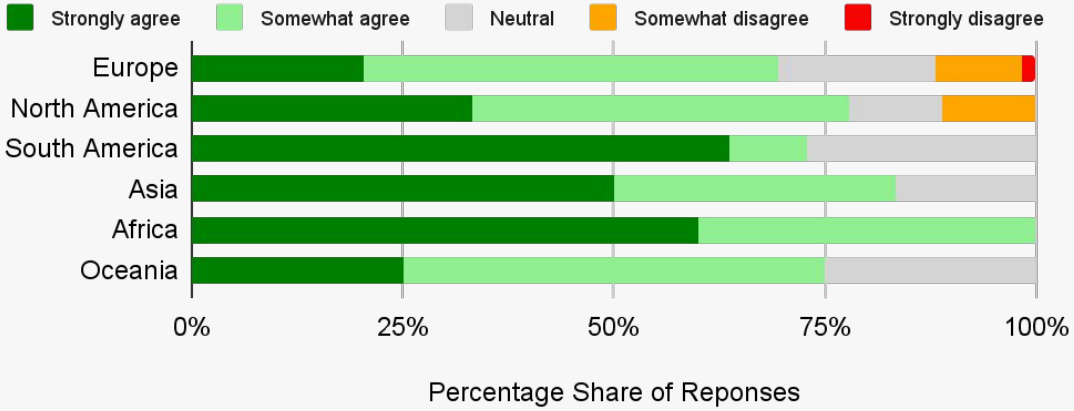


Number of responses = 103

Response by Stakeholder Type



Response by Geography



GENERAL | QUESTION 15

Q.15.3. The Power Sector Standard is actionable

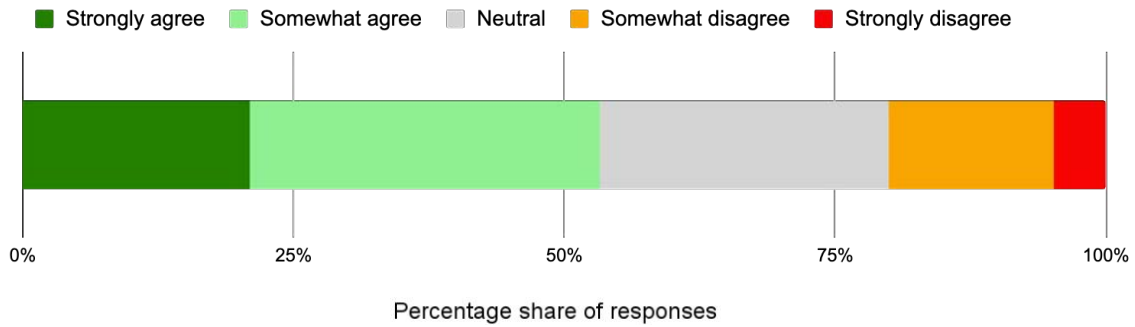
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

53% of respondents overall and over 75% of every stakeholder type besides industry agreed that the Power Standard is actionable. Industry groups showed much lower affirmative responses to this question (46%) indicating more should be done to increase actionability for relevant companies.

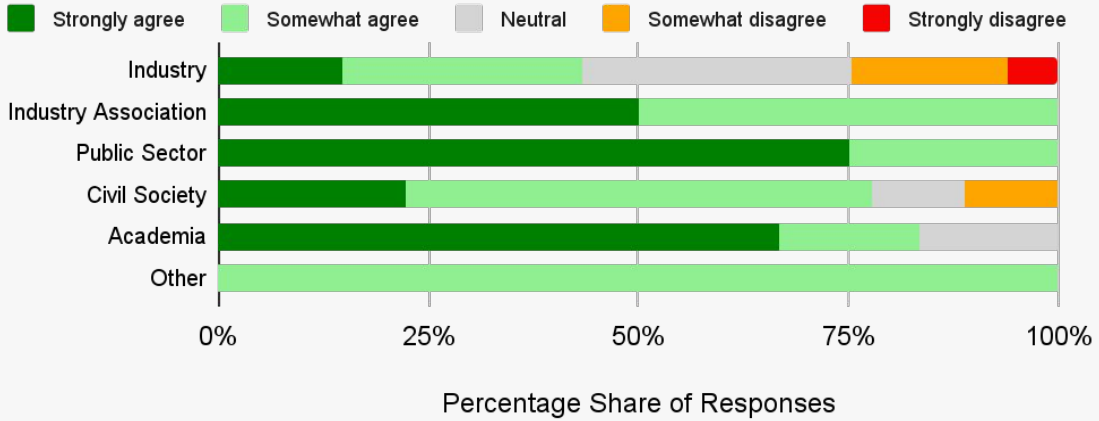
Responses also varied greatly by geography, with over 75% of stakeholders in Africa and South America and only 29% of stakeholders in Asia indicating that the Standard is actionable,

All Responses

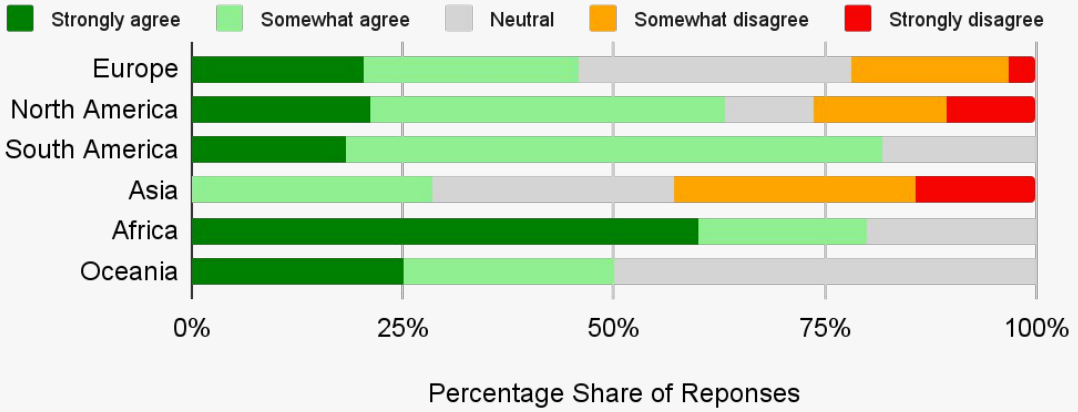


Number of responses = 105

Response by Stakeholder Type



Response by Geography



GENERAL | QUESTION 15

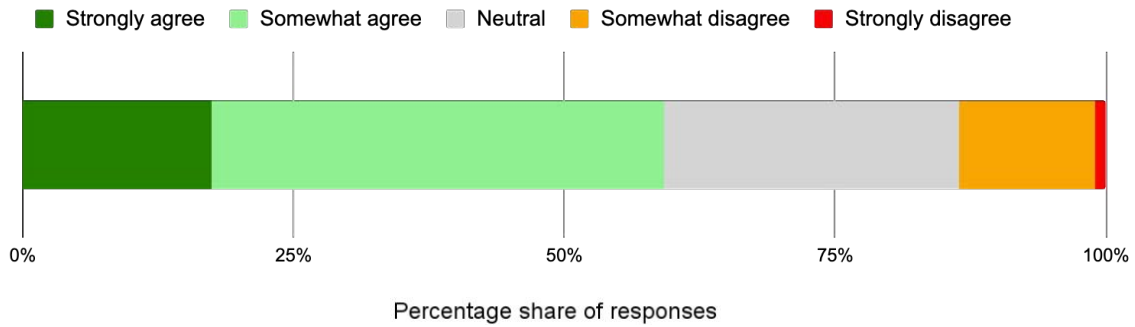
Q.15.4. The Power Sector Standard will assure the credibility of companies' climate action

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

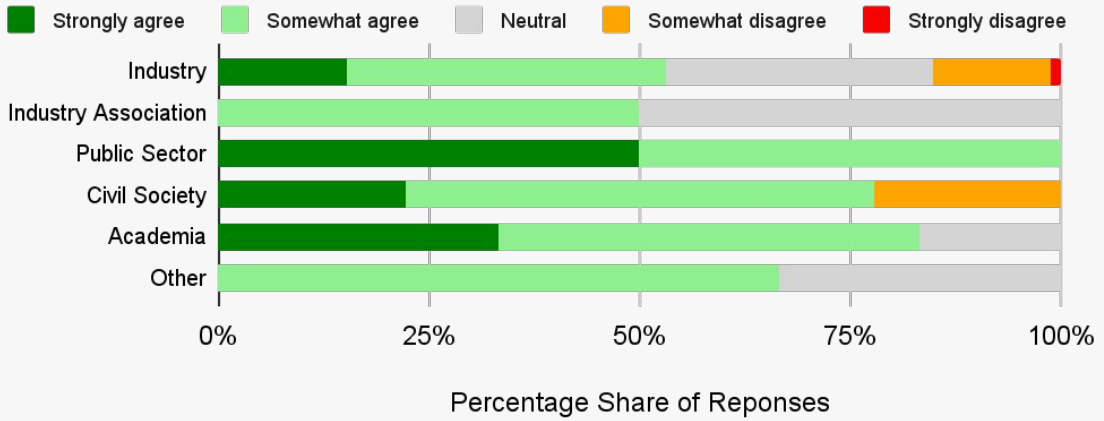
59% of respondents and at least 50% of every stakeholder type and geography agreed the Power Standard will assure the credibility of companies climate action. No Industry Association, Public Sector, or Academia stakeholders, or stakeholders in South America, Africa, or Oceania disagreed, indicating broad consensus that the Power Sector Succeeds in assuring the credibility of companies' climate action.

All Responses

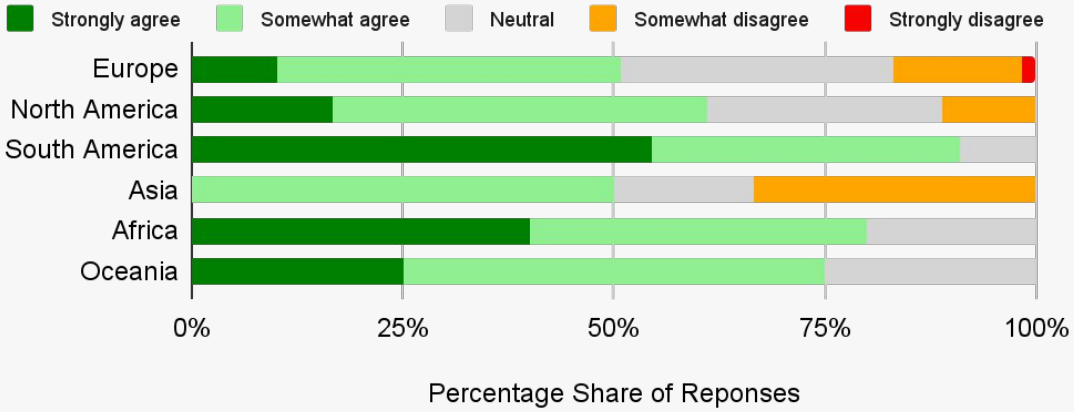


Number of responses = 103

Response by Stakeholder Type



Response by Geography



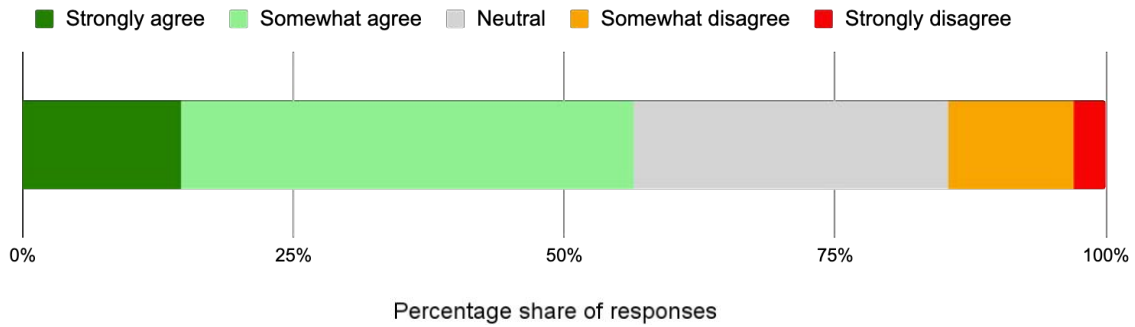
GENERAL | QUESTION 15

Q.15.5. The Power Sector Standard strives for equity and does not compromise environmental sustainability

Feedback received

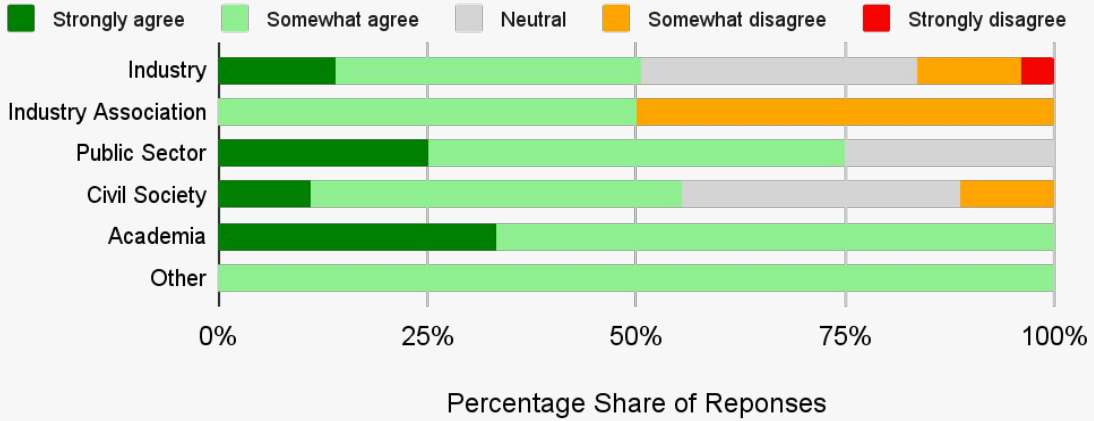
56% of respondents and over 50% of every stakeholder type and geography agreed that the Power Standard strives for equity and does not compromise environmental sustainability. Disagreement was higher among industry associations (50%) and industry (17%) than in the public sector and civil society (0%). Similarly, disagreement was higher in Oceania (25%), Europe (19%), and North America (17%) than in South America, Asia, and Africa (0%).

All Responses

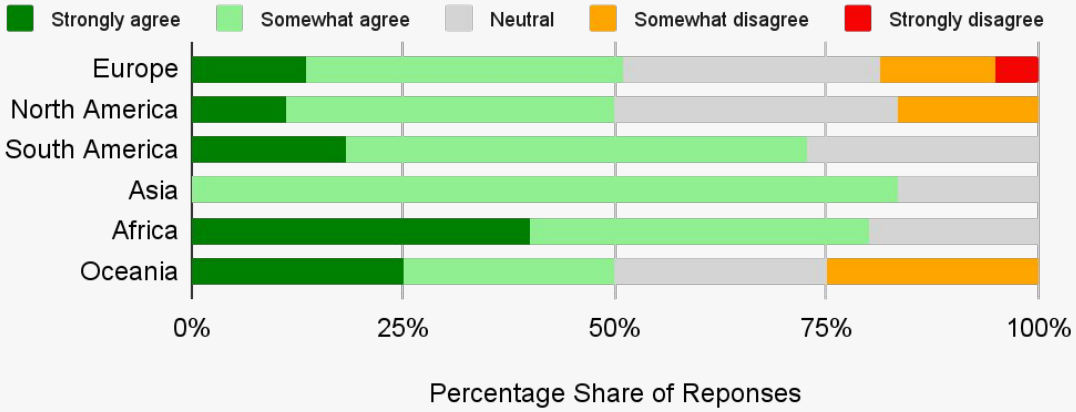


Number of responses = 103

Response by Stakeholder Type



Response by Geography



SECTION A | SCOPE

Q16. *Do you think the scope of the Power Sector standard is clearly defined?*

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

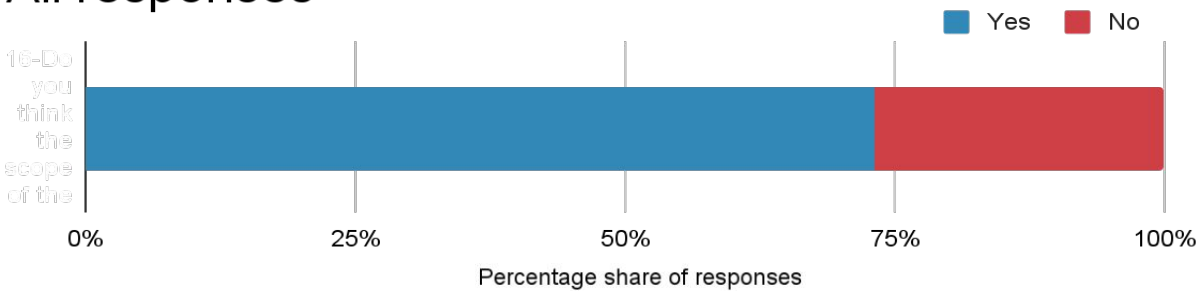
Feedback received

Overall, 73% of respondents agreed that the scope of the Power sector standard is clearly defined.

Within the 27% of the respondents that disagreed, additional feedback was provided on the need for guidance and more clarity on inclusion of specific activities such as:

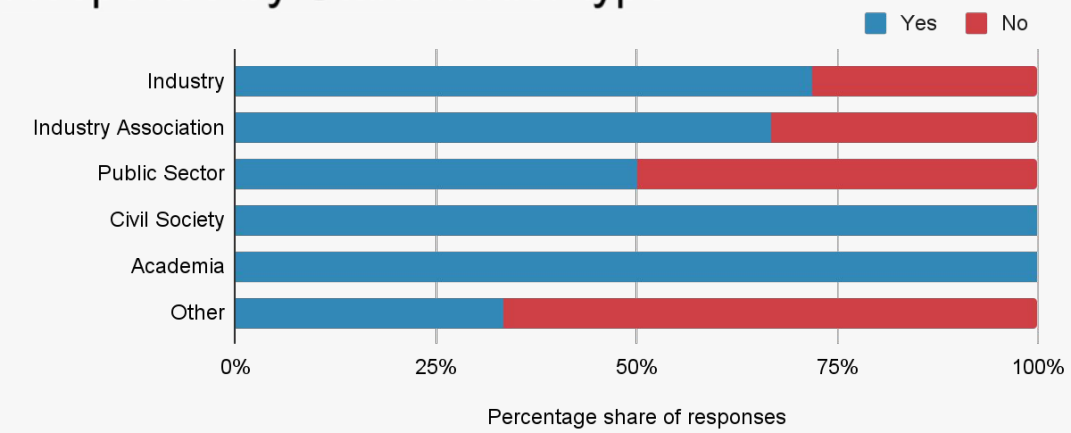
- *Heat co-generation, gas trade and retail, waste to energy technologies, biogas and biofuels, treatment of Scope 3 Categories 1&2*
- *Applicability in regulated markets*
- *Whether the applicability thresholds apply separately to each activity*

All responses

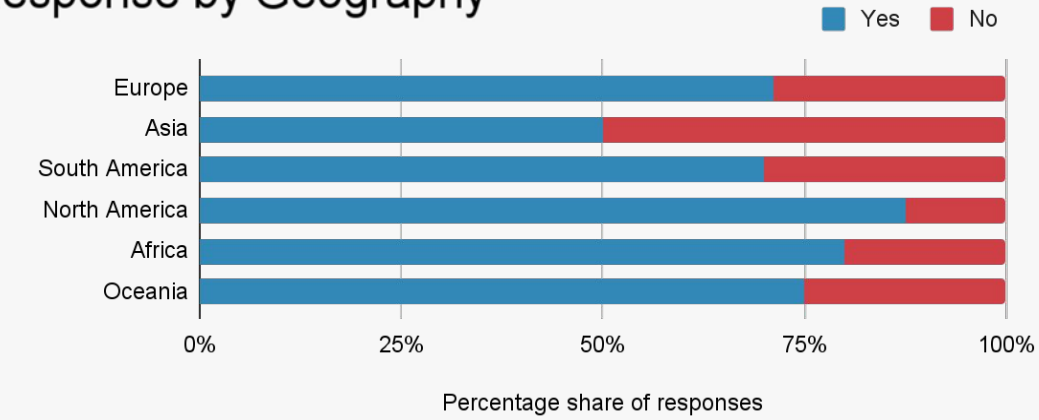


Number of responses = 93

Response by Stakeholder type



Response by Geography



SECTION A | SCOPE

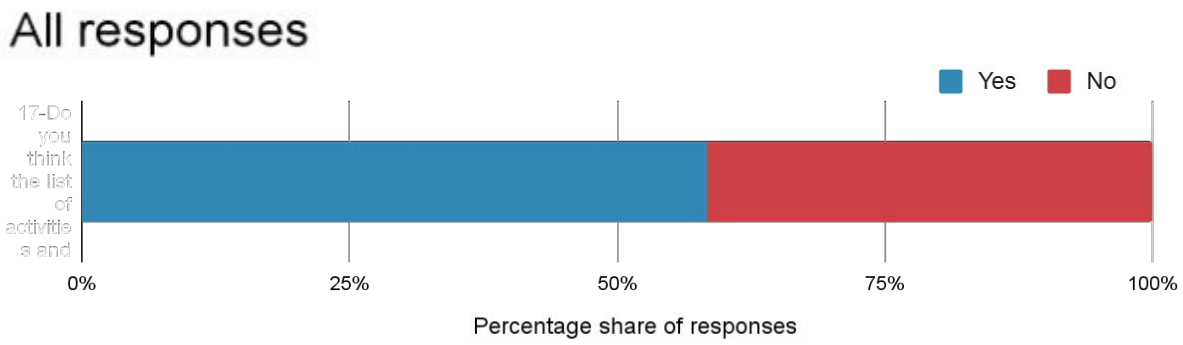
Q17. *Do you think the list of activities and emissions in scope is comprehensive and appropriate?*

Feedback received

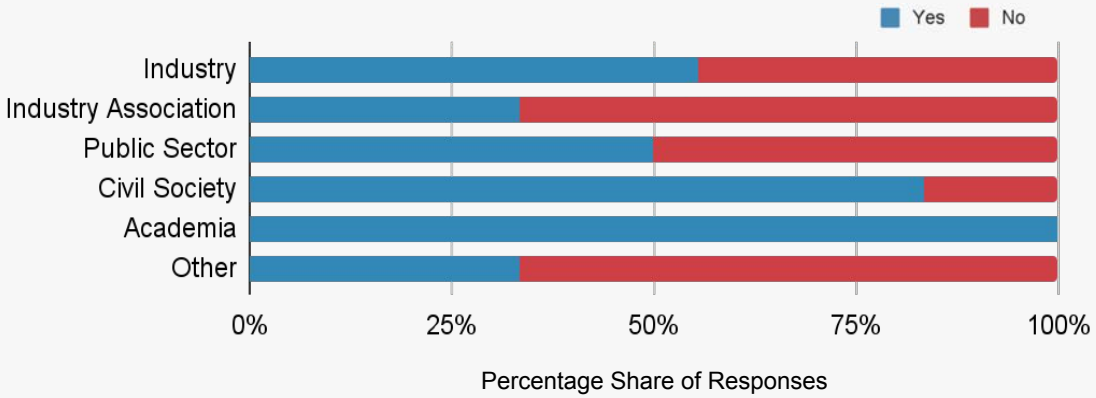
Overall, 59% of respondents agreed that the list of activities and emissions in scope are appropriate

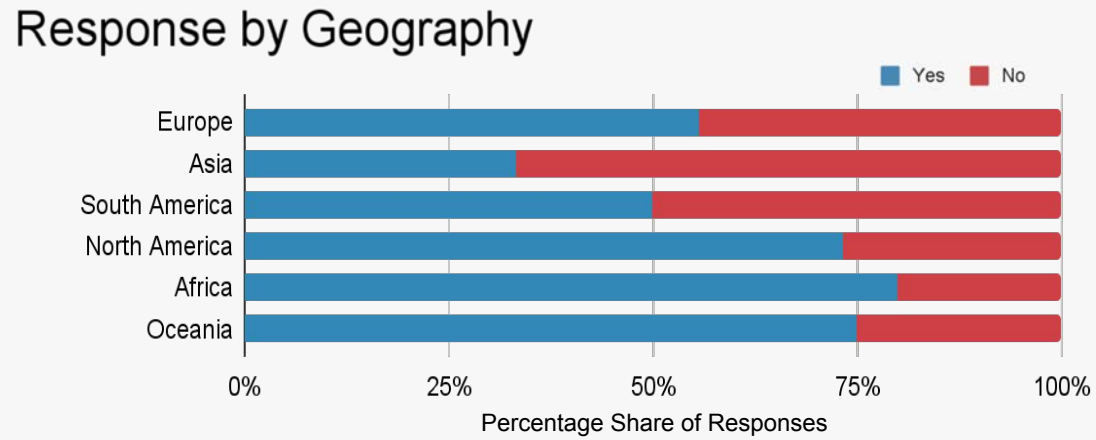
Of the 41% that disagreed, the feedback requested clarification on the following:

- *Inclusion of heat (co-)generation, biogas and biofuels*
- *Clarification on treatment of Scope 3 Categories 1&2 and Cat 3 in particular for upstream methane emissions*
- *Exclusion of losses in transmission equipment & storage*
- *Exclusion of biogenic emissions and emergency grid systems*
- *Inclusion of gas utilities*



Number of responses = 94





SECTION A | APPLICABILITY

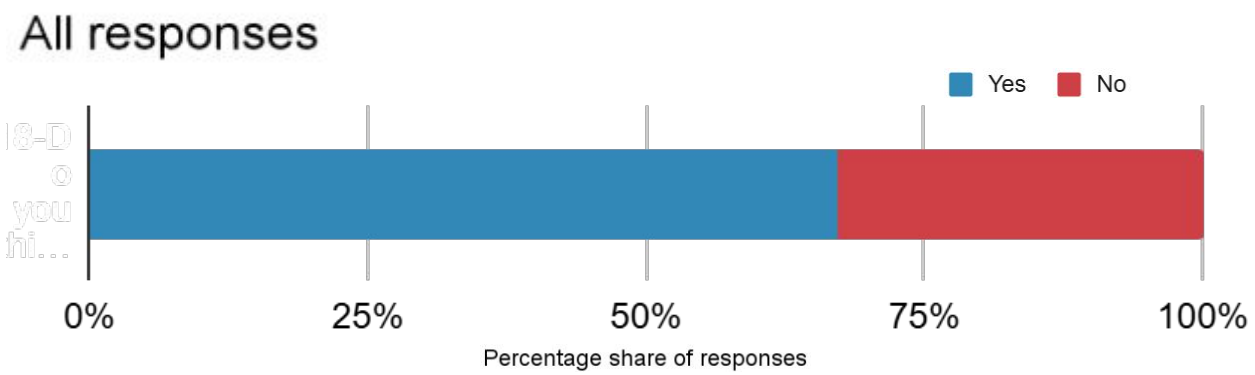
Q18. *Do you think the applicability criteria and thresholds of the standard are adequate?*

Feedback received

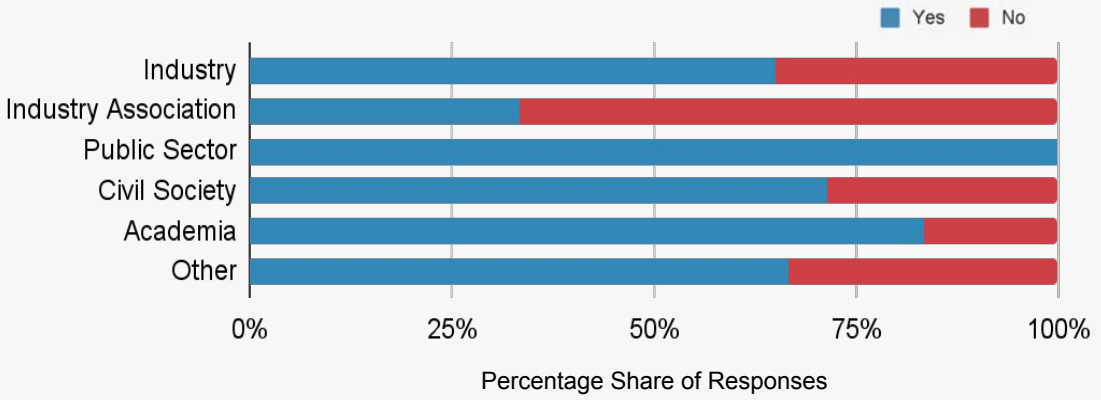
Overall, 67% of respondents agreed that the applicability criteria and thresholds of the standard are adequate.

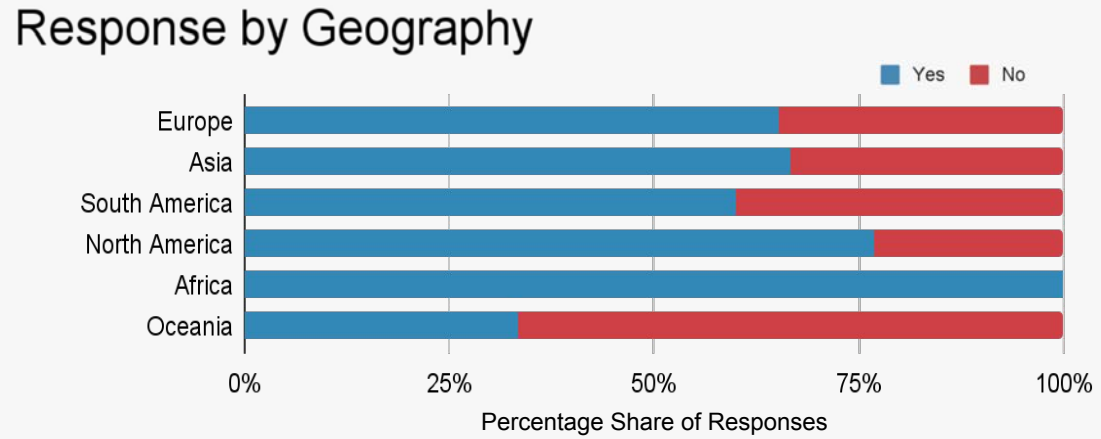
Of the 33% that disagreed, their feedback centred on the key points set out below.

- *Concern expressed at excluding small players that still contribute to decarbonisation*
- *Suggest the thresholds are too low*
- *Thresholds could be raised or made specific to activity location*
- *Further clarification, such as by including examples*



Number of responses = 86





SECTION A | APPLICABILITY

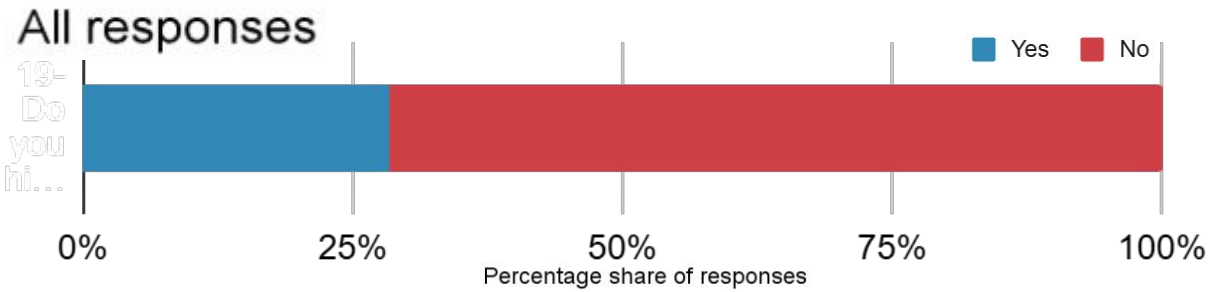
Q19. ***Do you think the absolute emission threshold (10.000 tCO2e) is too low? If yes, please explain why and suggest alternative thresholds. Feel free to include examples of companies types/structures that you believe should or should not be in scope based on these criteria.***

Feedback received

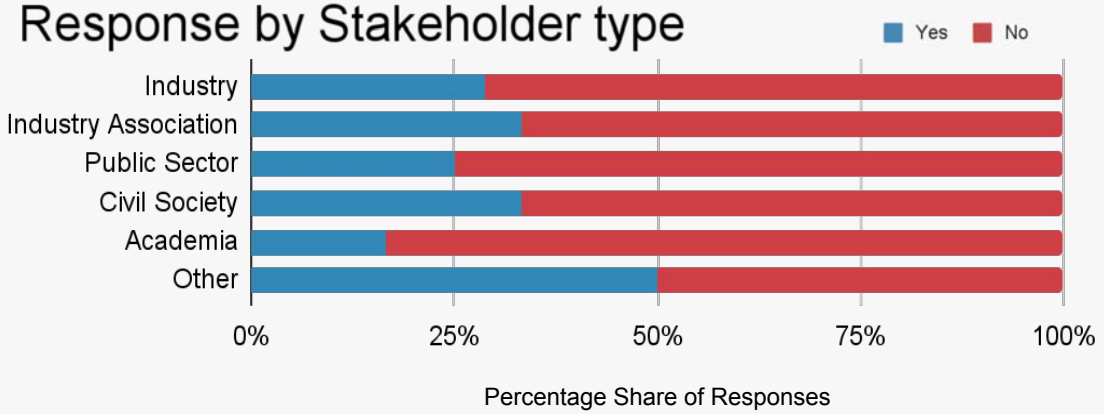
Overall, 71% of respondents disagreed that the absolute emission threshold is too low

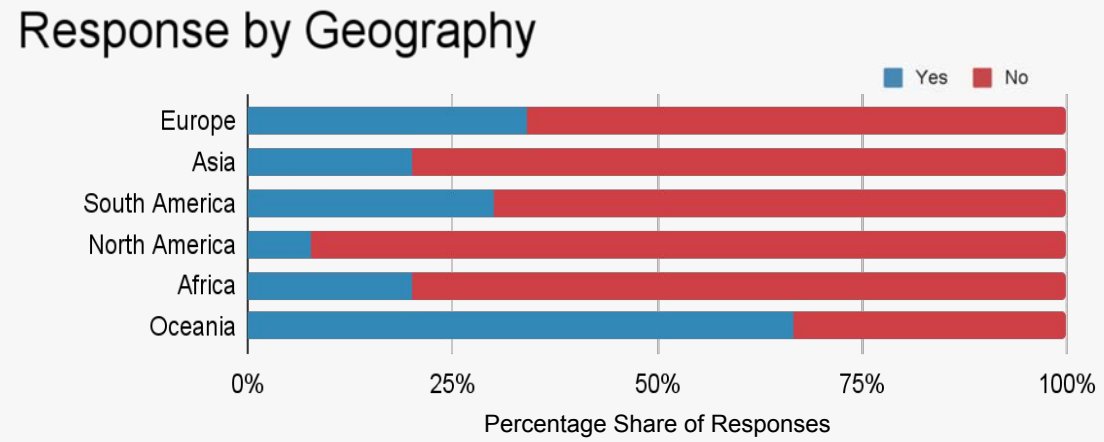
Of the 29% that agreed, their feedback centred on the key points set out below.

- *Power generation which isn't a core business shouldn't be included.*
- *Small embedded networks shouldn't be included*
- *Concern at excluding small players that still contribute*
- *The thresholds are too low (suggested values: 25,000- 1,500,000,*
- *Preference for percentage thresholds (e.g. 10% of scope 1 and 2)*
- *Little concern at 5% GHG inventory or revenue threshold*



Number of responses = 80





SECTION A | SCOPE

Q20. *Do you have any comments on the representation of activities and emissions in scope in A.5.1 and Annex C of the Standard?*

Feedback received

This question was open ended and the feedback centred on the key points set out below.

- *Many respondents stated that A.5.1 is appropriate and works well*
- *Clarification sought on scope 3 category 3 emissions and using electricity for other energy carriers, specifically what other sector standards may be relevant*
- *Request for more flexibility in carbon capture rate (80-90%), and clear calculation and verification method*
- *Request for broader definition of biomass as well as biogas, biofuel and waste fuels*
- *Request for worked examples, especially with electricity losses, leased assets, SF6, avoiding scope 1 and 2 double counting and interaction with CNZS*
- *Request that generation should also set SF6 targets*
- *The inclusion of heat generation, particularly in cases of co-generation, was requested by several respondents, which is considered to be a fundamental challenge*
- *Suggested to reference more international standards in reasonings*
- *Concern on market based methods and that current GHG protocol restricts scope 3 category 3 retail emissions*

Number of responses = 62

SECTION B | INTEROPERABILITY

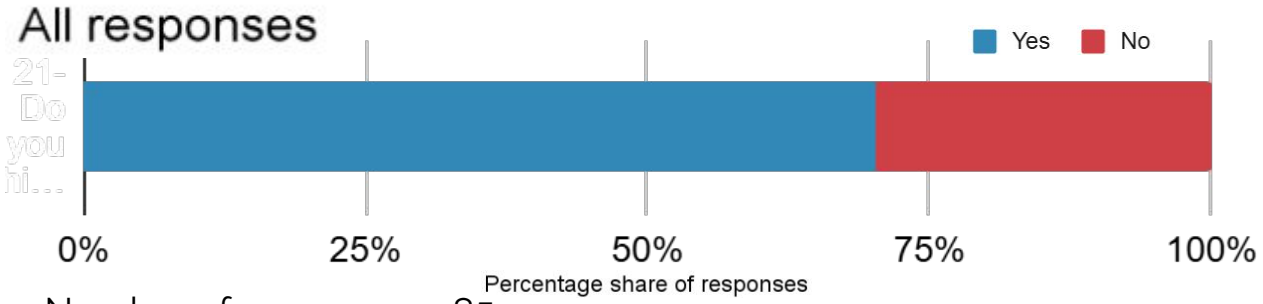
Q21. ***Do you think the way the draft Corporate Net-Zero Standard V2 criteria applicability is explained in each chapter is clear enough to enable an efficient applicability of both Standards in parallel? If not, do you have any suggestions to improve on this aspect?***

Feedback received

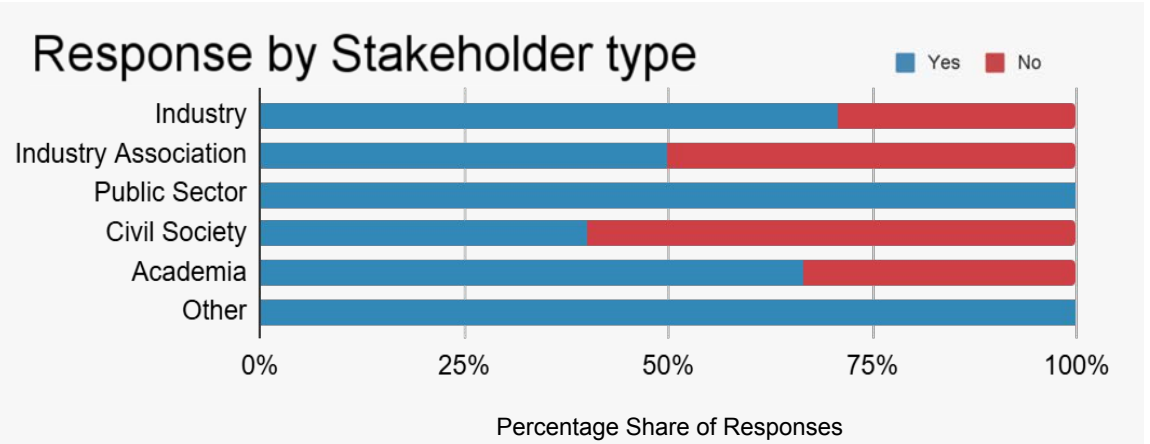
Overall, 71% of respondents agreed that the draft CNZS V2 criteria applicability is explained clearly.

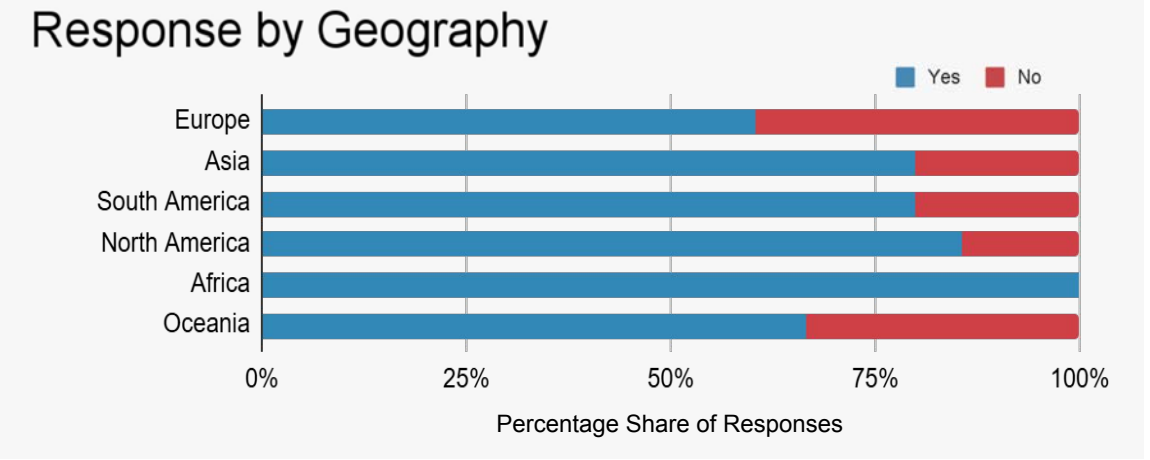
Of the 29% that disagreed, their feedback centred on the key points set out below.

- *Some respondents found the multiple cross referencing difficult*
- *Include a one page map/decision tree/applicability matrix*
- *Colour coding or symbols could be used for navigation*
- *Discrepancies found in definitions between standards for example zero carbon electricity, base year selection, recalculation triggers*



Number of responses = 85





CHAPTER 2 | DISCLOSURE REQUIREMENTS

Q22. *Are the metrics for determining performance in the base year sufficiently comprehensive and representative?*

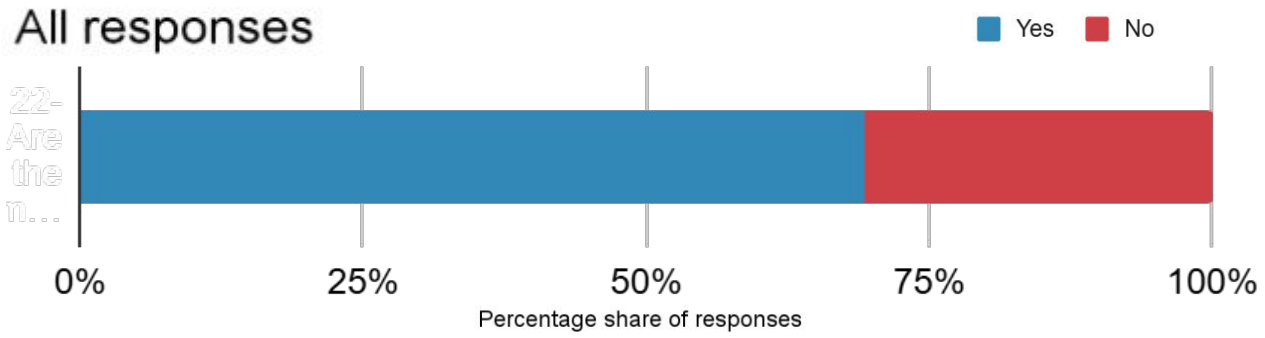
Feedback received

Number of responses = 79

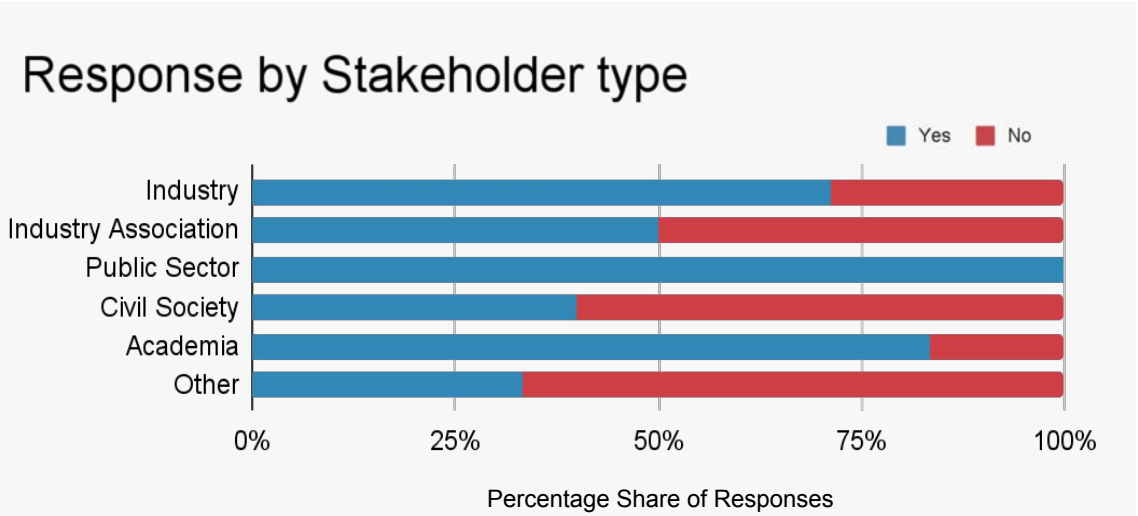
Overall, 70% of respondents agreed that the metrics for determining performance in the base year sufficiently comprehensive and representative.

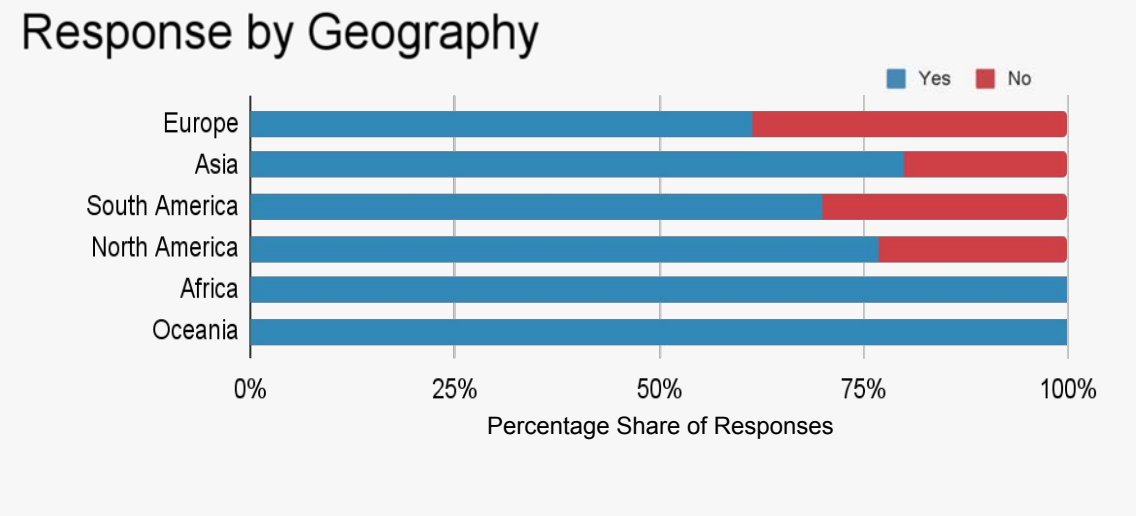
Of the 30% that disagreed, their feedback centred on the key points set out below.

- *Use CO2e in all metrics*
- *Reduce to core metrics due to difficulty to source data*
- *Reducing losses when greater renewables increases losses*
- *Include embodied emissions, temporary generation (T&D) and fugitive methane emissions*
- *Provide further granularity and definitions in technology mixes*



Number of responses = 79





CHAPTER 2 | TECHNOLOGY SHARE METRICS

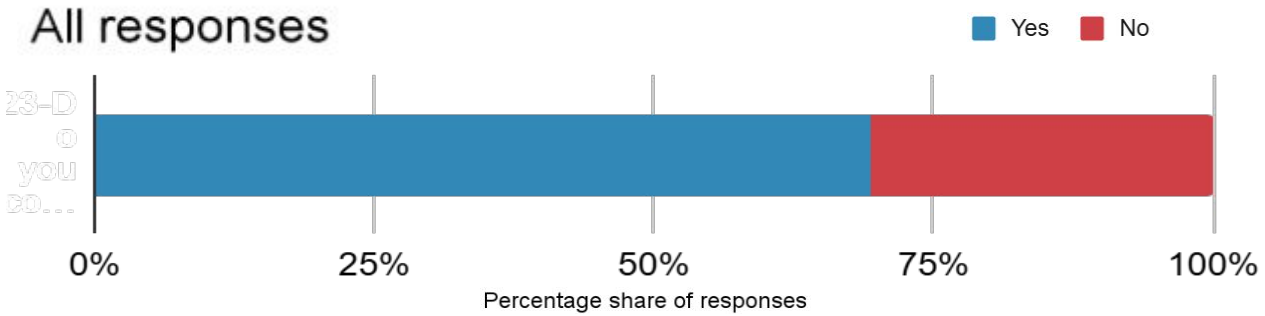
Q23. *Do you consider the metrics on the technology share useful indicators to assess performance of companies with power generation activities?*

Feedback received

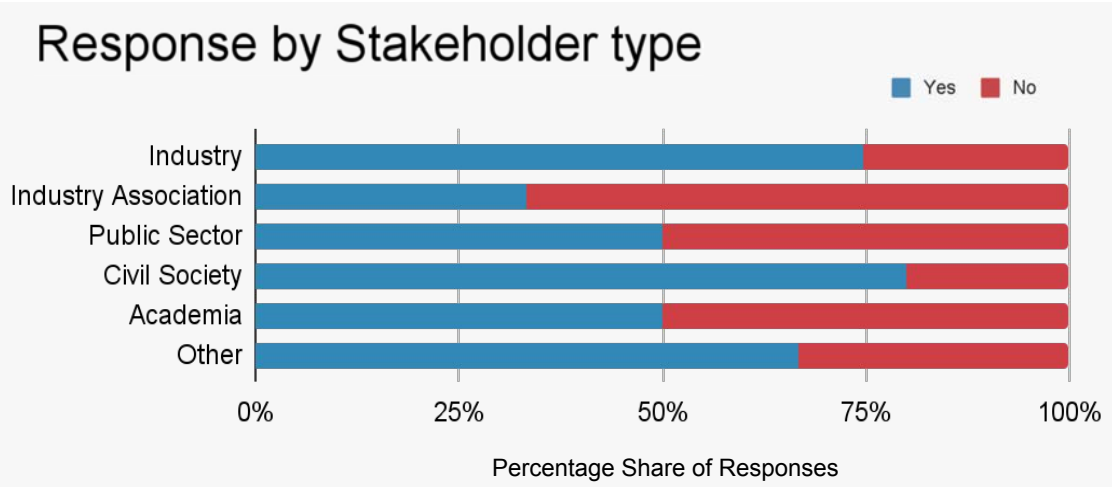
Overall, 70% of respondents agreed that the metrics on the technology share are useful

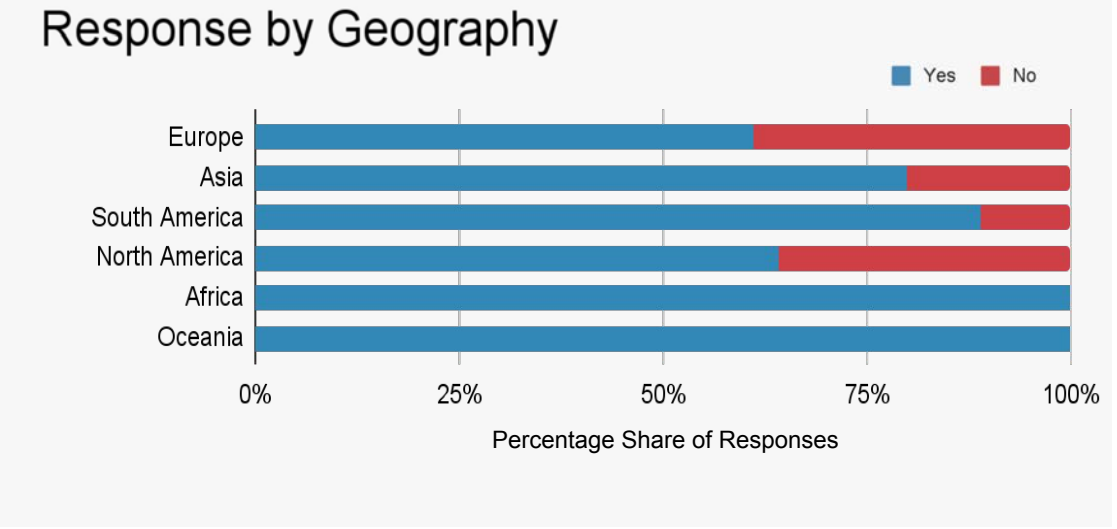
Of the 30% that disagreed, their feedback centred on the key points set out below.

- *More flexibility on CCS, for example 90% capture rate*
- *More granular definitions on: Geothermal power, sustainably sourced biomass, biogas/biofuels, CHP*
- *Exclude technology share, just use emission-based metrics*
- *Concern on the use of PPAs and certificates which may not drive new capacity, with further clarity sought*
- *Suggestion to simplify to only renewable energy share*



Number of responses = 76





CHAPTER 2 | TECHNOLOGY SHARE METRICS

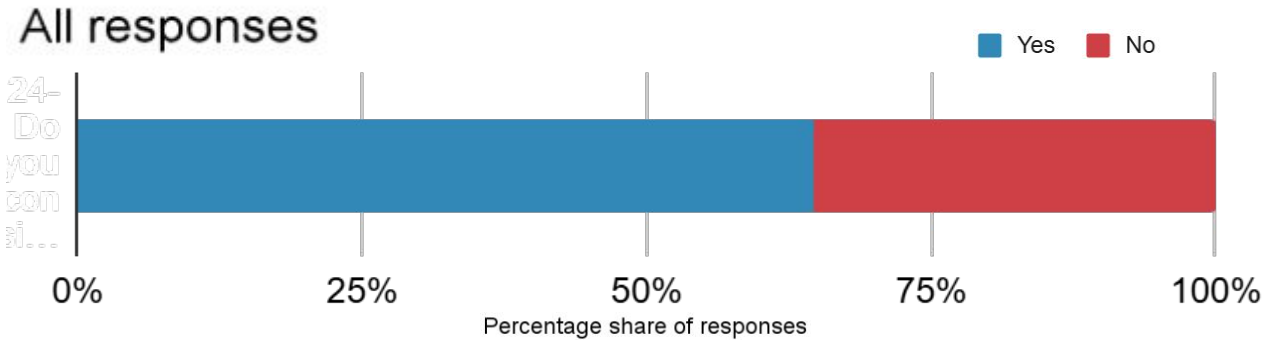
Q24. ***Do you consider the metrics on the technology share of electricity purchased and resold useful indicators to assess performance of companies with trade and retail activities?***

Feedback received

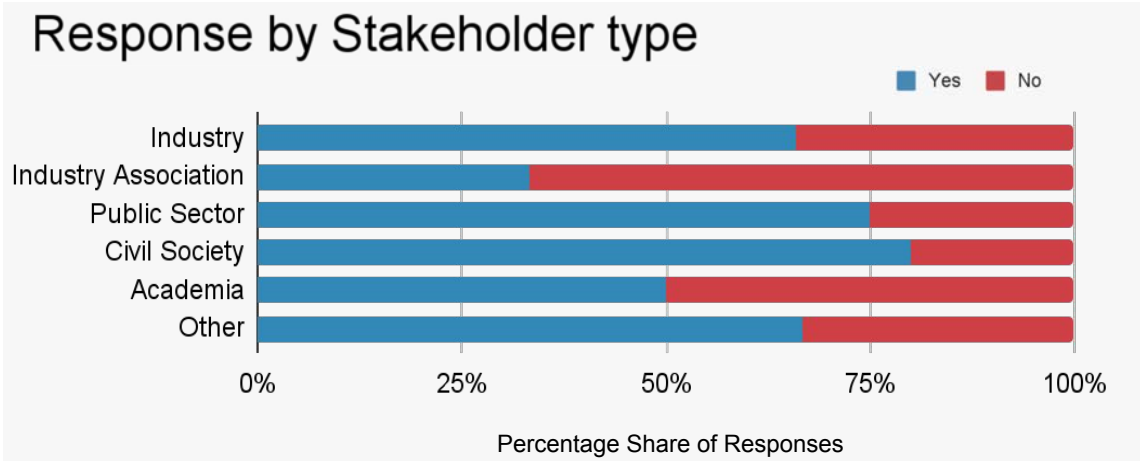
Overall, 65% of respondents agreed that the technology share metrics are useful for trade and retail activities

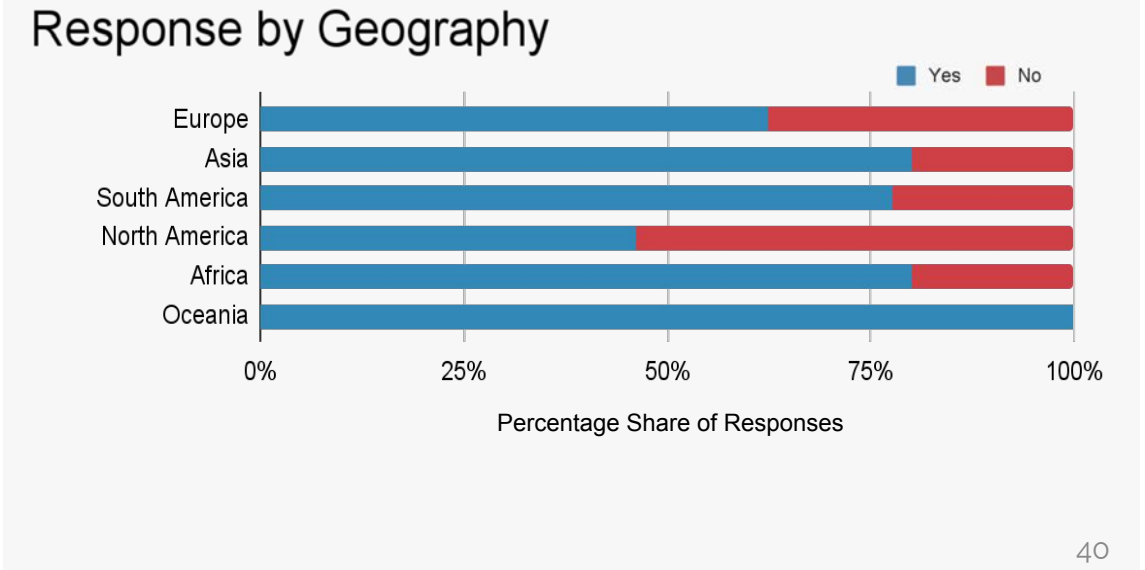
Of the 35% that disagreed, their feedback centred on the key points set out below.

- *More flexibility on CCS, for example 90% capture rate*
- *Exclude technology share, just use emission-based metrics*
- *Concern on the use of PPAs and certificates which may not drive new capacity and need to be transparently disclosed, with further clarity sought*
- *Concern on data availability*



Number of responses = 74





CHAPTER 2 | TECHNOLOGY SHARE METRICS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

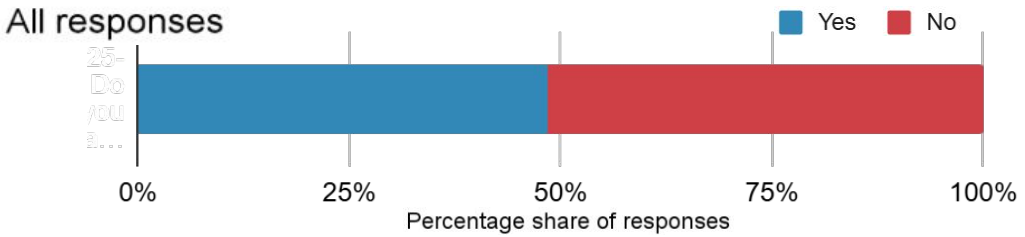
Q25. ***Do you agree with the application of the technology share metrics with current binary categorization into low-carbon and unabated fossil fuel power generation technology? If not, would you suggest adding further granularity to the metrics?***

Feedback received

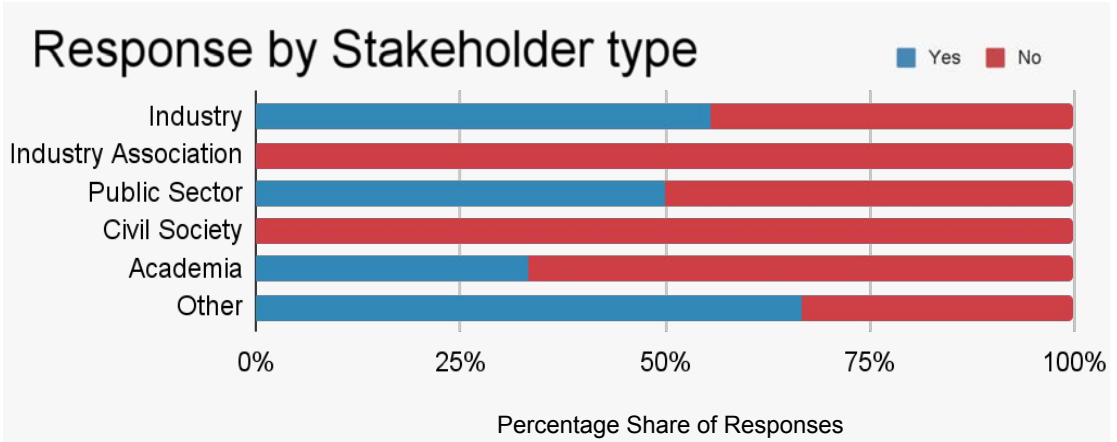
Overall, 49% *of respondents agreed that the technology share categorisation is suitable*

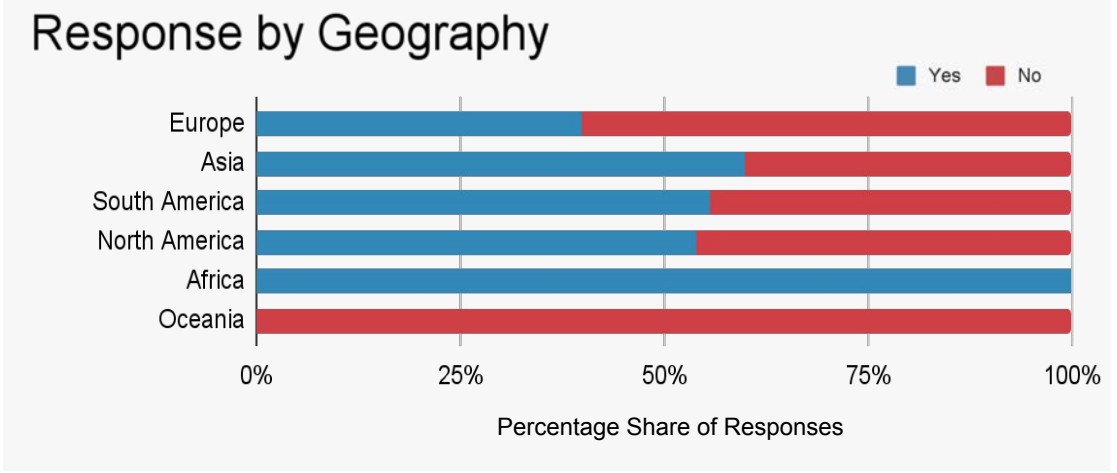
Of the 51% that disagreed, their feedback centred on the key points set out below.

- *More flexibility on CCS, for example 90% capture rate.*
- *Include a continuous scale for CCS abatement*
- *Abated technologies as a third category*
- *Split out different unabated fossil fuels as in phase out timelines,*
- *Differentiate dispatchable vs non-dispatchable renewables*
- *Leave renewables more open to future technologies*
- *Just use emission-based metrics*
- *Clarification on biomass sustainability credentials required*
- *Concern on the use of PPAs and certificates*



Number of responses = 74





SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

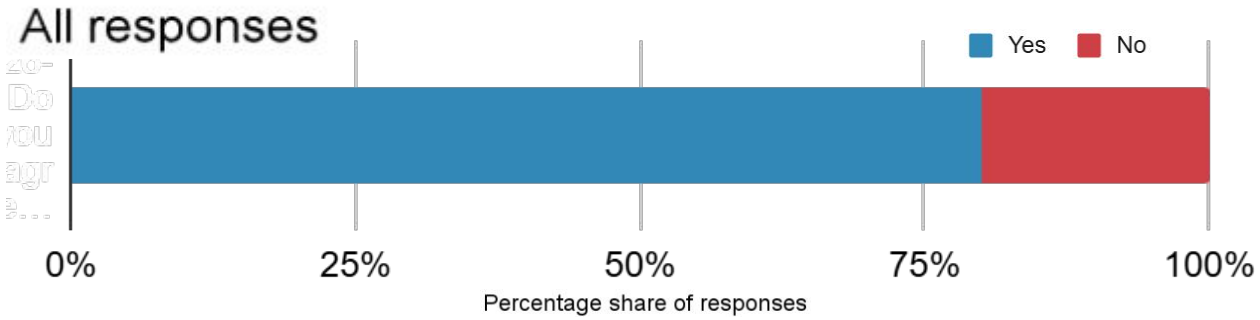
Q26. *Do you agree with providing different options for setting targets in the interim years other than emission intensity reduction?*

Feedback received

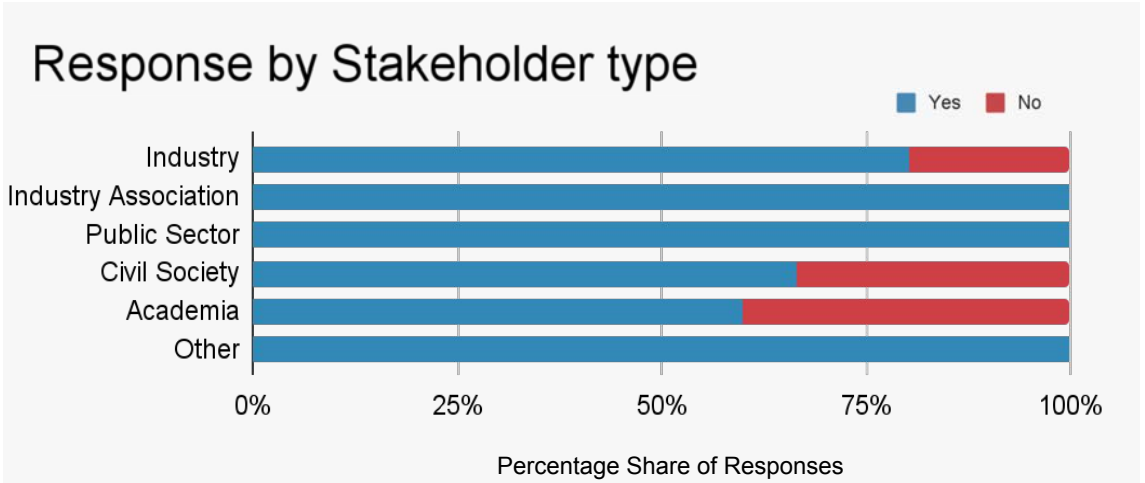
Overall, 80% of respondents agreed with providing different options

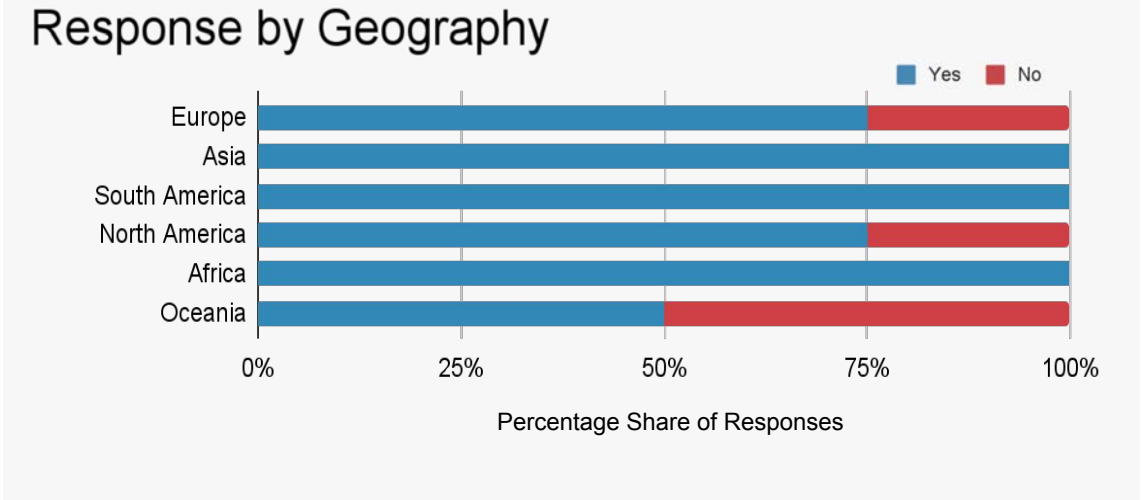
Of the 20% that disagreed, their feedback centred on these points:

- *Just use emission based metrics*
- *Keep the mandatory 2030 coal phase out for OECD countries,*
- *Keep bans on new fossil fuel investments, and caps on absolute emissions*
- *Concern that interim targets won't reflect non linear trajectories*
- *Clarity requested on near-term vs interim targets,*
- *Avoid duplication to existing validated targets and*
- *Clarify how optional and mandatory metrics interact*



Number of responses = 76





CHAPTER 3 | NEAR TERM TARGET SETTING

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

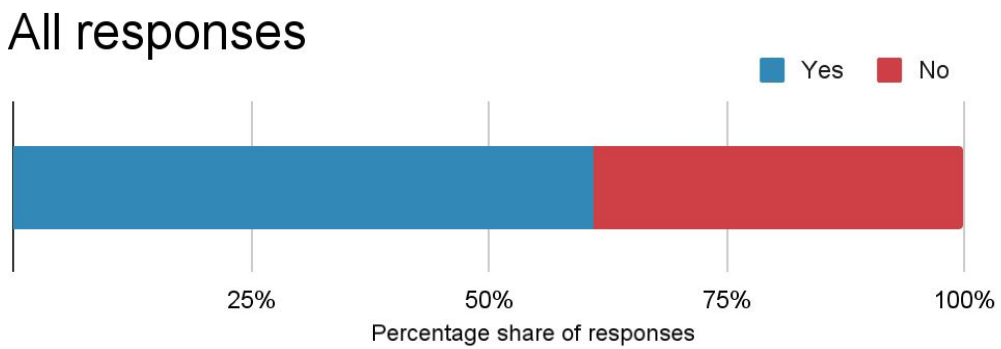
Q27. *Do you think an asset plan as defined in criterion PS-C4 could also be used as an alternative to the near-term target options defined in sub-criteria 3.2.1 and 3.2.2?*

Feedback received

Overall, 61% of respondents agreed that an asset plan can be used as a near-term target option

Of the 39% that disagreed, their feedback centred on the key points set out below.

- *The asset plan can't be used as an alternative to emissions targets, but could be an optional extra*
- *Asset plans are too difficult to create due to possibly confidential data, and limiting flexibility in achieving emission reductions*
- *An asset plan is out of scope for SBTi*
- *Gas phase out is not possible by 2035 due to system security*



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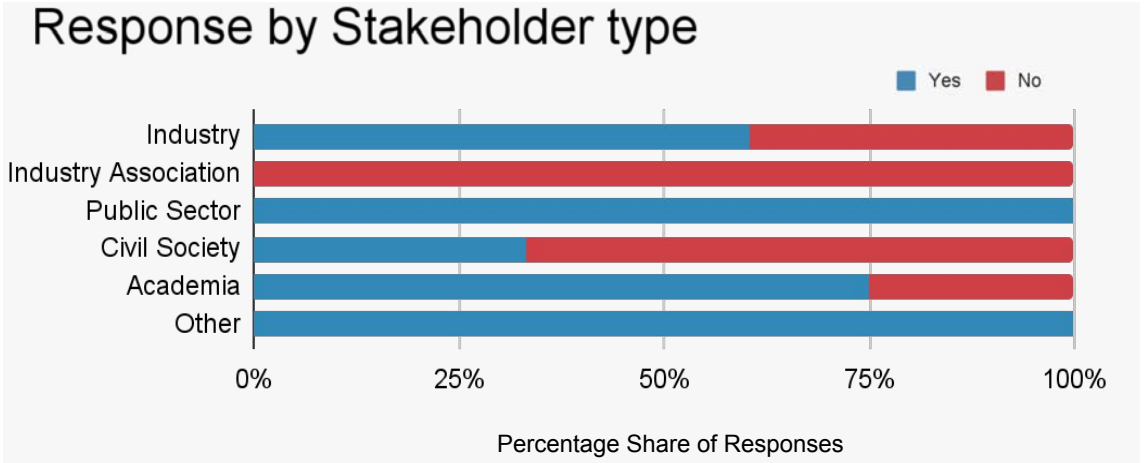
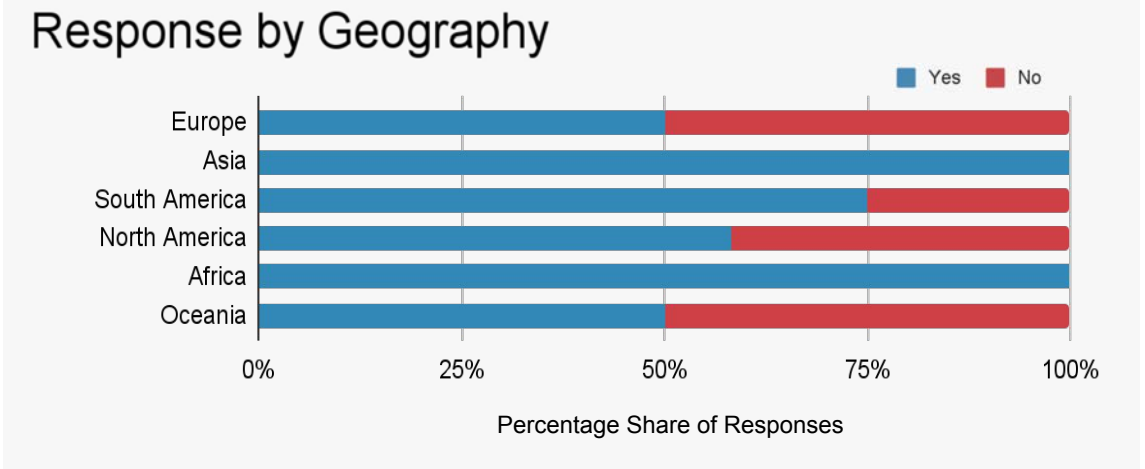




CHAPTER 3 | SDA METHOD MODIFICATION

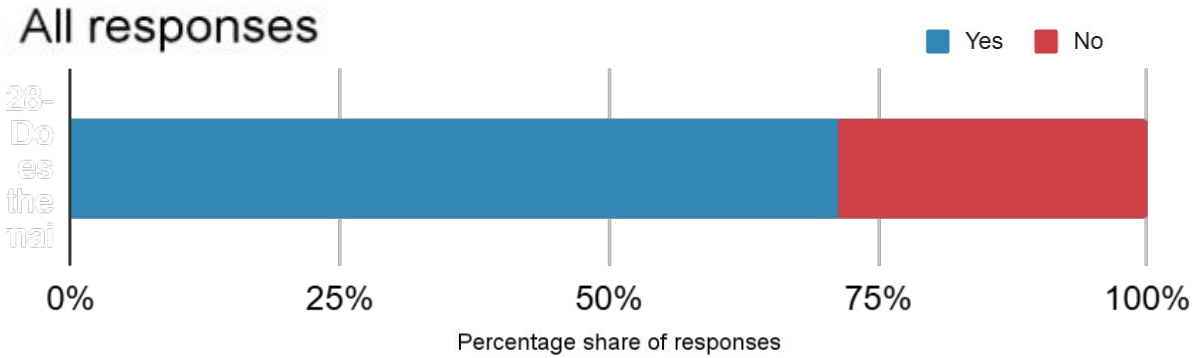
Q28. *Does the maintenance method suitably address the need for 100% renewables/low carbon power companies to have achievable targets?*

Feedback received

Overall, 71% of respondents agreed that the maintenance method addresses achievable targets for low carbon power companies

Of the 29% that disagreed, their feedback centred on the key points set out below.

- *Clarification on: biogas, biomethane, biomass from waste stocks*
- *How the method works and how it should be reported/validated*
- *The threshold is too low, and that few companies could qualify*
- *Make adjustments based on a company's past efforts*
- *Circularity/lifecycle of assets will be ignored*
- *The maintenance method shouldn't exempt the company from contributing to wider decarbonisation efforts*



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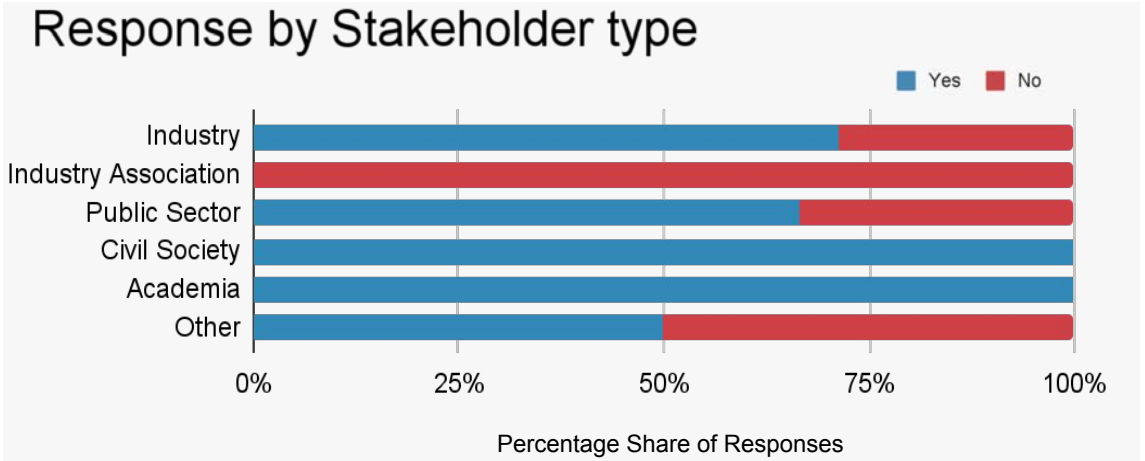
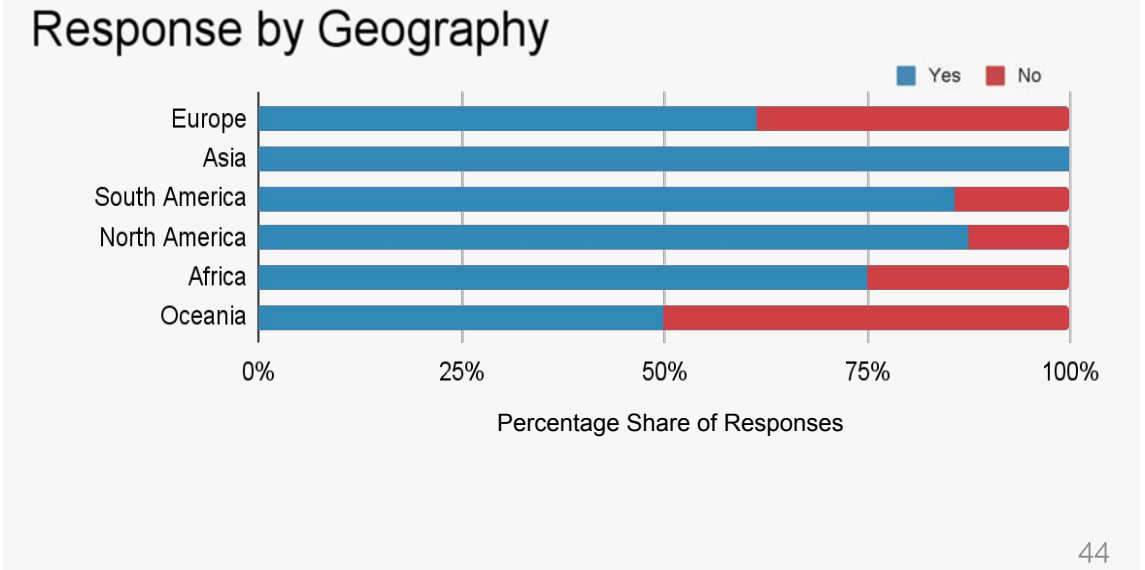




CHAPTER 3 | SDA METHOD MODIFICATION

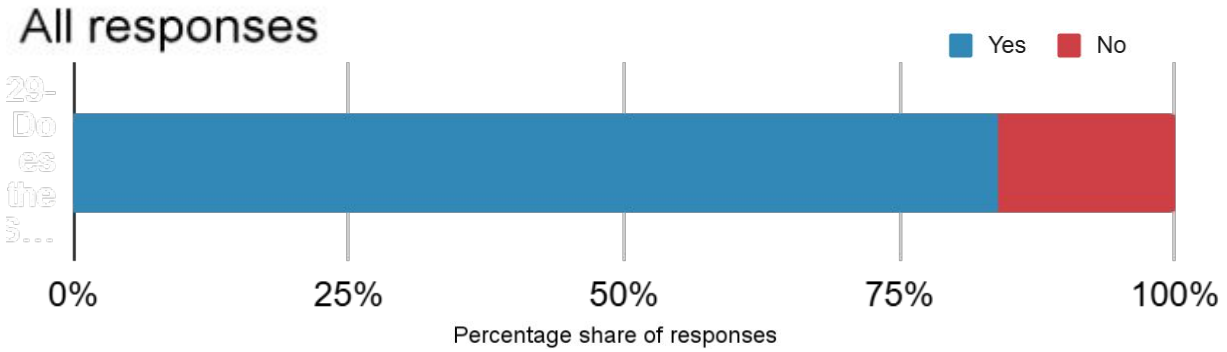
Q29. ***Does the SDA linear convergence adjustment suitably address the need for highly (but not fully) decarbonized power generation companies to have achievable targets, while maintaining the fundamental principles of the SDA?***

Feedback received

Overall, 84% of respondents agreed that the adjustment is suitable for highly decarbonised companies

Of the 16% that disagreed, their feedback centred on these points:

- *Use absolute values instead of percentage reductions*
- *The threshold is too low, and that few companies could qualify*
- *Make adjustments based on a company's past efforts*
- *The pathway should be stuck to with no flexibility given by this method*
- *Concerns that circularity/lifecycle of assets will be ignored*



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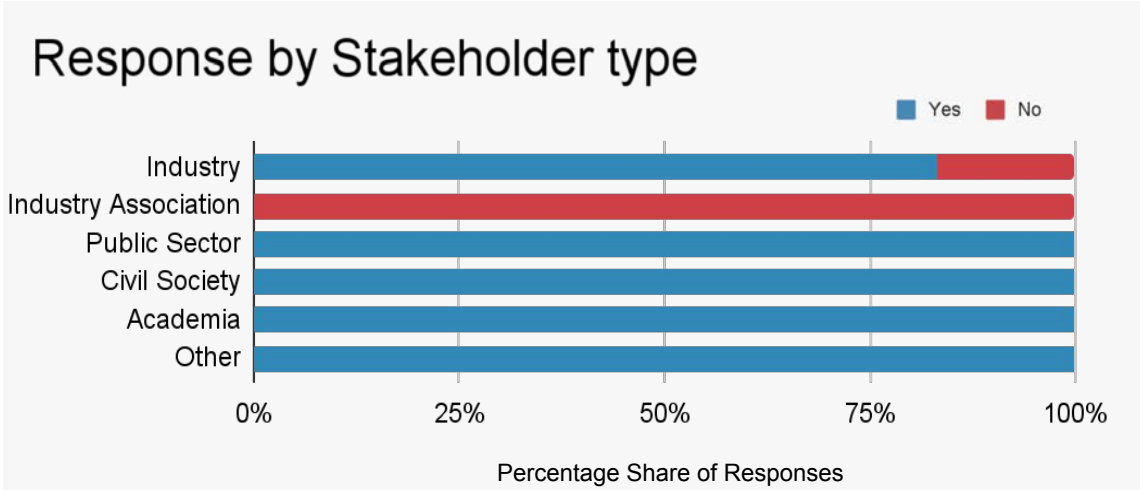
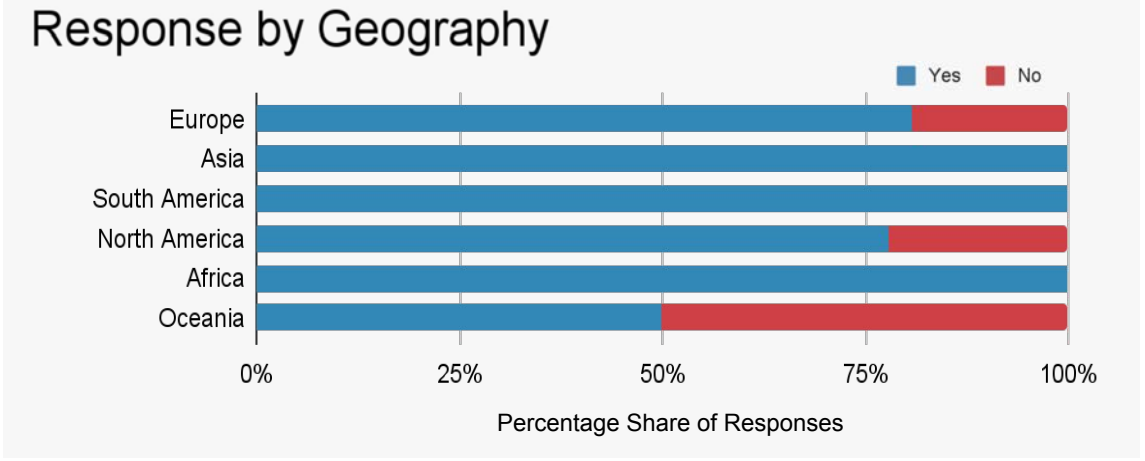




CHAPTER 3 | SDA METHOD MODIFICATION

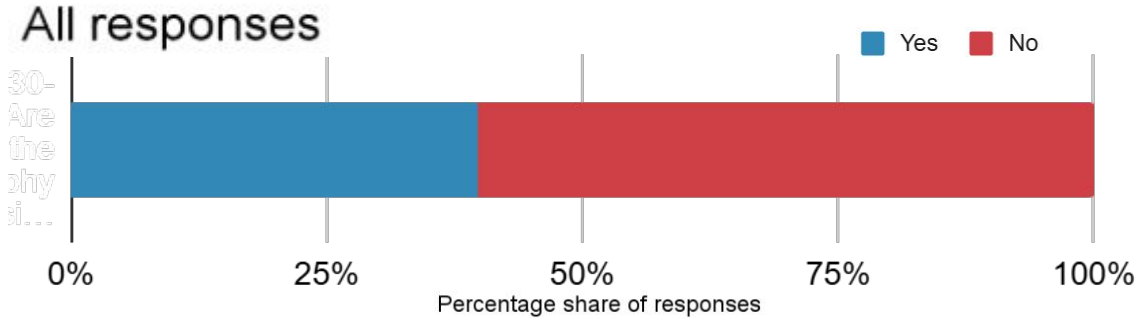
Q30. ***Are the physical intensity values in the low intensity threshold too low to serve the intended purpose, i.e., would power generation companies with physical intensity above the threshold still struggle to achieve near-term SDA targets?***

Feedback received

Overall, 40% of respondents agreed that the low intensity threshold is too low

Of the 60% that disagreed, their feedback centred on the key points set out below.

- *The values are too low due to operational realities*
- *Higher threshold (e.g. 0.35tCO2e/MWh, or 50gCO2e/MWh by 2030, or align with maximum renewable intensity),*
- *Region specific adjustments, or technology differentiated ranges*
- *Example calculations and explanation of how the threshold was derived*



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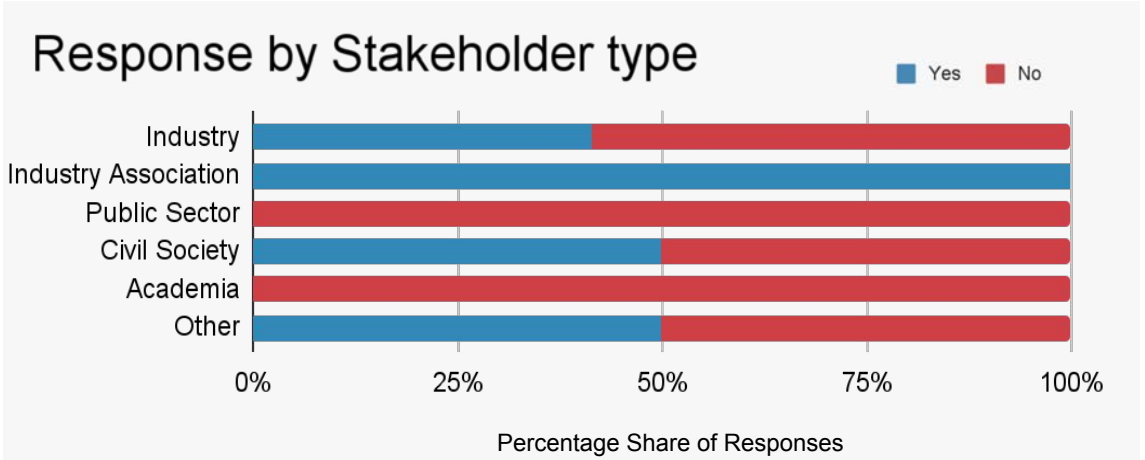
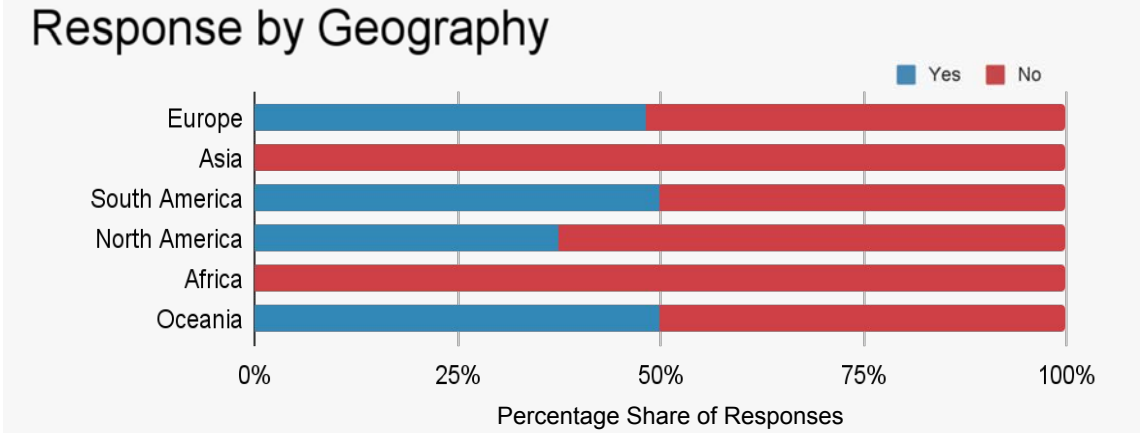




CHAPTER 3 | SDA METHOD MODIFICATION

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

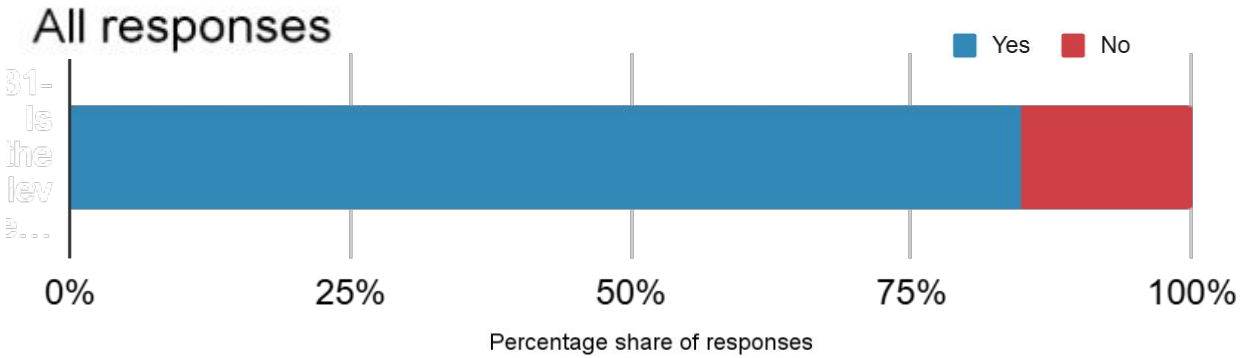
Q31. ***Is the level of accuracy required to calculate the intensity values in the threshold realistic for most power generation companies? If not, what is a reasonable level of accuracy that most companies are able to achieve?***

Feedback received

Overall, 85% of respondents agreed that the level of accuracy required to calculate intensity values

Of the 15% that disagreed, their feedback centred on the key points set out below.

- *The level is higher than expected in the hydropower sector*
- *Due to calculation uncertainties, add a 5-10% tolerance range*
- *If a company can't meet the accuracy they instead follow an intermediate threshold of 0.004tCO2e/MWh*



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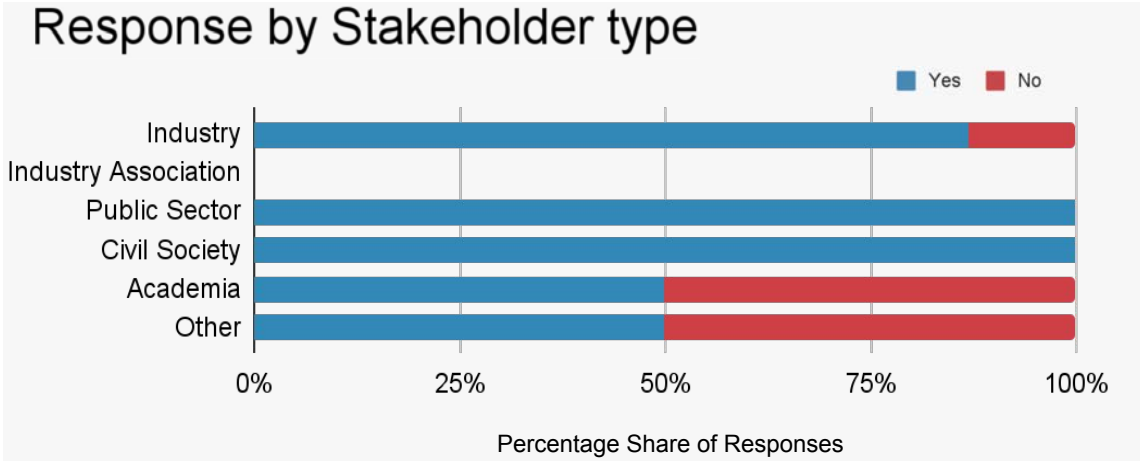
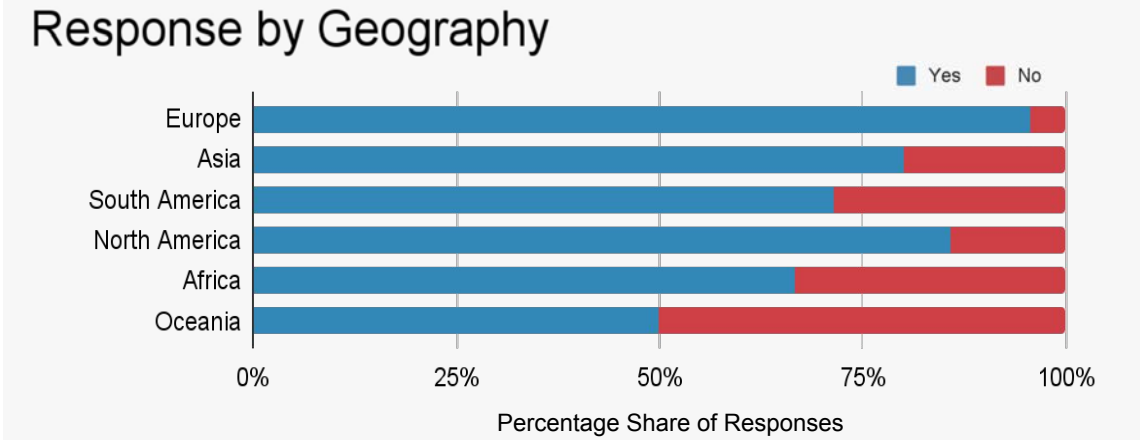




CHAPTER 3 |NEAR TERM TARGET SETTING

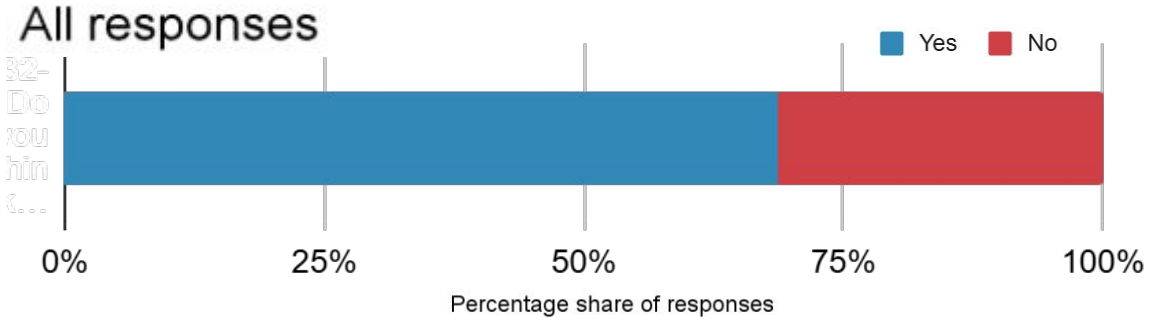
Q32. *Do you think the low-carbon technology share is an appropriate alternative for emission intensity reduction targets for the interim target years?*

Feedback received

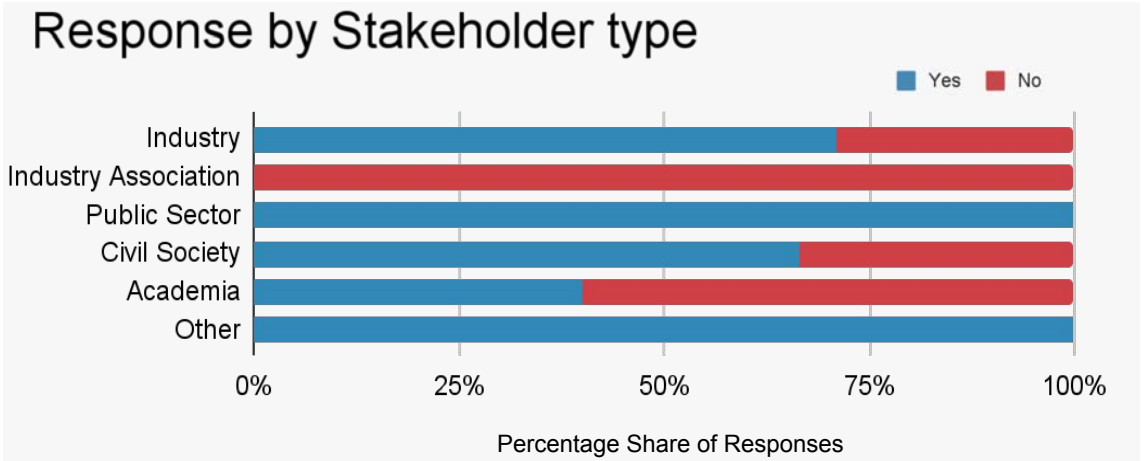
Overall, 69% of respondents agree with the use of TSC as an alternative for near-term targets

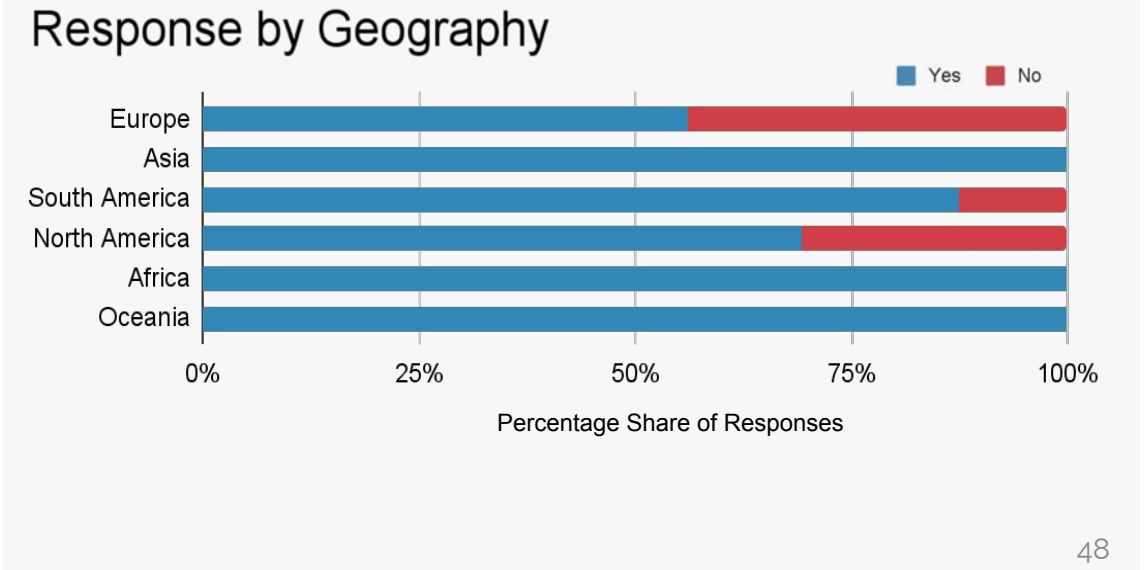
Of the 31% that disagreed, their feedback centred on these points:

- *The basis for differentiation should be lifecycle emissions*
- *The method should incentivize near-term decarbonisation, such as blending and partial CCS*
- *Treatment of CHP requires clarification*
- *Abated fossil fuels should be disclosed separately*
- *Biomass and BECCS should be removed from the low-carbon*
- *Leave definitions open to include future technologies*
- *Clarify the role of market mechanisms*



Number of responses = 74





CHAPTER 3 |NEAR TERM TARGET SETTING

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

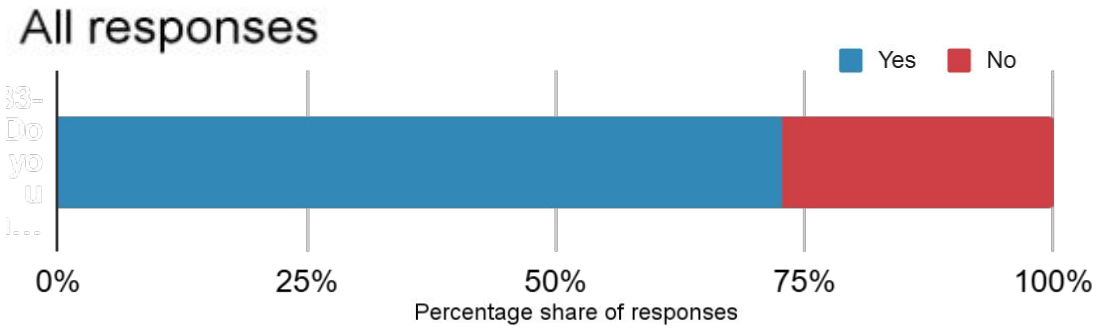
Q33. *Do you agree with proposed differentiation in technology share between low carbon and unabated fossil fuel power generation?*

Feedback received

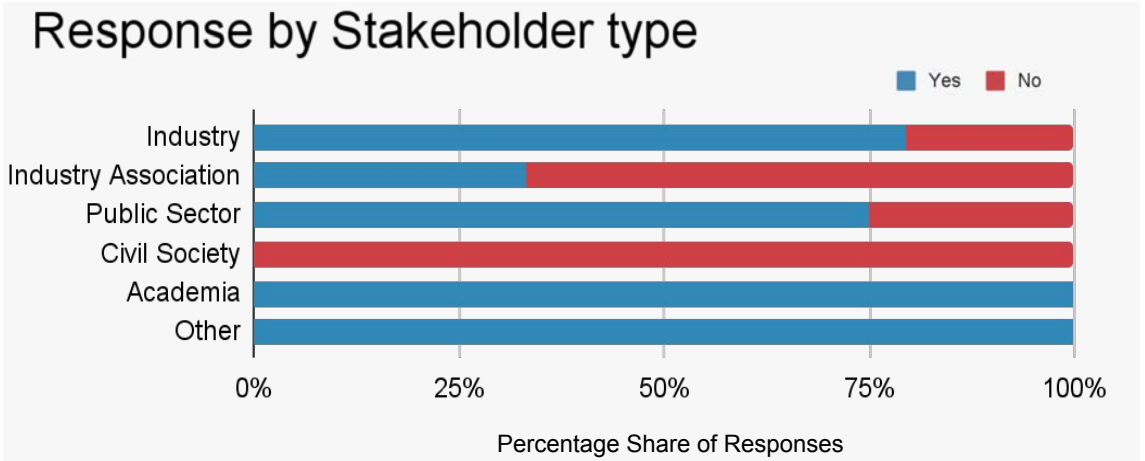
Overall, 73% of respondents agree with the proposed differentiation

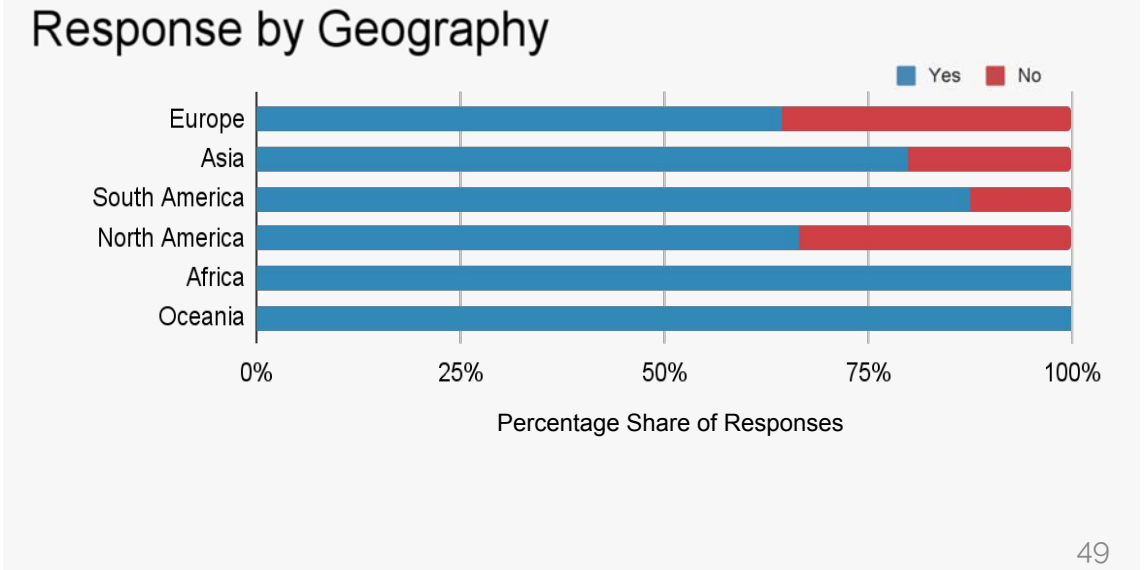
Of the 27% that disagreed, their feedback centred on the key points set out below.

- *The basis for differentiation should be lifecycle emissions*
- *The method should incentivize near-term decarbonisation, such as blending and partial CCS*
- *Treatment of CHP requires clarification*
- *Abated fossil fuels should be disclosed separately*
- *Biomass and BECCS should be removed from the low-carbon*
- *Leave definitions open to include future technologies*
- *Clarify the role of market mechanisms*



Number of responses = 63





CHAPTER 3 |NEAR TERM TARGET SETTING

Q34. *Would you prefer additional granularity in the technology share metrics to further distinguish between power generation technologies?*

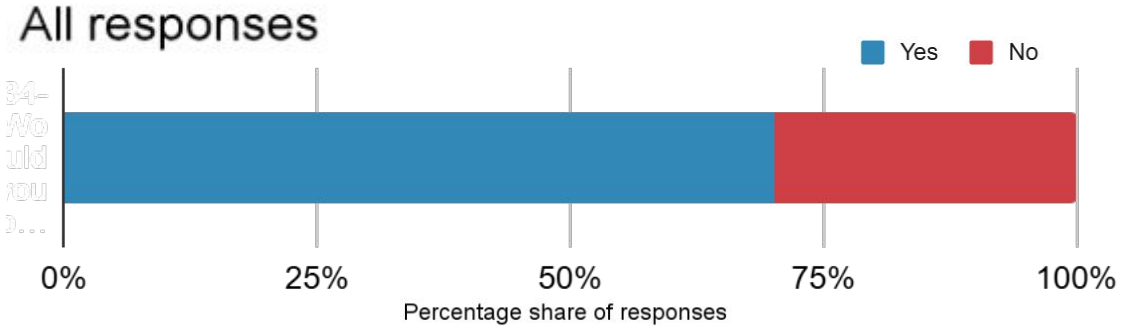
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

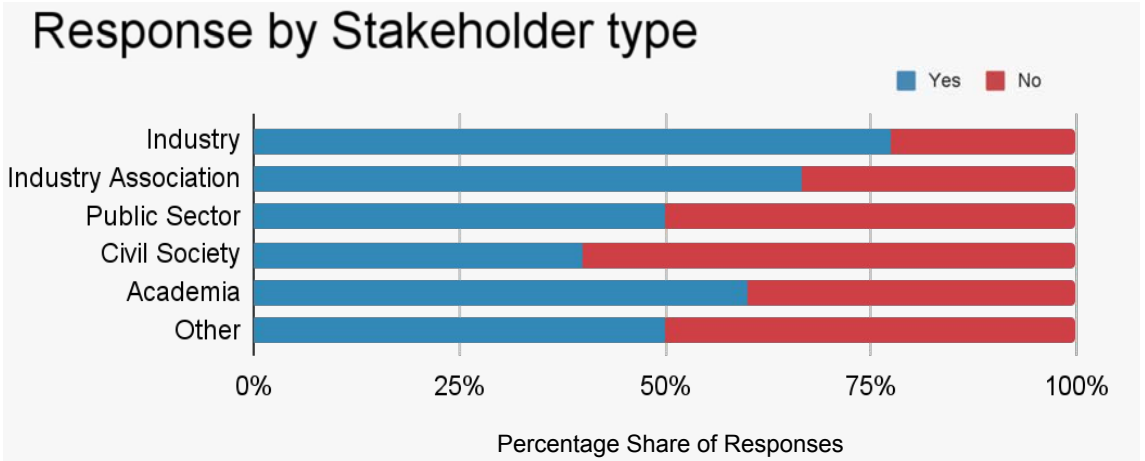
Overall, 71% of respondents would prefer additional granularity

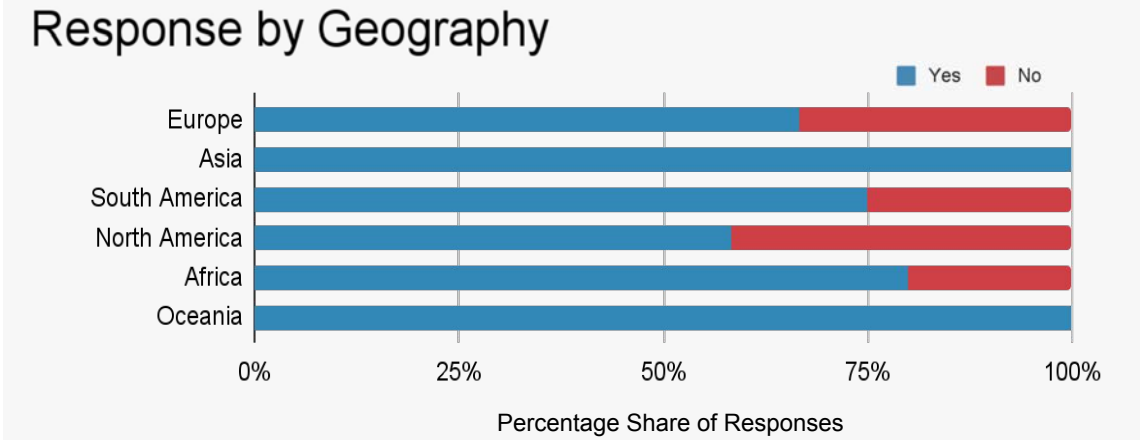
Of the 29% that disagreed, feedback covered these points:

- *The metric needs to remain technology-agnostic*
- *The method should be grounded in lifecycle emissions*
- *The prescriptive and complex nature of more granular approach*
- *SBTi should use only emissions metrics*
- *Does not account for performance variability within technologies*
- *Gas should be a transition fuel, separating it from high-carbon*
- *The share of dispatchable capacity should be included*
- *Clarify treatment of fossil fuel derivatives, such as hydrogen*
- *Renewables should be separated from low-carbon generation*



Number of responses = 68



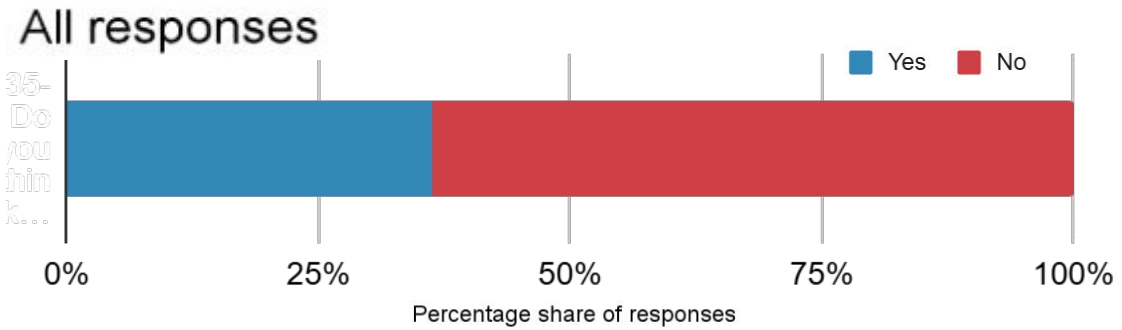


CHAPTER 3 |NEAR TERM TARGET SETTING

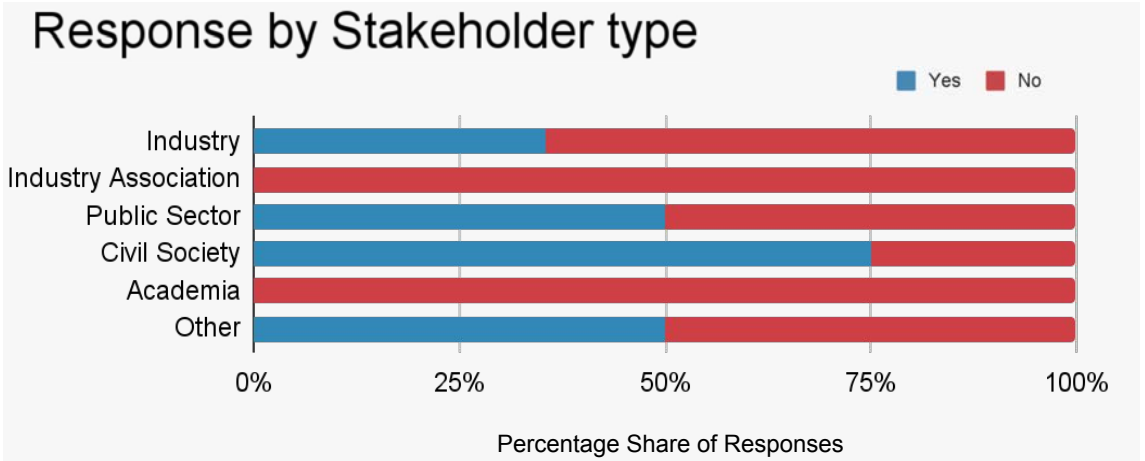
Q35. ***Do you think the low carbon generation target should follow a different method and trajectory (e.g., linear)?***

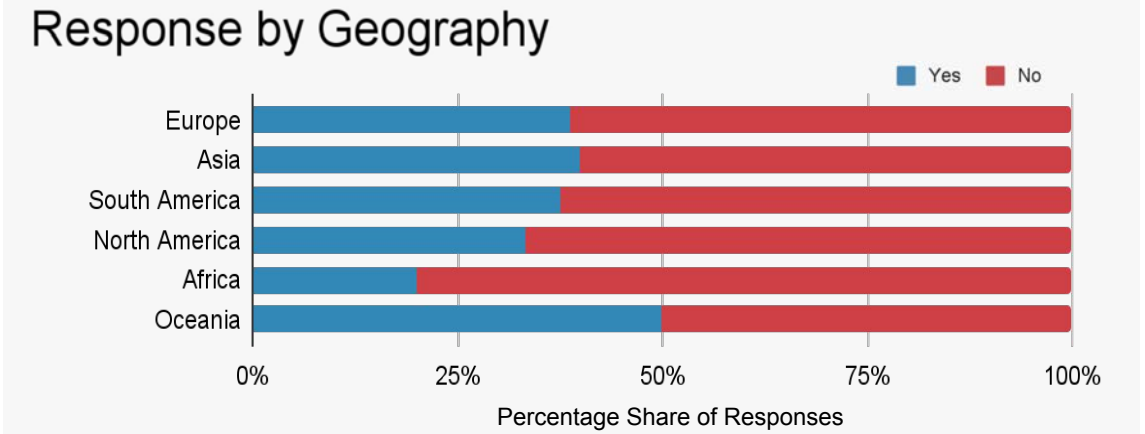
Feedback received

There was significant material feedback on this question, which is summarised on the following slide.



Number of responses = 60





SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Q35. *Do you think the low carbon generation target should follow a different method and trajectory (e.g., linear)?*

Feedback received

Overall, 63% of respondents disagreed with the suggestion of using a different method

Of the 37% that agreed, their feedback centred on the key points set out below.

- *The trajectory needs to reflect the relative difficulty of decarbonising last 30%, rather than linear*
- *Non-linear can be difficult for portfolios to follow, with linear being more realistic*
- *It could have an earlier target date to compensate for a linear trajectory*
- *A rolling average may help with the reality of 2-3 year build cycles*
- *The method still penalises those ahead of the market/sector pathway*
- *The trajectory should be specific to each company, considering their base year situation, with just a common final global target*
- *Slow growth to 2030 should be allowed for due to technology scale-up expected after 2030*
- *It should be disaggregated by technology*
- *A potential approach was suggested, looking at the vintage of assets, resulting in provisions for accelerated retirement of fossil assets*
- *It was noted that the trajectory seems vastly more ambitious than world energy outlook - current method could be disproportionately challenging for emerging markets,*
- *There is a need to differentiate for OECD and non-OECD, which would align with differentiated phase-out dates*

Number of responses = 22

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

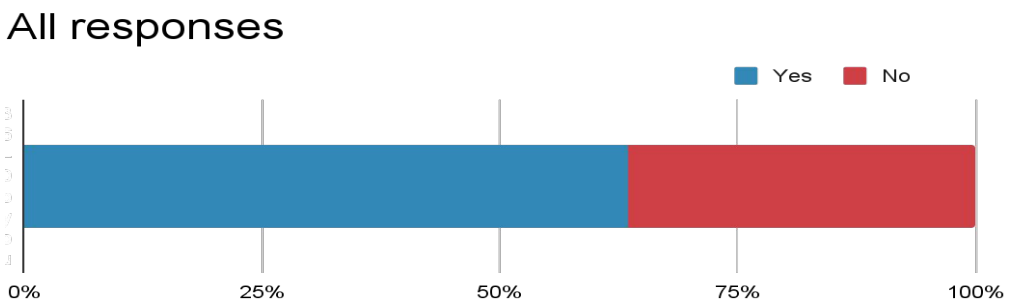
Q36. *Do you agree with the inclusion of a mandatory requirement for companies to disclose an asset plan to phase out unabated fossil fuel power generation capacity?*

Feedback received

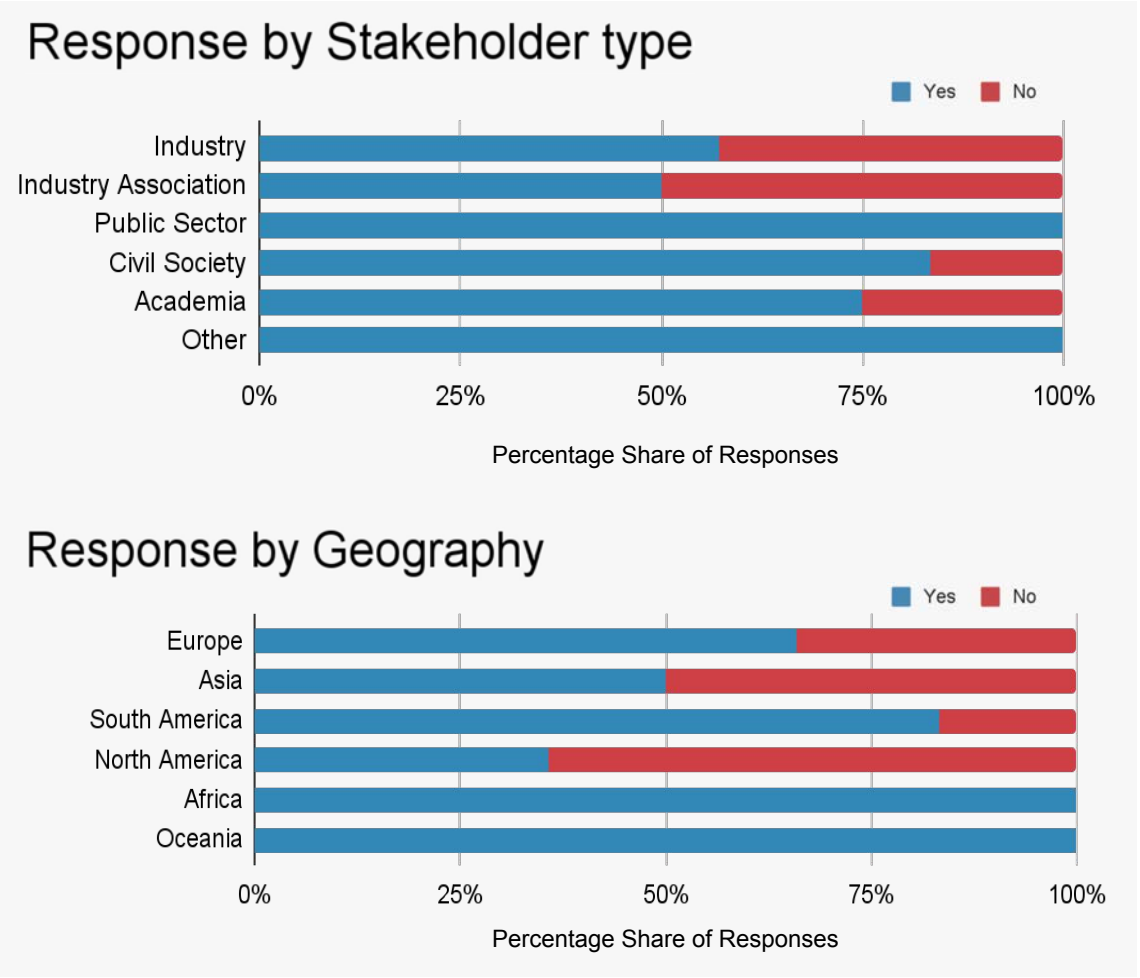
Overall, 64% of respondents agreed with the mandatory requirement for an asset plan.

Of the 36% that disagreed, their feedback centred on these points:

- *The feasibility due to commercial sensitivity and burden*
- *This is beyond the remit of SBTi, and flexibility is required*
- *It should be conditionally mandatory, e.g., for power generation portfolios with over a certain share of unabated fossil fuels*
- *Clarification on the treatment of co-firing and whether this applies only to power generation asset owners*
- *There should be alignment between plans and emissions targets*
- *May be in contradiction to market regulation, requiring assets to extend life to ensure system security*



Number of responses = 74



CHAPTER 3 |NEAR TERM TARGET SETTING

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

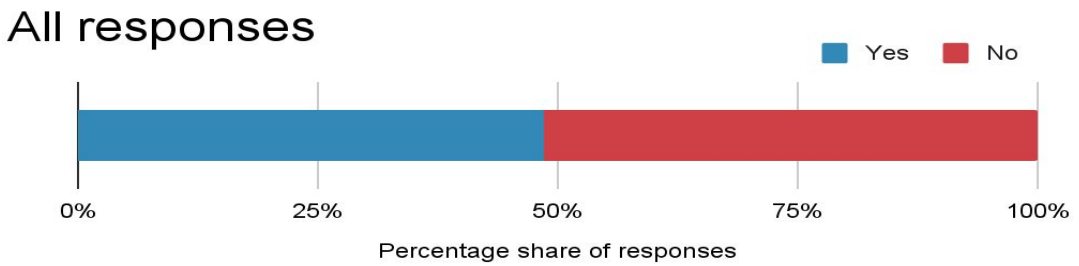
Q37. ***Do you think criterion PS-C4 should be a mandatory requirement or is an appropriate alternative to the near-term target-setting approaches presented in sub-criterion C3.2? If yes, in which circumstances?***

Feedback received

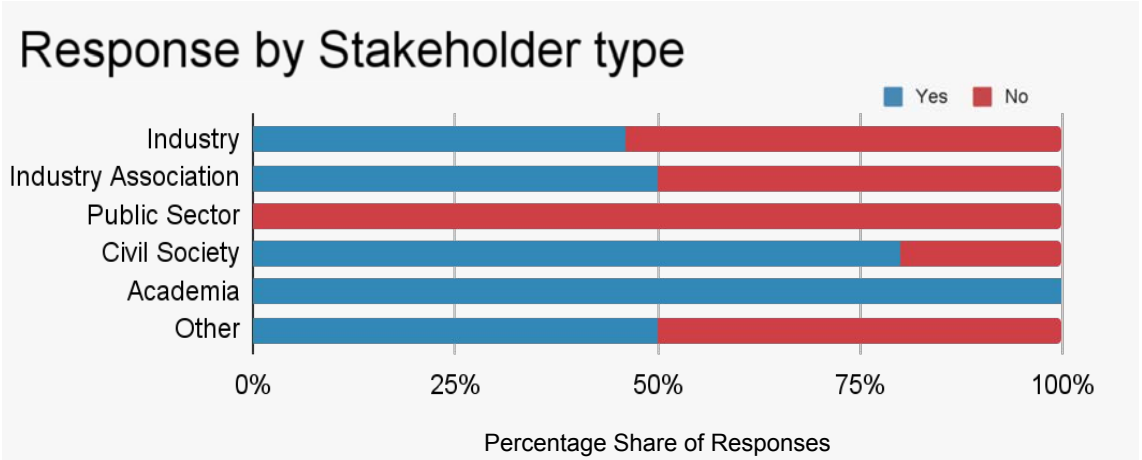
Split agreement (50/50) on the asset plan (PS.C4) as appropriate alternative to near-term target setting.

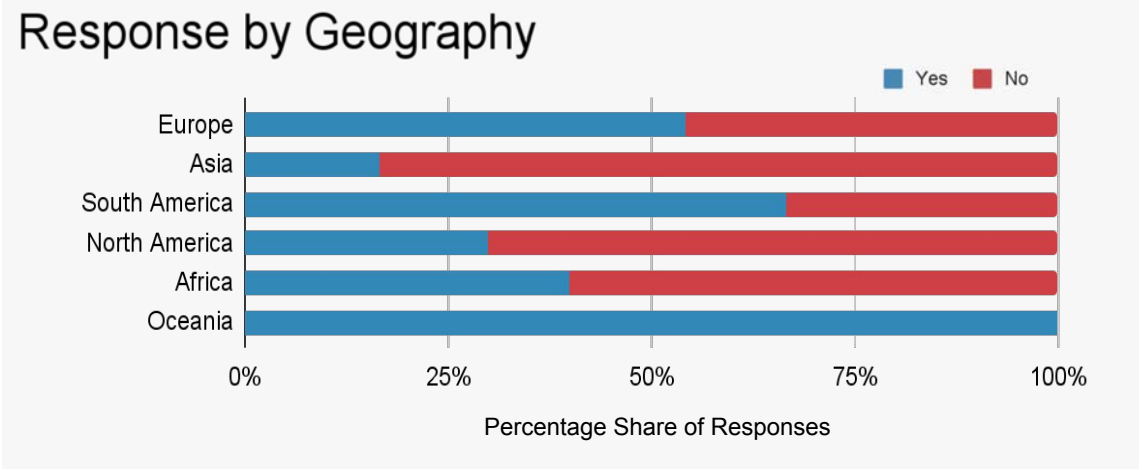
Feedback received is summarized below:

- *It should be conditionally mandatory, e.g., for power generation portfolios with over a certain share of unabated fossil fuels*
- *It should be mandatory, but as an additional requirement*
- *It could serve as an alternative for target setting in small portfolios where intensity metrics are less meaningful*
- *It should be optional, to allow for local and market contexts*
- *Clarification is requested on the treatment of asset sales*
- *It is not the SBTi's role to assess a transition plan*



Number of responses = 66





CHAPTER 3 |ASSET RETIREMENT PLAN

Q38. *Do you agree with the milestones proposed for OECD and non-OECD countries?*

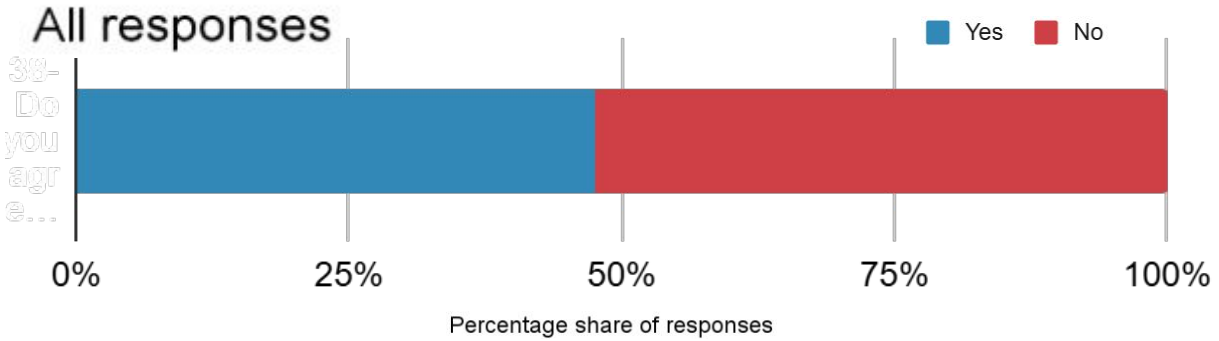
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

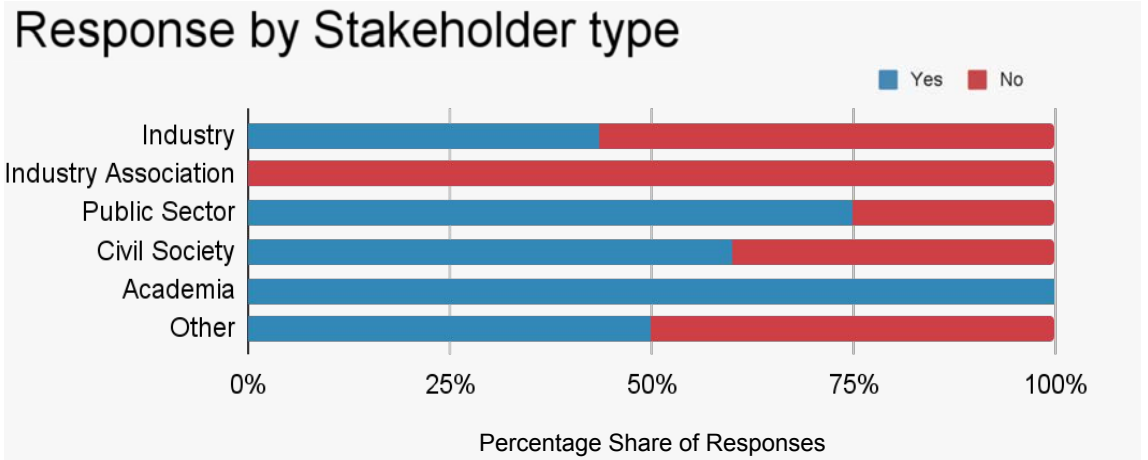
Overall, 48% of respondents agreed with the milestones proposed.

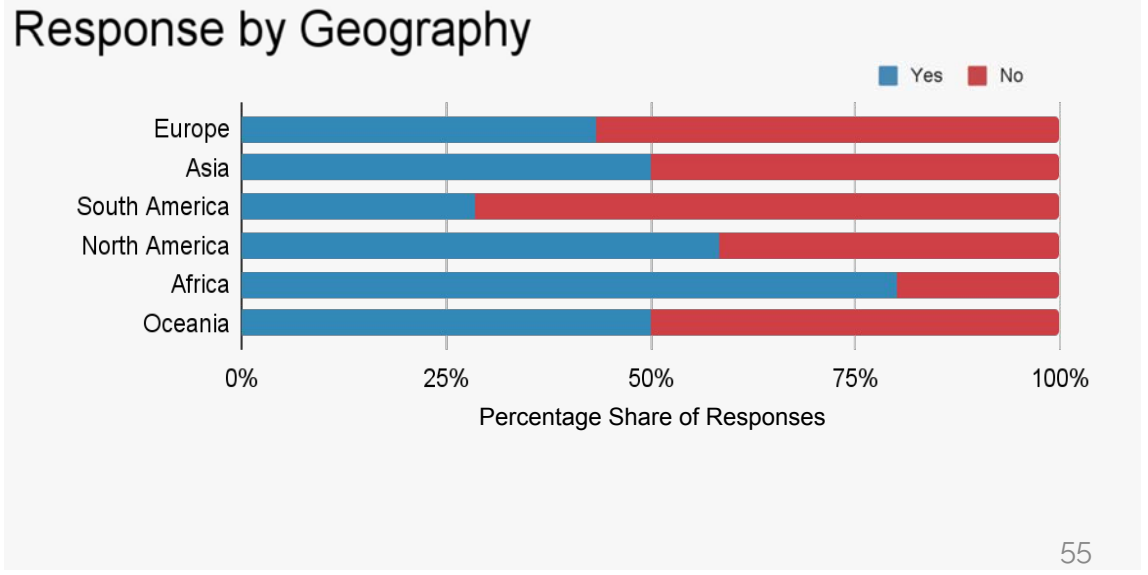
Of the 52% that disagreed, their feedback centred on these points:

- *Dates are infeasible given demand growth, energy security needs, and technology constraints.*
- *Uniform timelines ignore differences in grid reliability, renewable potential, and socioeconomic conditions.*
- *Some respondents suggest OECD/non-OECD is too simplistic, recommending adding major emitters (e.g., China) or using IEA's "advanced economies vs rest of world" classification*
- *Milestones should apply by asset location, not company HQ.*
- *Coal-to-gas conversions should not count as new gas capacity.*
- *CCS and seasonal storage may not scale by proposed dates*



Number of responses = 69





CHAPTER 3 |ASSET RETIREMENT PLAN

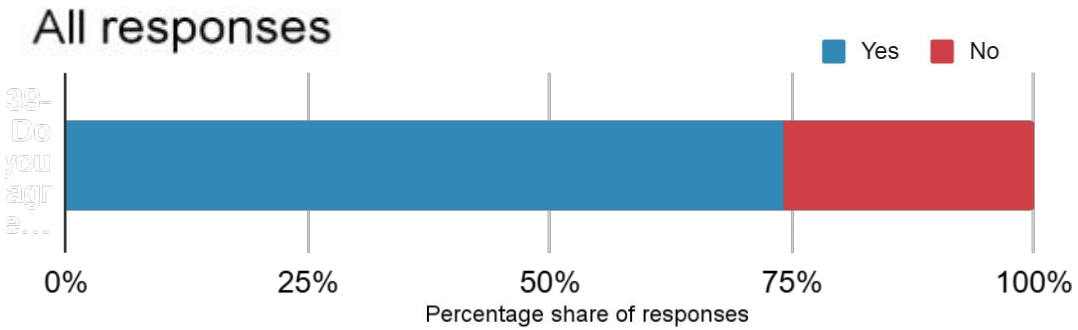
Q39. *Do you agree with the requirement to include maximum 5-years interim milestones in the plan?*

Feedback received

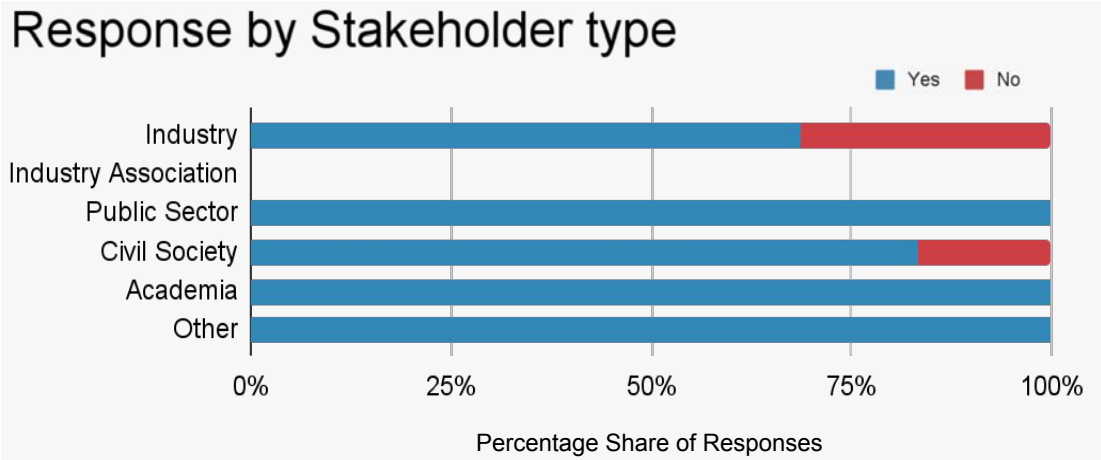
Overall, 74% of respondents agreed with 5-year interim milestones

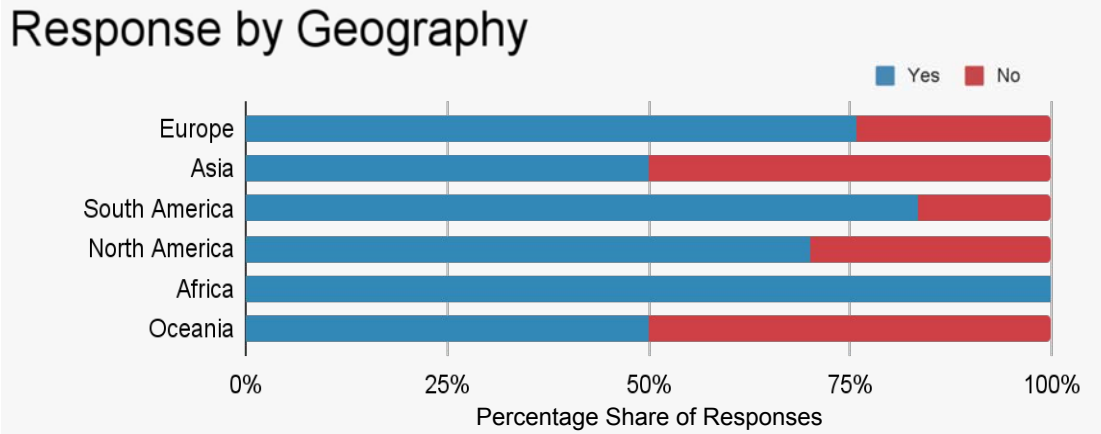
Of the 26% that disagreed, their feedback centred on these points:

- *Challenge to the feasibility, utility and impact of a transition plan*
- *Transition plans are required to align with existing frameworks*
- *Progress reporting requirements with longer milestones instead*
- *Concern around the additional complexity of interim targets*
- *The SBTi should focus on emissions-based metrics and targets*
- *The length of capital investment projects is an influencing factor, suggesting longer milestone timeframes*
- *A shorter timeframe of 1 or 3 years would be more suitable*



Number of responses = 66





CHAPTER 3 |ASSET RETIREMENT PLAN

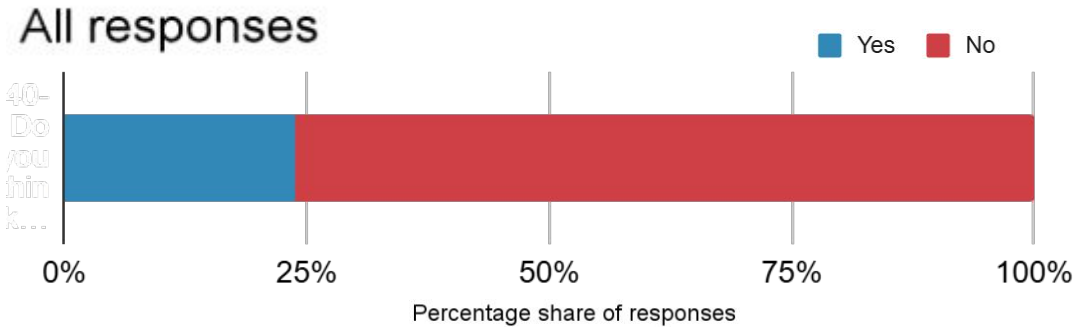
Q40. *Do you think more flexibility should be provided for unabated coal capacity for security purposes or retrofit planning?*

Feedback received

Overall, 76% of respondents disagreed with providing flexibility for non-baseload unabated coal capacity

Of the 24% that agreed, their feedback centred on these points:

- *Unabated coal may be required for security and stability*
- *Make exemptions for all fossil fuels in non-baseload roles*
- *Any exemption should be tied to clear timelines for transition and transparent disclosure of emissions*
- *A later retirement should be allowed for CHP*
- *Regional context needs consideration*
- *Incentives to implement CCS were suggested*
- *Clarity on the role of co-firing and applicability to this criterion*



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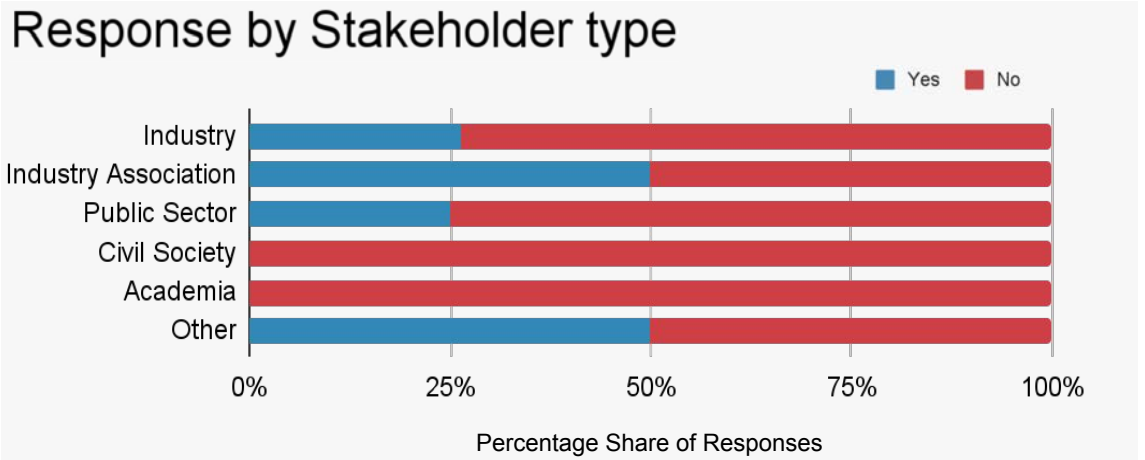
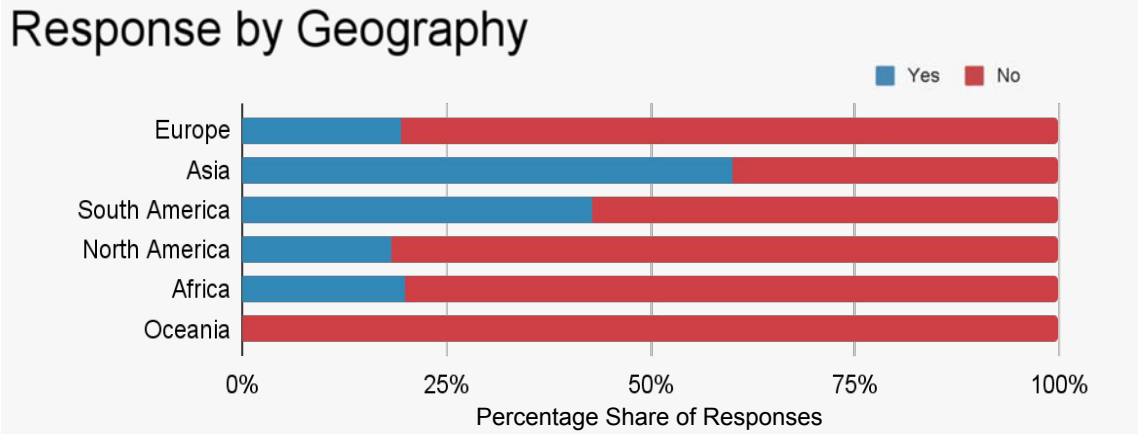




CHAPTER 3 |ASSET RETIREMENT PLAN

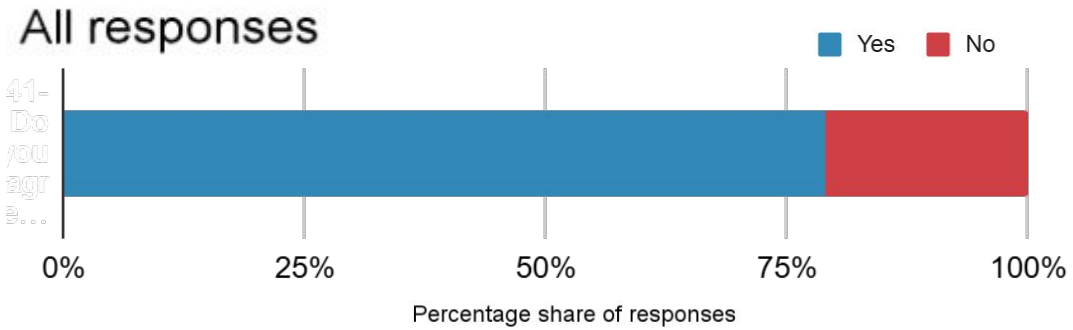
Q41. *Do you agree with the exemption of non-baseload capacity from unabated natural gas phase out requirements?*

Feedback received

Overall, 79% of respondents agreed with the exemption of non-baseload capacity

Of the 21% that disagreed, their feedback centred on these points:

- *The exemption should be conditional and temporary*
- *Require a transition plan for all fossil fuel assets*
- *The SBTi should focus on emissions metrics only*
- *Other technologies can fill these roles, so no exemption needed*
- *Exemptions for other fossil fuels in non-baseload functions*
- *A clarification was requested on 'retrofit ready'*
- *The removal of exemption post 2050 was requested*



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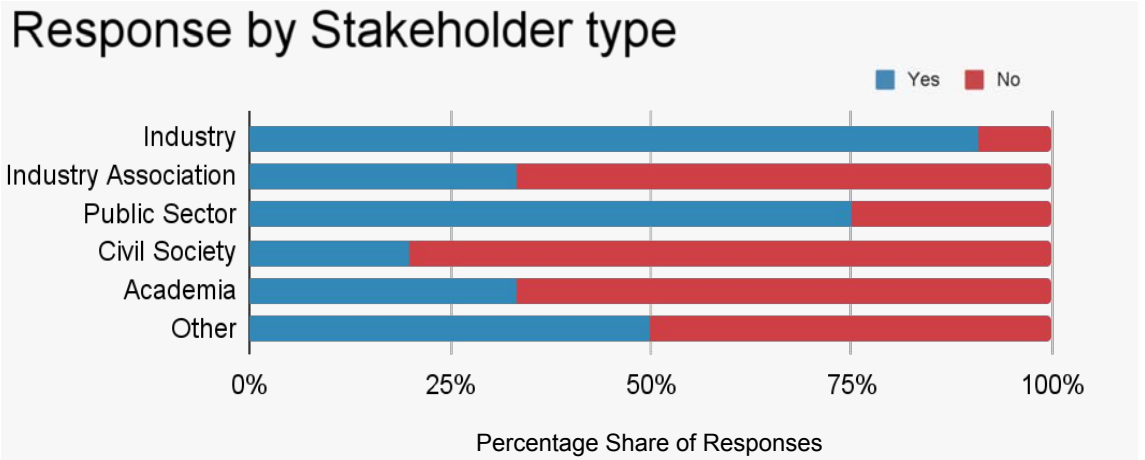
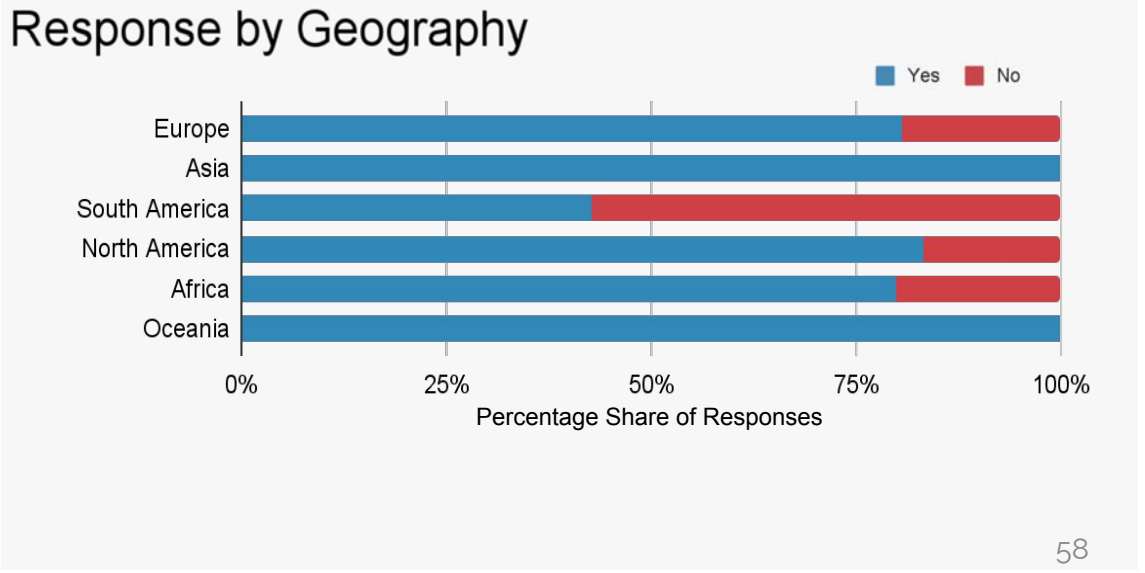




CHAPTER 3 |ASSET RETIREMENT PLAN

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

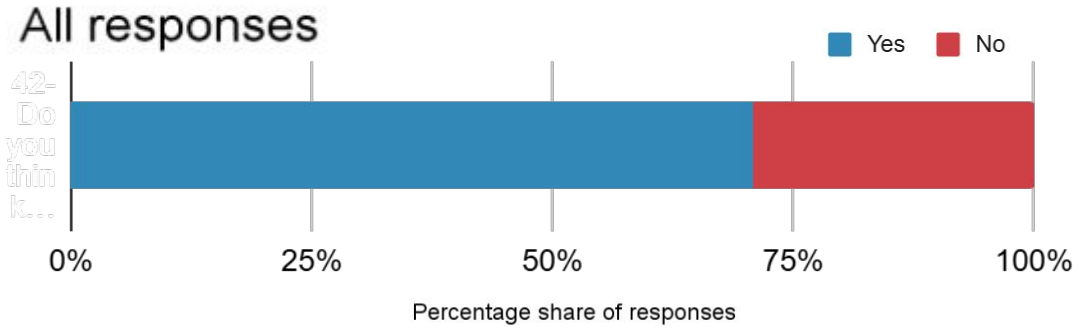
Q42. ***Do you think the requirements in sub-criterion C4.3.4 to demonstrate exemption of non-baseload capacity are appropriate? If not, what relevant supporting documentation should be provided by companies?***

Feedback received

Overall, 71% of respondents agreed with the requirements to demonstrate exemption of non-baseload.

Of the 29% that disagreed, their feedback centred on these points:

- *High proportion of gas plant in the US would be exempt as is*
- *Addition of a quantitative measure, such as hours of operation or capacity factor on an annual basis, or dispatch data*
- *Only assets with specific legal authorisations should be exempt*
- *Asset owners do not dictate dispatch in many jurisdictions*
- *Add transition plan and independent grid necessity assessment*
- *The role of other technologies enables stricter requirements*
- *Industrial co-generation was suggested as another exemption*



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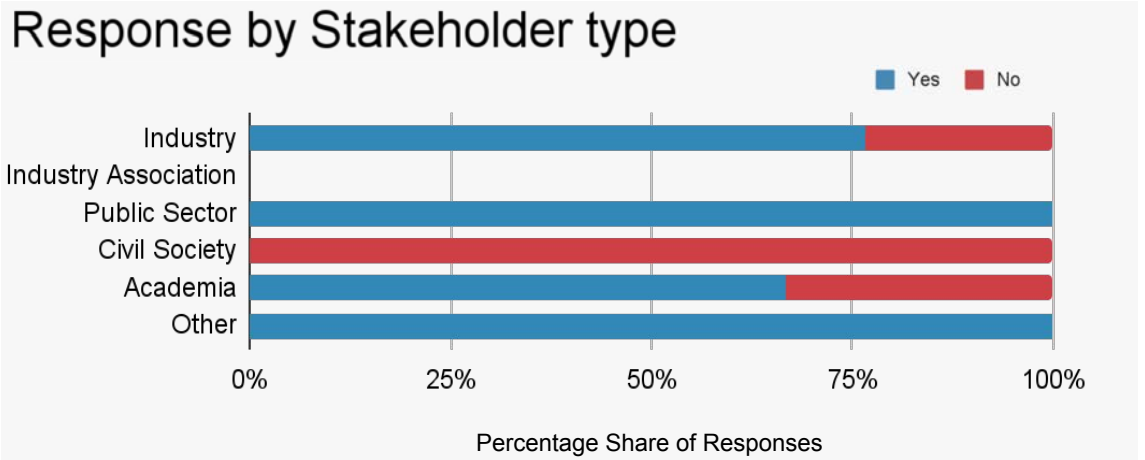
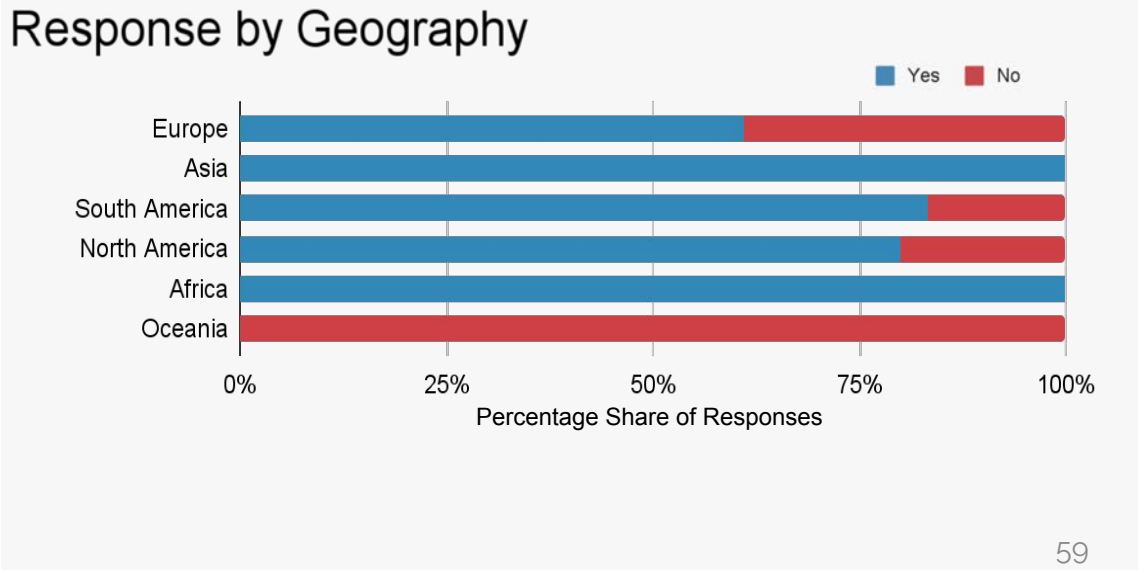




CHAPTER 3 |ASSET RETIREMENT PLAN

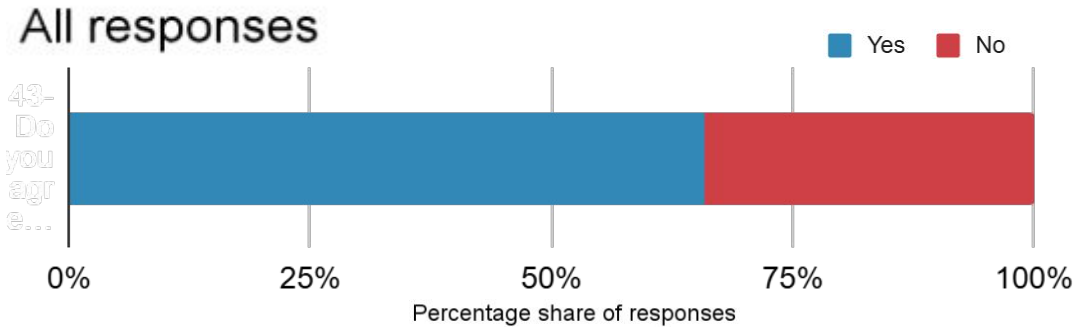
Q43. ***Do you agree with the definition of non-baseload capacity included in Annex A of this Standard? If not, should a more quantitative definition be included for the exempted capacity and what is the suggested value/approach?***

Feedback received

Overall, 66% of respondents agreed with the definition of non-baseload capacity.

Of the 34% that disagreed, their feedback centred on these points:

- *A quantified threshold, based on hours of operation annually, with figures suggested in the range of 5-30%,*
- *Provide further granularity by technology type and regions*
- *Concerns over the term 'peak load management'*
- *Asset owners to not dictate dispatch in many jurisdictions*
- *Broaden the definition, to exempt more fossil fuel plant*
- *A clarification was requested regarding back-up power for other power plant (e.g., oil back-up for nuclear plant)*



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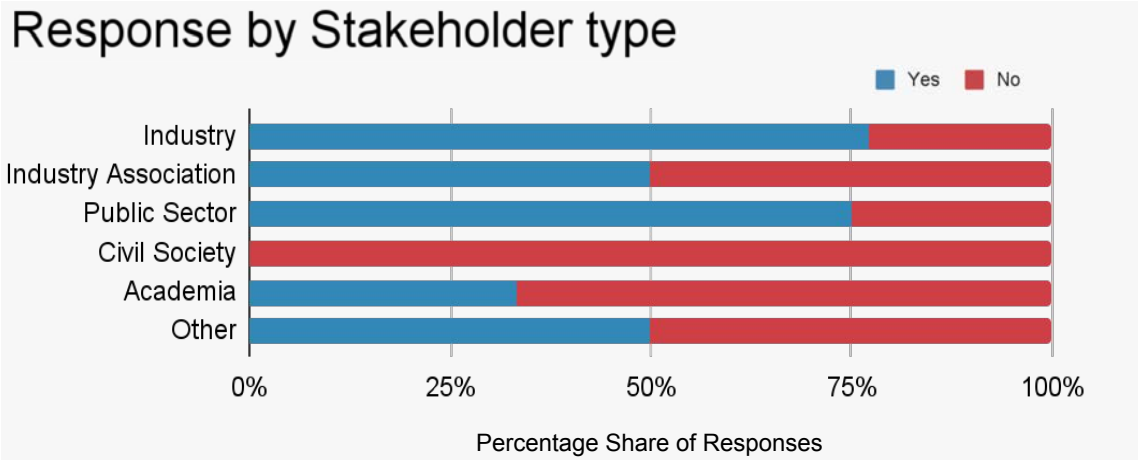
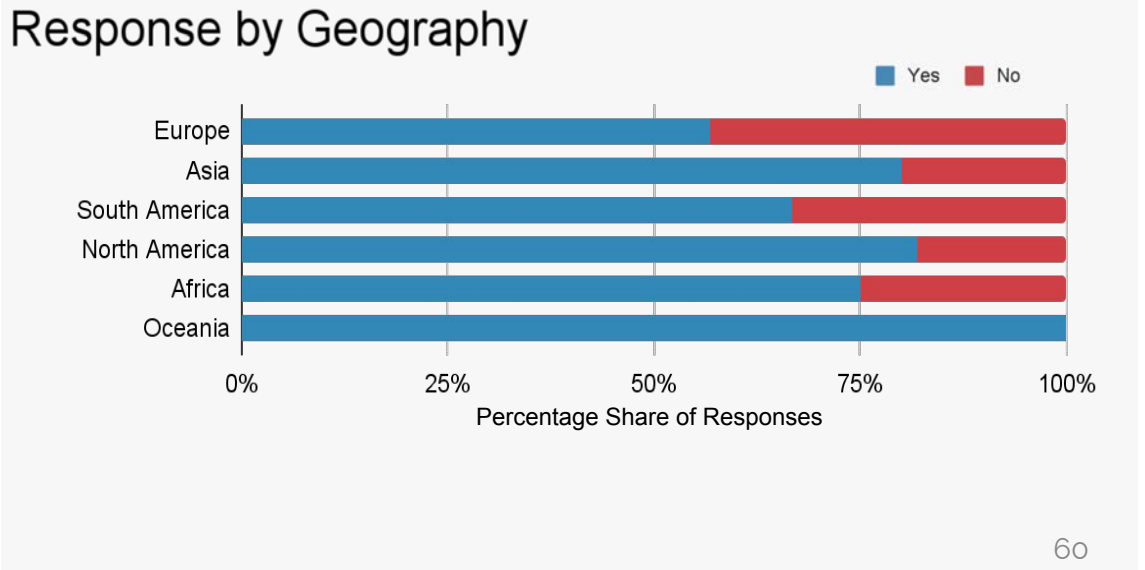




CHAPTER 3 | SUSTAINABLE BIOMASS

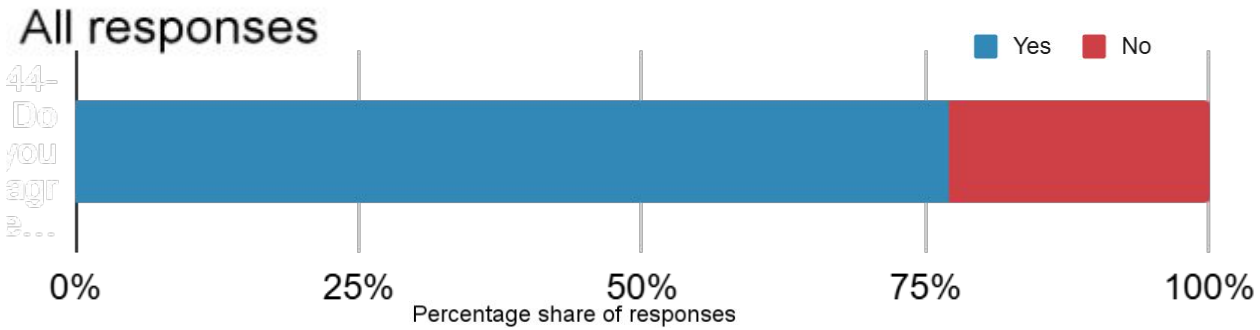
Q44. *Do you agree with the inclusion of a criterion for biomass for power generation being 100% sustainably sourced by 2030?*

Feedback received

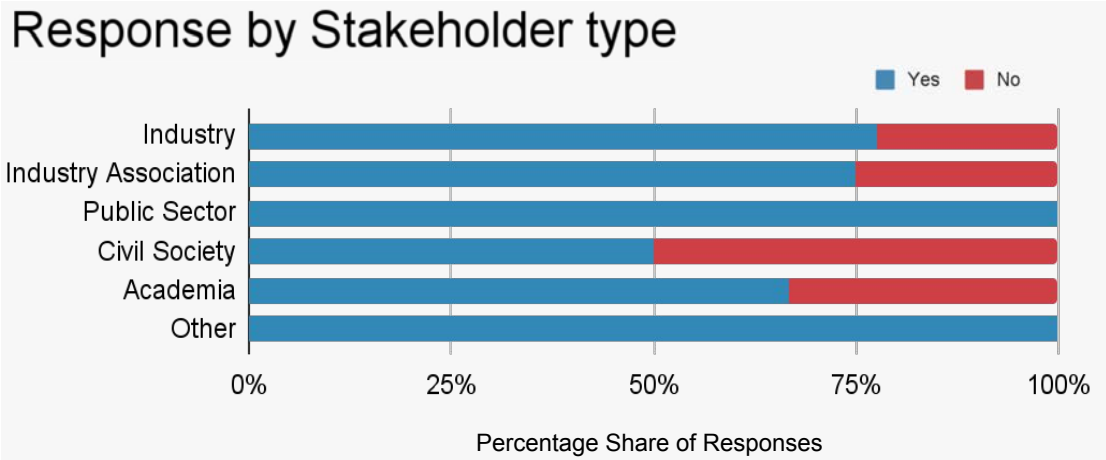
Overall, 77% of respondents agreed with requiring biomass to be 100% sustainably sourced by 2030.

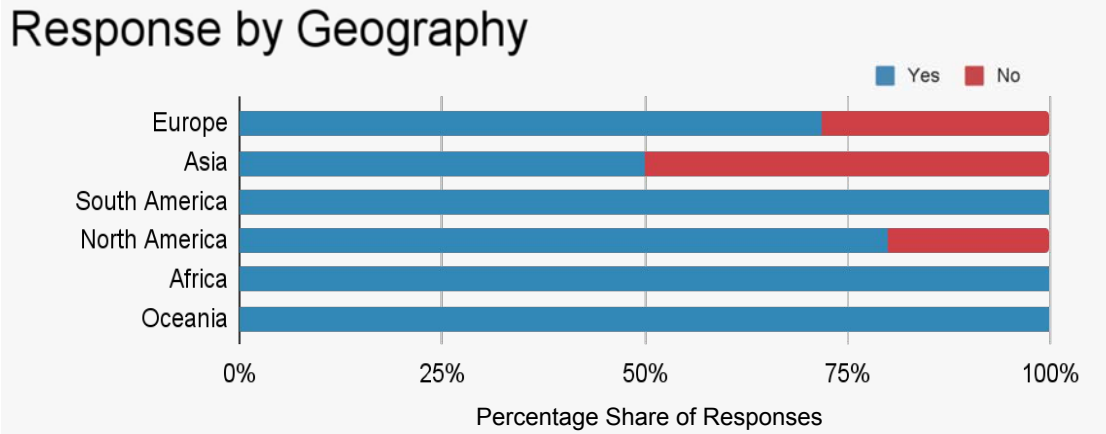
Of the 23% that disagreed, their feedback centred on these points:

- *Lifecycle emissions should be tracked rather than certification*
- *Biomass is too narrow, and should include use of biogas*
- *Only require for new installations and where required by law*
- *The administrative burden could be high*
- *Timeframe may be too soon for companies setting targets now*
- *Limited certification options available for waste wood*
- *Should be effective from the date of validation, not just 2030*
- *The treatment of energy from waste should be clarified*



Number of responses = 66





CHAPTER 3 | SUSTAINABLE BIOMASS

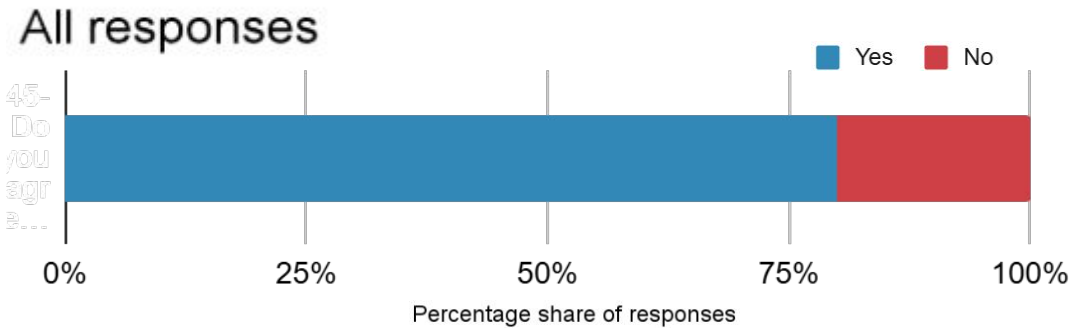
Q45. *Do you agree with the disclosure requirements around certification schemes and assurance?*

Feedback received

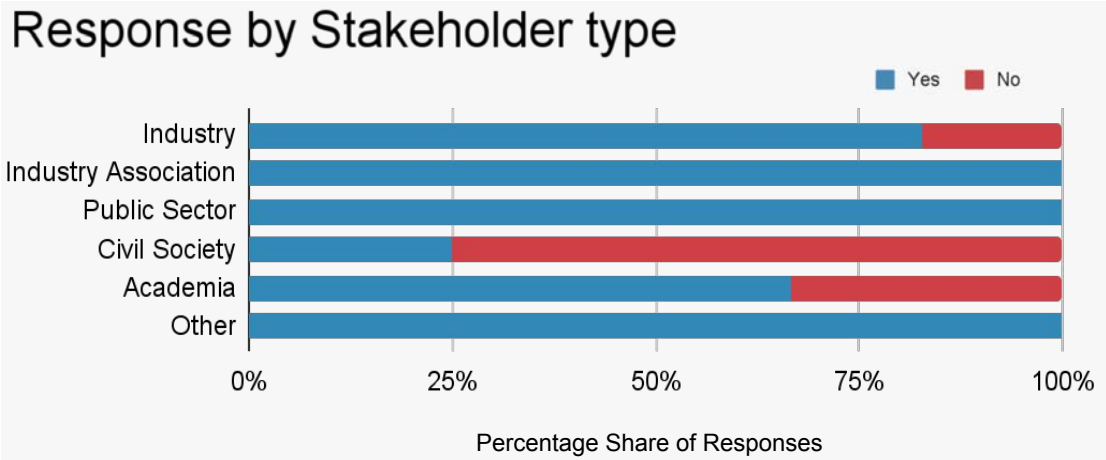
Overall, 80% of respondents agreed with the disclosure requirements for biomass.

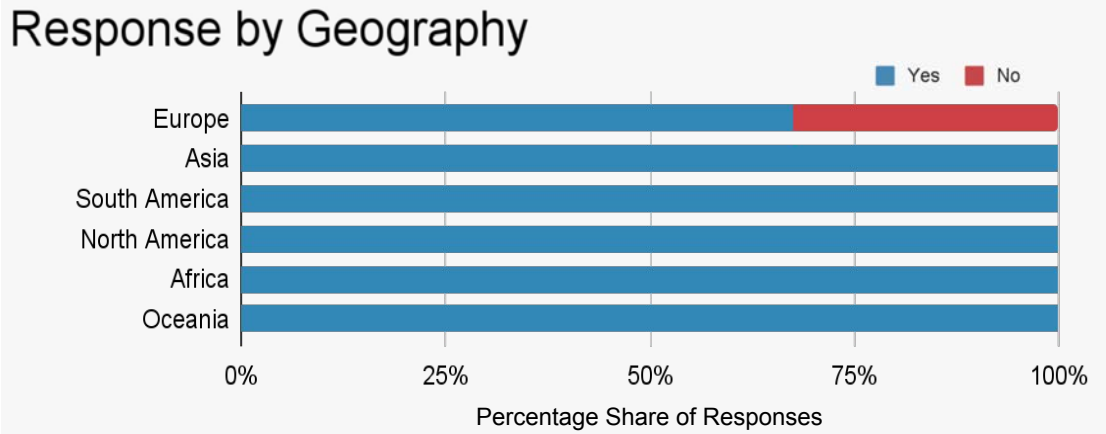
Of the 20% that disagreed, their feedback centred on these points:

- *Minimise additional reporting burden and disclosure requirements, rather leverage 'official' systems*
- *Limited certification options available for waste wood*
- *Specific named schemes should be referred to for clarity, such as through reference to EU RED II/III*
- *Good certification schemes are difficult to find*
- *How to evidence the sustainable sourcing of biomass*



Number of responses = 61





CHAPTER 3 | SUSTAINABLE BIOMASS

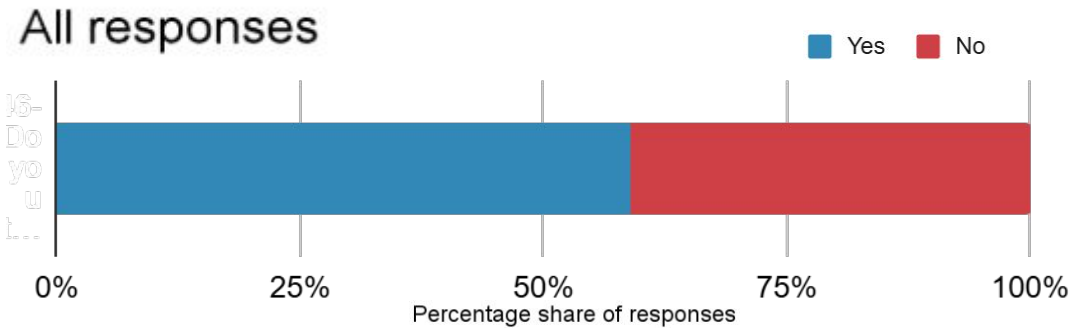
Q46. *Do you think we should specify additional reporting requirements on forest, land and agriculture (FLAG) emissions other than those specified in the SBTi FLAG Guidance and the GHG Protocol?*

Feedback received

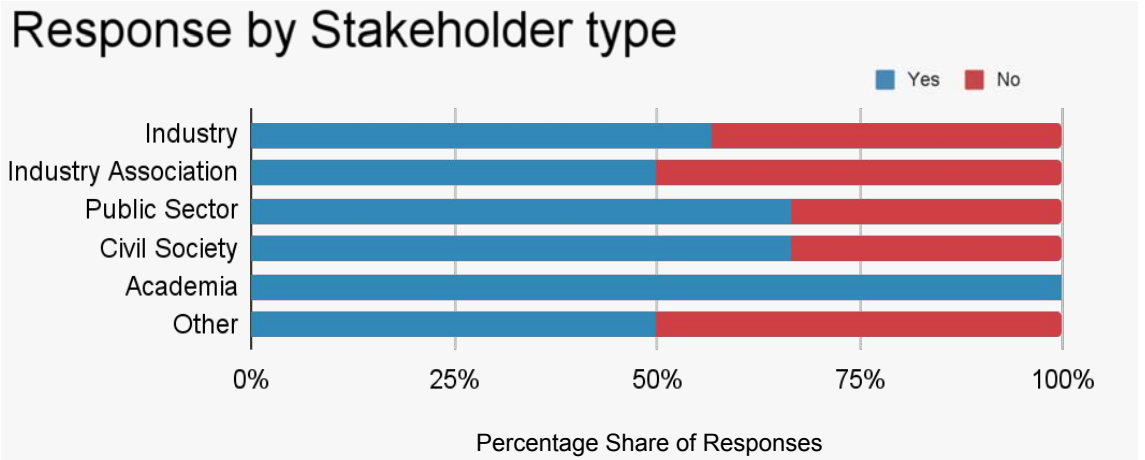
Overall, 59% of respondents agreed that there should be additional reporting on FLAG emissions.

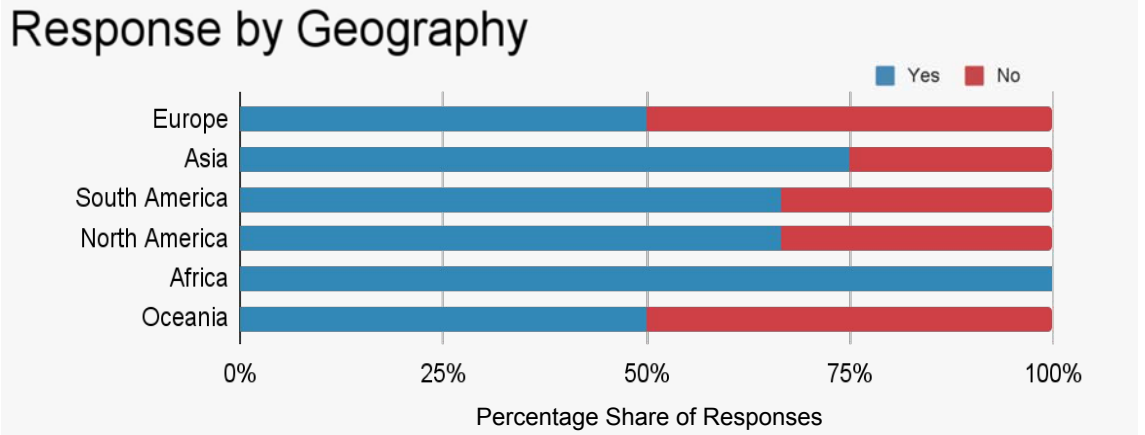
Of the 41% that disagreed, their feedback centred on these points:

- *Biogas and anaerobic digestion products should be included*
- *Specification of allowed market mechanisms should be included*
- *Lifecycle methods should be used for avoided methane*
- *Encourage uptake of recognised systems, in particular EU RED*
- *Additional requirements increase complexity and burden*
- *Clarify how industries outside FLAG use existing guidance*
- *Disclosure of sustainable biomass % is enough*
- *Repeat this question in next consultation to account for updates*



Number of responses = 49





SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Q47. *In your opinion, what are the criteria that the SBTi should set up to endorse biomass certification schemes?*

Feedback received

Lifecycle Emissions & Carbon Integrity

- *Full lifecycle GHG accounting is mandatory, including fugitive methane and upstream/downstream emissions.*
- *Require short carbon payback periods (e.g., <10 years).*
- *Certification must demonstrate real, near-term net GHG reductions and avoid feedstocks with high indirect land-use change (ILUC) risk.*
- *Biomass should not automatically be considered "low-carbon" or renewable; some respondents suggest a separate category due to climate and biodiversity risks.*

Traceability & Transparency

- *Plot-level traceability from source to end-use.*
- *Chain of custody (CoC) systems with public supplier lists.*
- *Transparent reporting and independent third-party audits.*

Sustainability Safeguards

- *No deforestation, no primary forest conversion, and protection of HCV/HCS areas.*
- *Avoid negative impacts on biodiversity, carbon stocks, and ecosystems.*
- *Crops for biomass should follow agroecological practices and not compete with food crops.*
- *Respect for Indigenous rights, biodiversity protection, and social safeguards.*
- *Human rights protections explicitly mentioned.*

Eligible Feedstocks & Technologies

- *Prioritize residue-based sourcing and regenerative biomass systems that deliver co-benefits (ecosystem restoration, soil carbon, biodiversity).*
- *For biogas/biomethane, feedstock should be limited to:*
  - *Livestock manure*
  - *Agricultural residues (excluding energy crops)*
  - *Landfill gas*
  - *Food waste*
- *Recognize waste-to-energy technologies (combustion or synthetic gas) as sustainable if organic waste proportion is high.*
- *Exempt waste wood from stringent certification.*

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Q47. *In your opinion, what are the criteria that the SBTi should set up to endorse biomass certification schemes?*

Feedback received

Market-Based Mechanisms

- *Allow contractual delivery models (e.g., biomethane certificates, NAESB contracts in the U.S.) for pipeline-delivered renewable gas.*

Alignment with Existing Frameworks

- *Build on EU RED II/RED III, UK Renewables Obligation, and similar regulatory criteria.*
- *Avoid redundancy and administrative burden by leveraging existing schemes and benchmarking processes.*
- *Reference ISEAL Code of Good Practice, ISO 17065, and widely used schemes (FSC, PEFC, SBP, ISCC, RSPO).*
- *Where legal requirements exist (e.g., EU), compliance should suffice.*

Independent Verification & Governance

- *Third-party assurance is non-negotiable.*
- *Address conflict of interest risks in certification and auditing.*
- *Governance should include standard-setting, assurance, and certification requirements.*
- *Consult directly with certification bodies and industry stakeholders to ensure practicality.*

Context-Specific Stringency

- *Stricter verification for countries with high deforestation risk or biodiversity hotspots.*
- *Consider regional limitations and allow flexibility for voluntary mechanisms accepted by EU.*

Broader Considerations

- *Certification should account for multiple forest management objectives (wildlife habitat, water conservation, wildfire mitigation).*
- *Encourage continuous improvement, education for loggers, and investment in R&D.*
- *Ensure long-term supply stability (e.g., consistent quality for at least 10 years).*

CHAPTER 3 | SHARE OF ELECTRICITY LOSSES

Q48. *Do you agree with the proposed approach to address reduction of electricity losses?*

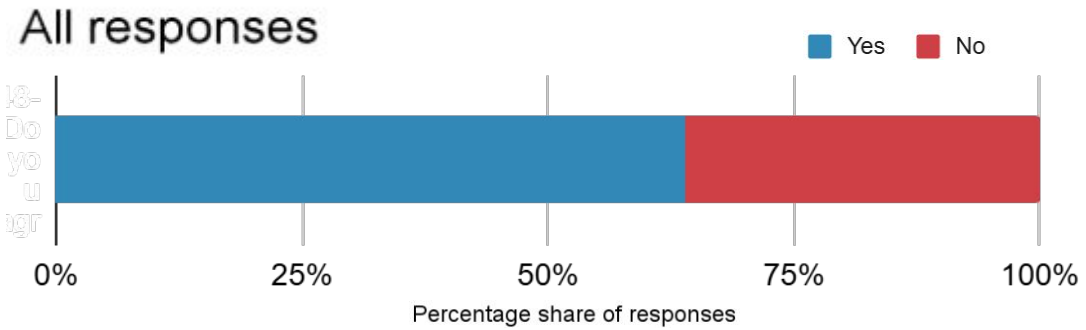
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

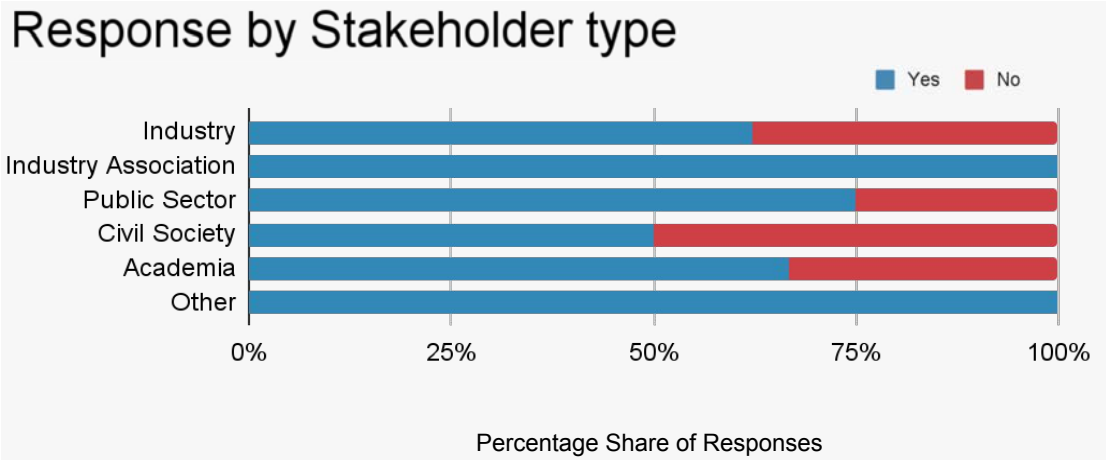
Overall, 64% of respondents agreed with the proposed approach on electricity losses

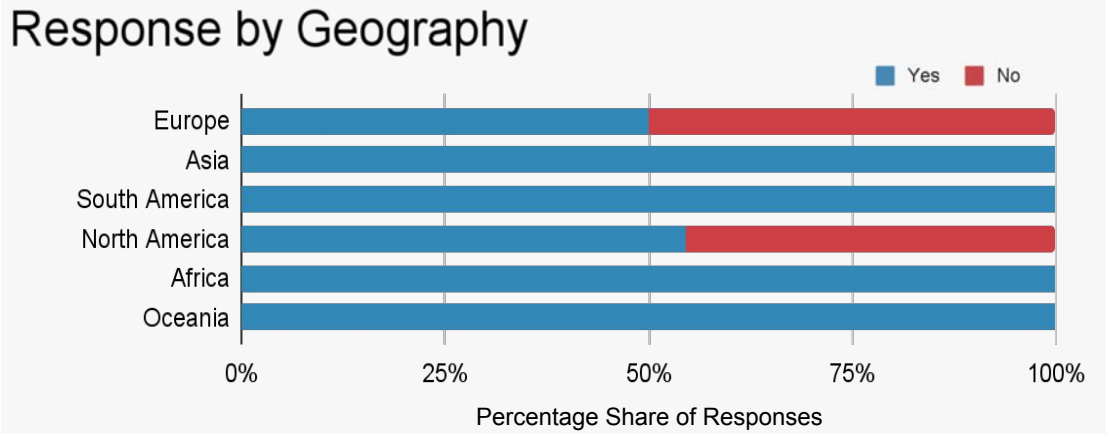
Of the 36% that disagreed, their feedback centred on these points:

- *In non-emissions KPIs are to be used they should be optional*
- *Limited level of control on losses by T&D companies*
- *Losses are expected to increase with renewables*
- *Loss target should be optional or reporting and disclosure only*
- *Economic incentives already exist to reduce losses*
- *Non-technical losses should be excluded (as in GHG protocol)*
- *Difficult to quantify technical/non-technical losses separately*
- *It was raised that the definition of network losses lacks clarity*



Number of responses = 67





CHAPTER 3 | SHARE OF ELECTRICITY LOSSES

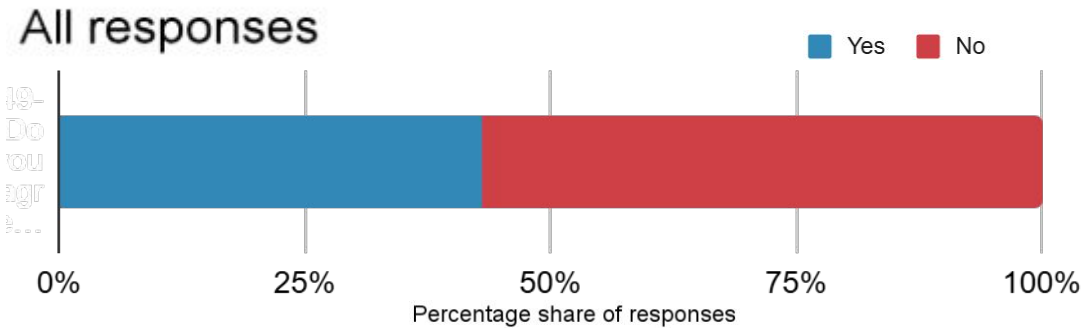
Q49. *Do you agree with the benchmark values proposed? If not, please suggest an alternative approach.*

Feedback received

Overall, 43% of respondents agreed with the benchmark values for electricity losses.

Of the 57% that disagreed, their feedback centred on these points:

- *Separate technical, non-technical, transmission & distribution*
- *Many believe the 2% best practice is infeasible*
- *Regional context should be taken into account*
- *% losses are not a meaningful indicator of sustainability*
- *Storage benchmark values should vary by technology*
- *Require disclosure of absolute values, regardless of targets*
- *The benchmark values are too high (not ambitious enough)*
- *Expected performance should be based on location of the asset*



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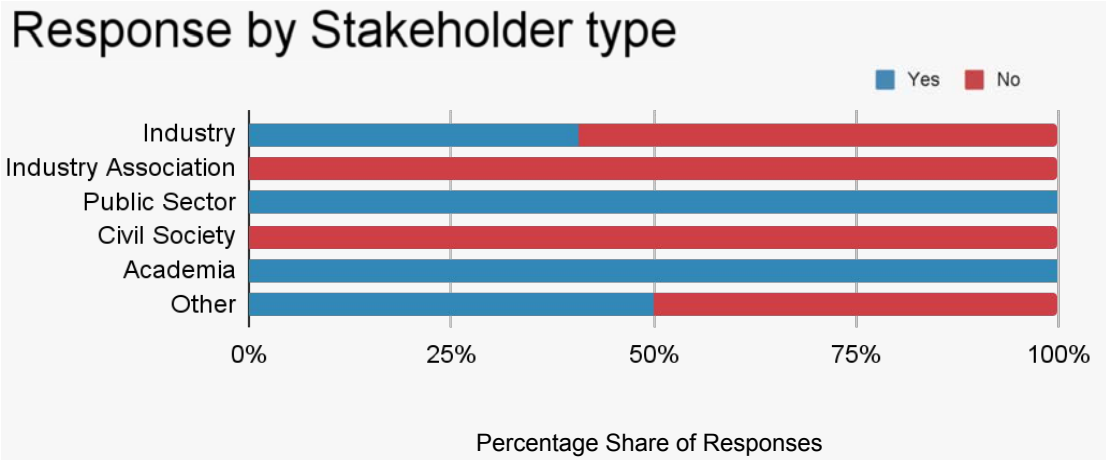
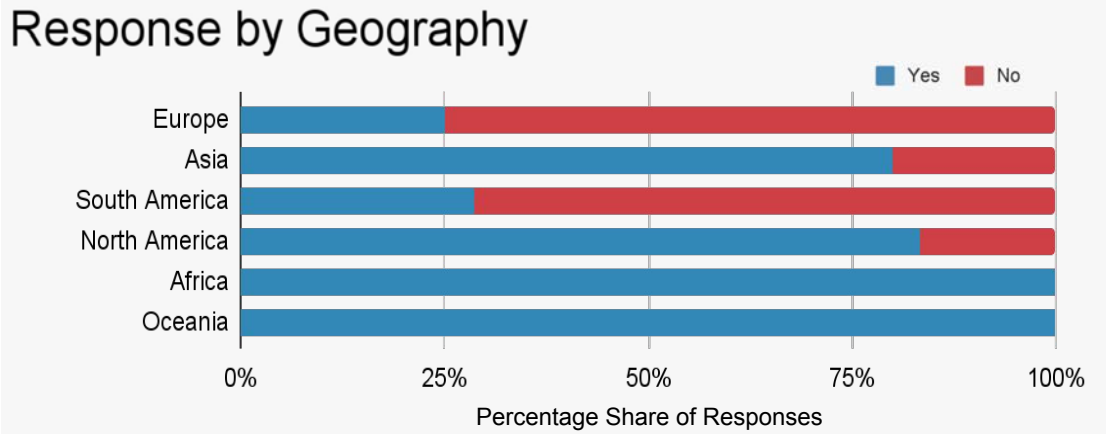




CHAPTER 3 | SHARE OF ELECTRICITY LOSSES

Q50. *Do you agree with limiting the requirement within the near-term?*

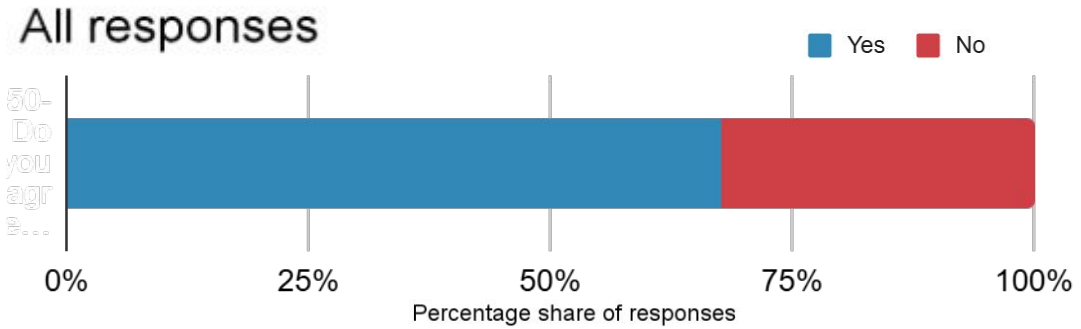
SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

Overall, 68% of respondents agreed with limiting the requirement around T&D losses in the near-term.

Of the 32% that disagreed, their feedback centred on these points:

- *Separate technical, non-technical, transmission & distribution*
- *Give guidance on use of existing methods for loss calculations*
- *Losses are likely to increase with a higher share of renewables*
- *Economic factors already incentivise the minimization of losses*
- *Could lead to overbuild of assets to accommodate loss targets*
- *A suggestion for regional/local benchmarks was raised*
- *Remove the target on network losses*
- *Align timeframe with sector decarbonisation in 2040*



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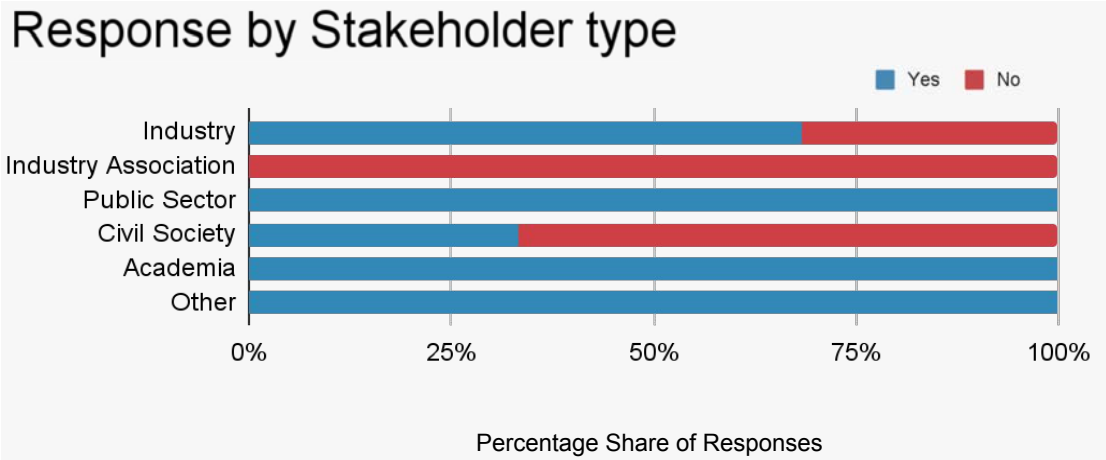
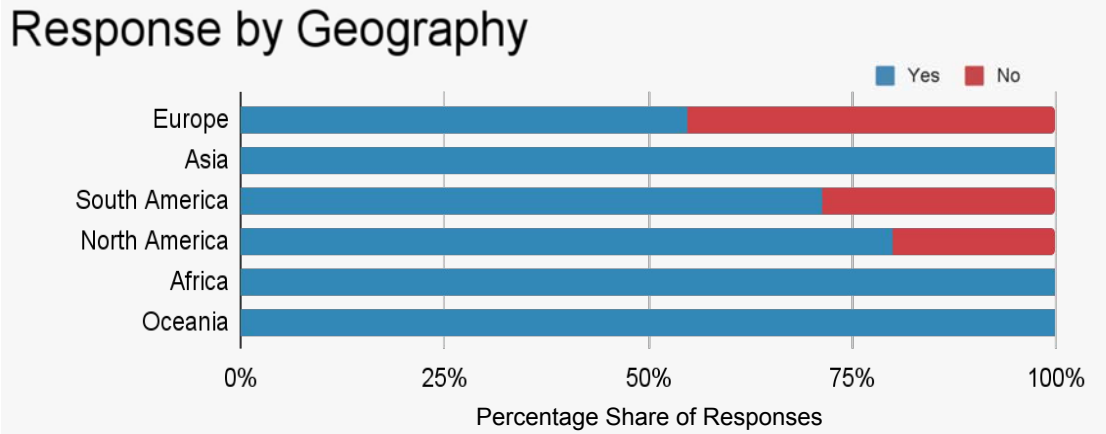




CHAPTER 3 | SHARE OF ELECTRICITY LOSSES

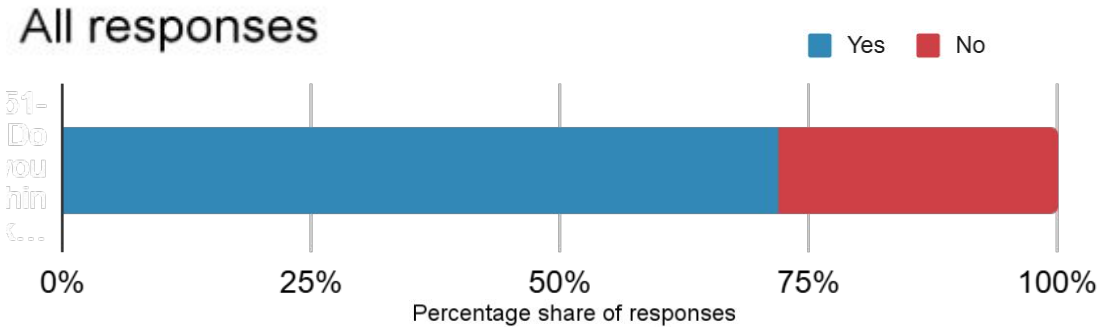
Q51. *Do you think targets for storage losses (sub-criterion C6.2) should only be a recommendation?*

Feedback received

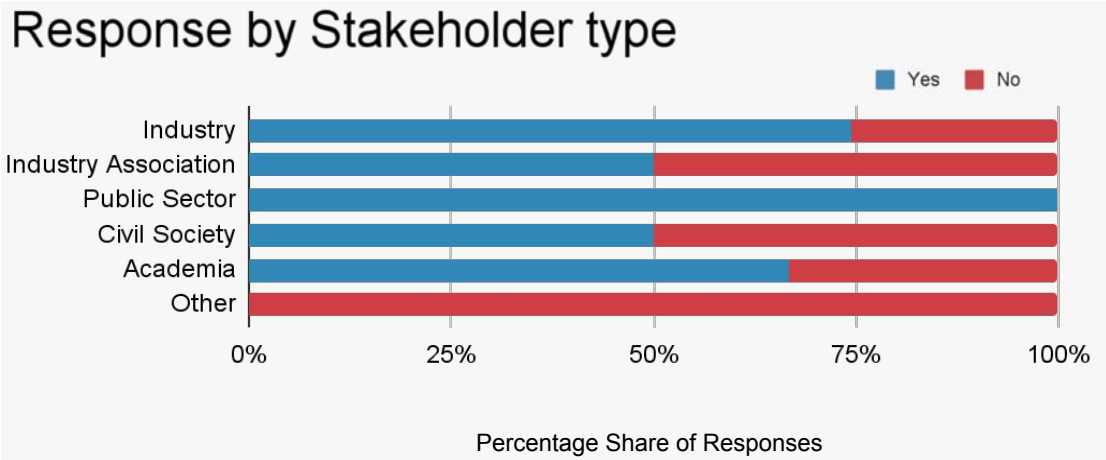
Overall, 72% of respondents agreed that the targets for storage losses should be only a recommendation.

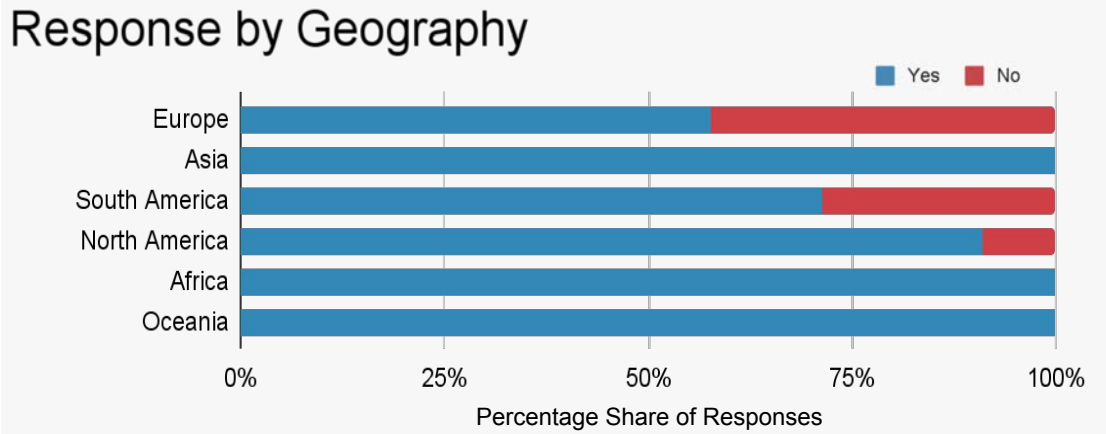
Of the 28% that disagreed, their feedback centred on these points:

- *Prefer to see this as a mandatory requirement*
- *Where storage is significant, the emissions associated with losses is material and should therefore have a mandatory target.*
- *Lifecycle emissions impact was raised as an alternative*
- *Focus on losses may incentivise batteries to operate in a way that does not maximise system emissions reductions*
- *Benchmark must be justified and reflect different technologies*
- *Application to stand-alone BESS only or 'behind the meter' BESS*



Number of responses = 61





CHAPTER 3 | SF6 EMISSION MITIGATION

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

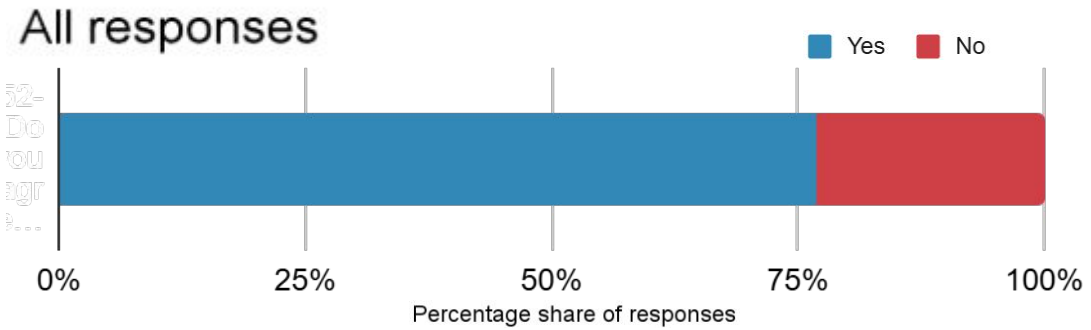
Q52. *Do you agree with the inclusion of a criterion to address SF6 emissions from transmission and distribution activities, and its content?*

Feedback received

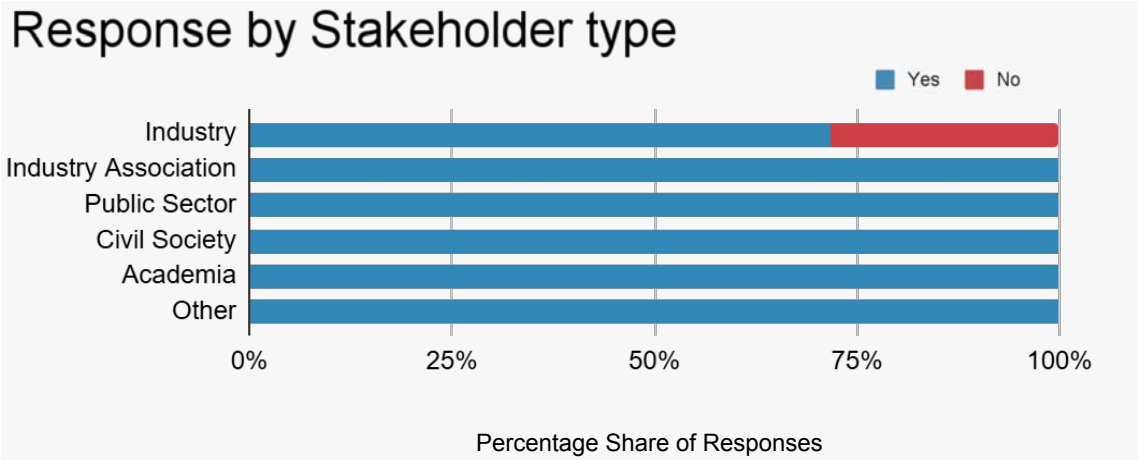
Overall, 77% of respondents agreed with the inclusion of a criterion to address SF6.

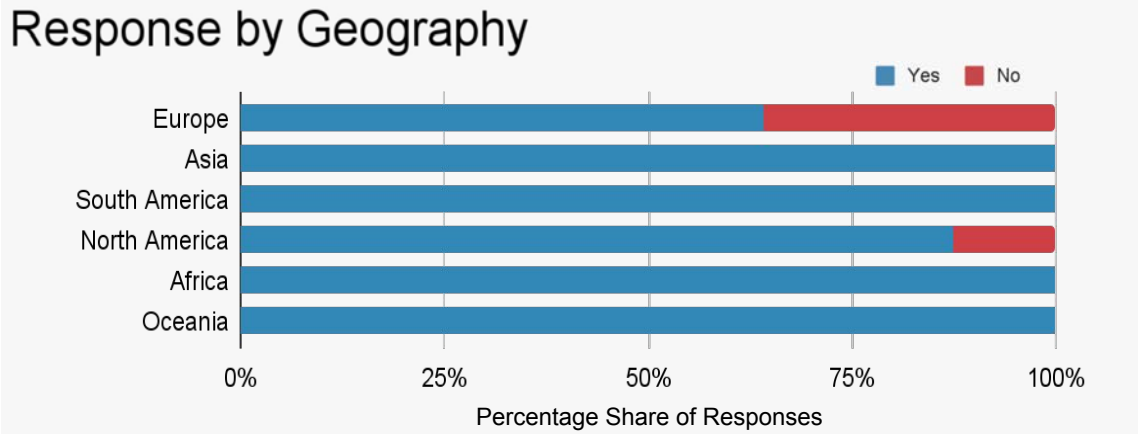
Of the 23% that disagreed, their feedback centred on these points:

- *Differentiate between transmission and distribution*
- *Does not incentivise transition from SF6-containing equipment*
- *Include SF6 for power generation assets*
- *The contribution of SF6 to sector emissions (<0.2% in the EU), and organisational emissions, was raised to question the proportionate treatment of the emissions source*



Number of responses = 66





CHAPTER 3 | SF6 EMISSION MITIGATION

Q53. *Do you agree with the proposed framing of SF6 mitigation requirement?*

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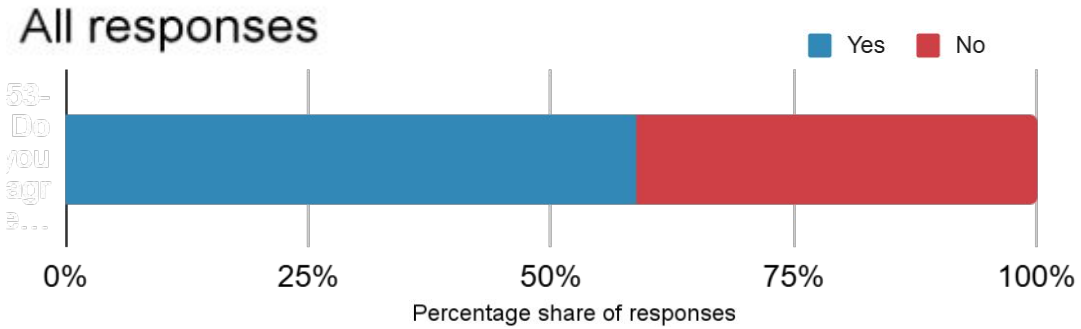
Feedback received

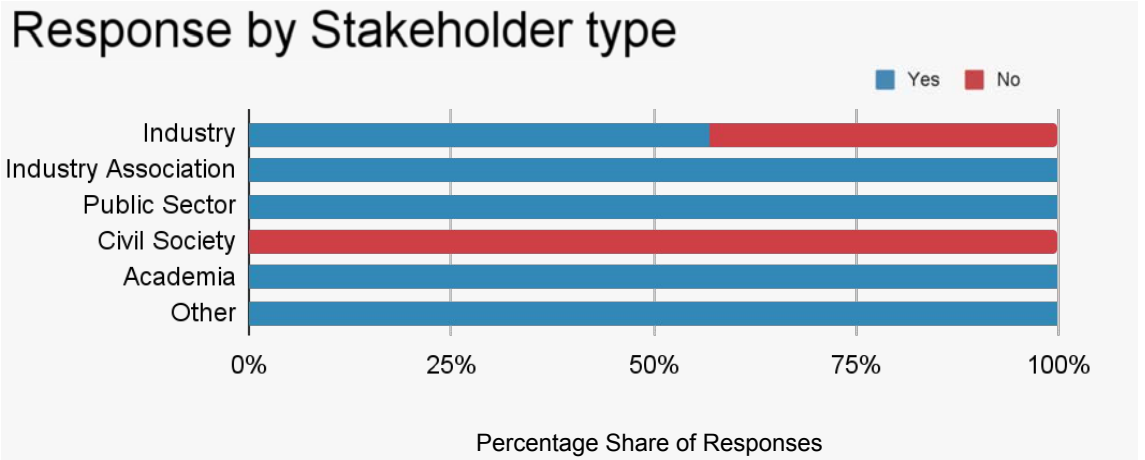
Overall, 59% of respondents agreed with the proposed framing.

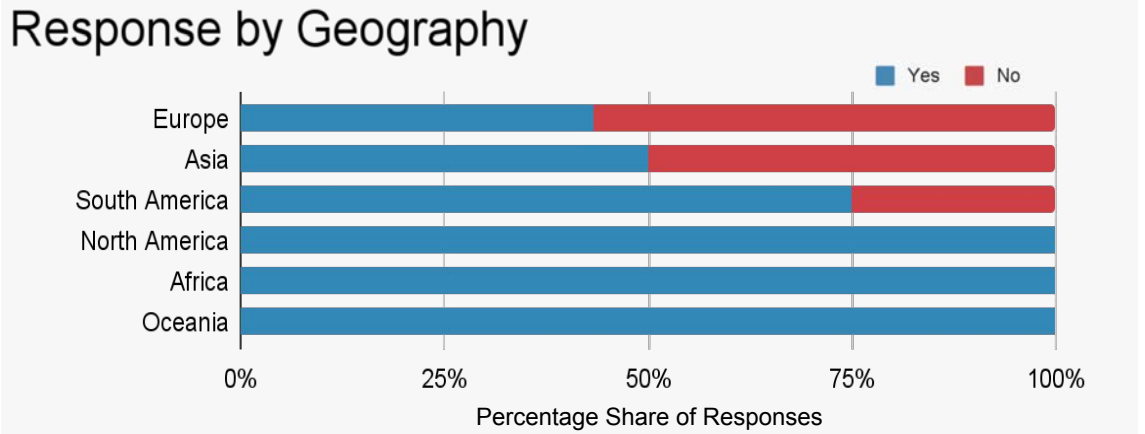
Of the 41% that disagreed, their feedback centred on these points:

- *The 0.1% leakage rate across an asset portfolio is too low*
- *Regional technology availability is a challenge to achievement*
- *Implies that early replacement of assets would be required*
- *Require measure and disclose, with continuous improvement*
- *A SF6 'budget' was suggested as an alternative*
- *Align with EU Regulation 2024/573 on f-gas, and IEC 62271-2017*
- *Further clarification on the listed 'best practices' is requested*
- *A request was made to exclude SF6 from the guidance*
- *A mandatory complete phase-out requirement was suggested*



Number of responses = 61





CHAPTER 3 | TECHNOLOGY SHARE METRICS

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DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

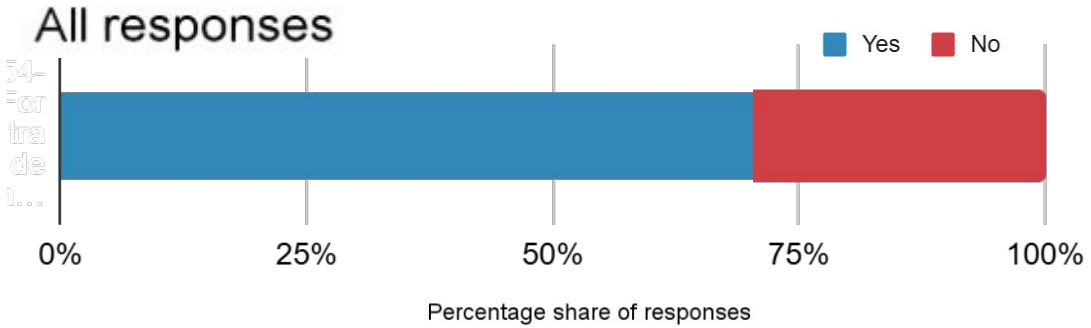
Q54. *For trade and retail activities, do you think the technology share convergence is an appropriate method?*

Feedback received

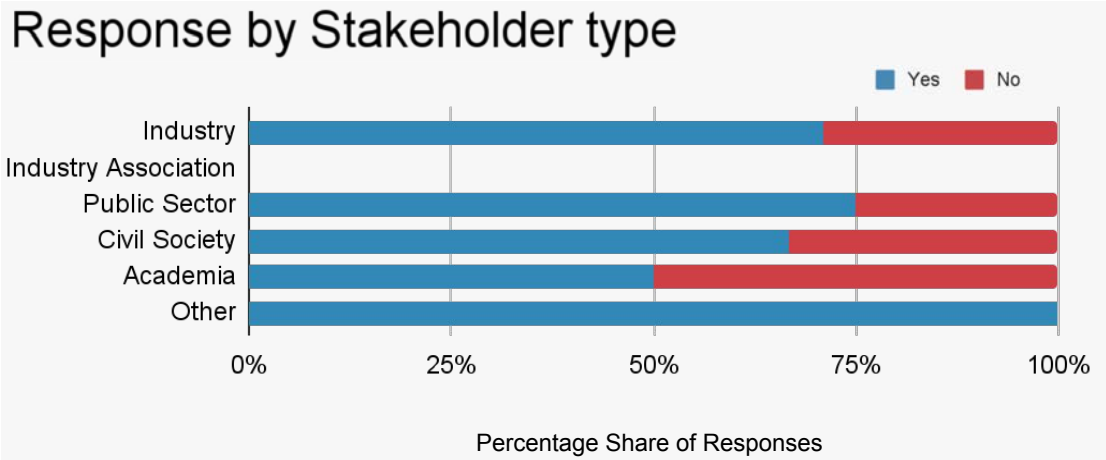
Overall, 71% of respondents agreed that the TSC is an appropriate method.

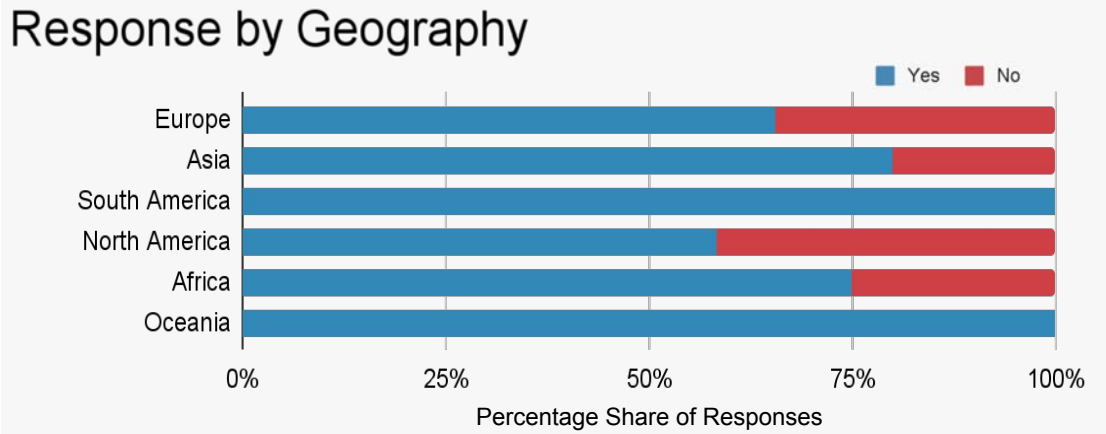
Of the 29% that disagreed, their feedback centred on these points:

- *Does not guarantee action in line with climate science*
- *Both retail and power generation should follow the SDA only*
- *Allow market-based mechanisms in TSC calculations*
- *Regional variation in TSC pathways*
- *Incompatible with US state requirements to buy lowest-cost*
- *Likely infeasible for companies with a low starting point*
- *Flexibility enables by the TSC is not necessary for retailers*
- *May be difficult to evidence in liquid markets*



Number of responses = 61





CHAPTER 3 | TECHNOLOGY SHARE METRICS

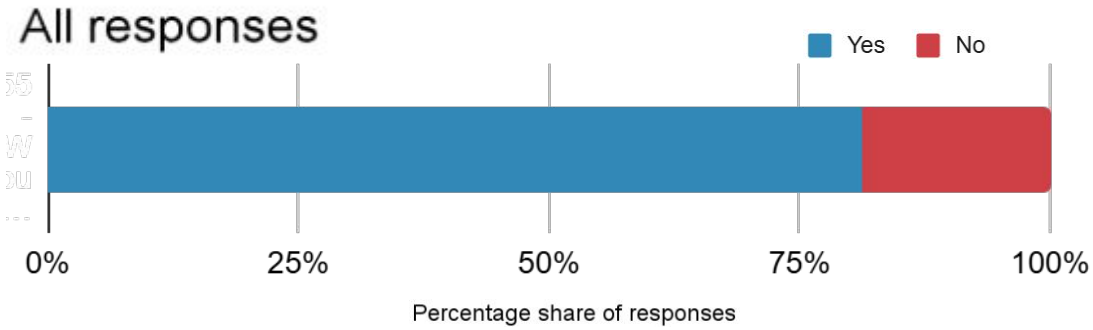
Q55. *Would you prefer additional granularity in the unabated fossil fuel technology share to distinguish also between unabated coal, oil and natural gas?*

Feedback received

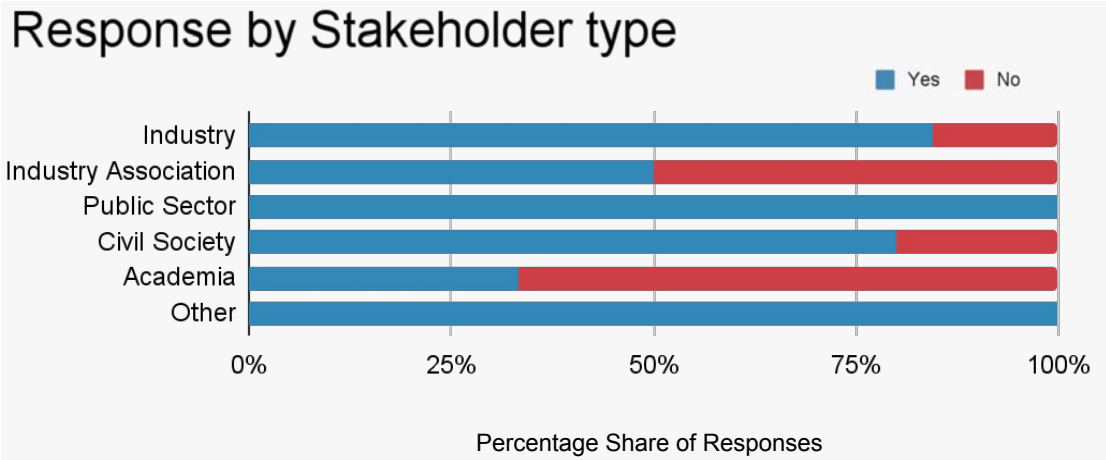
Overall, 82% of respondents would prefer additional granularity between unabated fossil fuels.

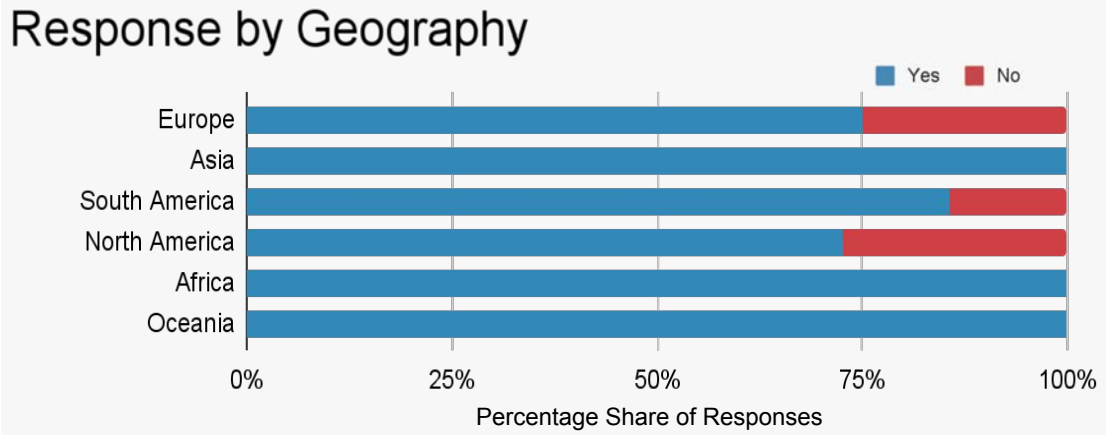
Of the 18% that disagreed, their feedback centred on the key points set out below.

- *Several respondents said that this would be too prescriptive for different reasons*
- *Given the Guarantees of Origin mechanism, further granularity would be difficult to evidence*
- *A view was raised that the TSC is not a suitable method for target setting, but if it is carried forward, further granularity would be a hindrance*



Number of responses = 54



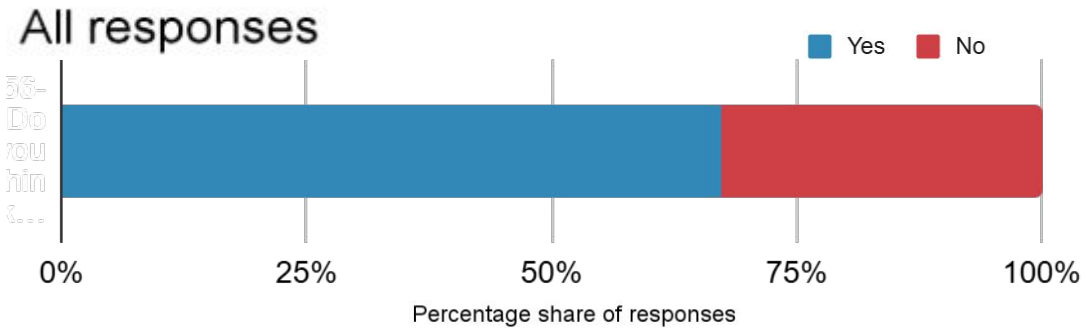


ANNEX A | DEFINITIONS

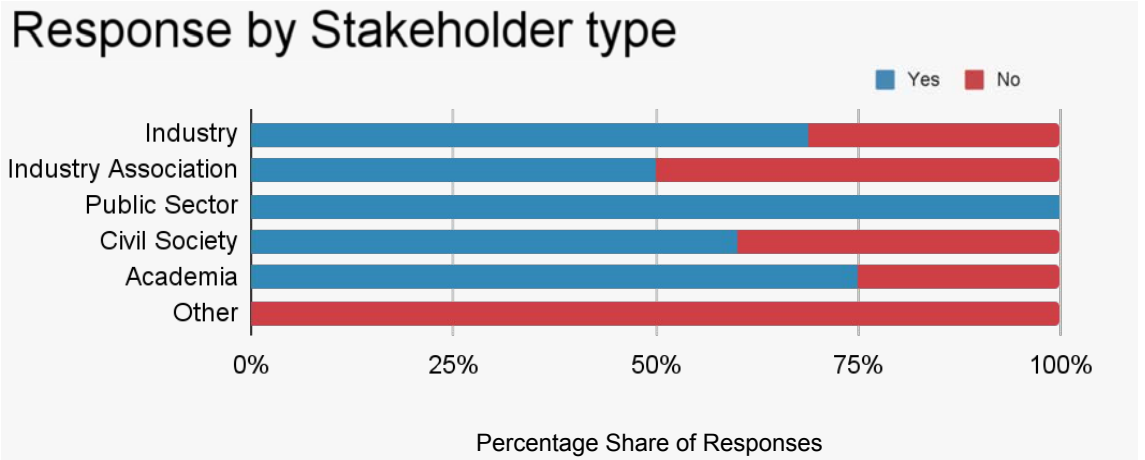
Q56. ***Do you think Annex A provides a comprehensive and clear set of the definitions for terms used in this Standard?***

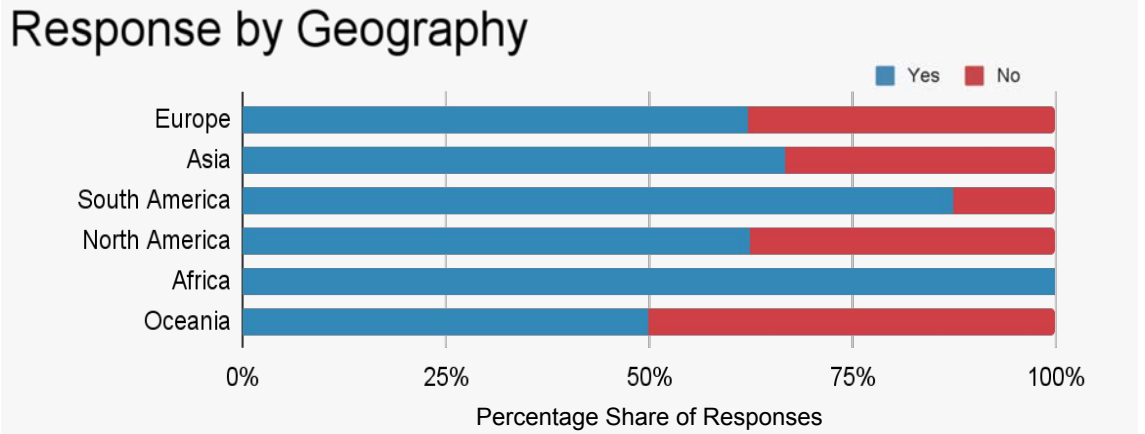
Feedback received

Feedback on this question was specific to individual definitions. These can be found on the next slide.



Number of responses = 65





ANNEX A | DEFINITIONS

Q56. *Do you think Annex A provides a comprehensive and clear set of the definitions for terms used in this Standard?*

Feedback received

Overall, 68% of respondents agreed Annex A provides a comprehensive and clear set of definitions.

Of the 32% that disagreed, their feedback centred on the key points set out below.

- *Asset: level of granularity*
- *Low-carbon power: CCS under 95%, e-methane, hydrogen*
- *Renewable energy: geothermal, biofuels, biogas*
- *Suggestion that quantification is helpful and to be included as much as possible to drive consistency*
- *Suggestion that more detail and granularity would be helpful*
- *Define secondary and final energy (Metric PS 6)*
- *Define baseload capacity*
- *Define retrofit-ready*
- *Define 'retirement' for fossil fuel power plants*
- *Define 'energy carrier'*
- *Define waste-to-energy*
- *See separate slides on definition of 'abated', 'non-baseload' and 'low-carbon power generation'*

Number of responses = 25

ANNEX A | DEFINITIONS

Q57. *Do you agree with the definition proposed for non-baseload capacity?*

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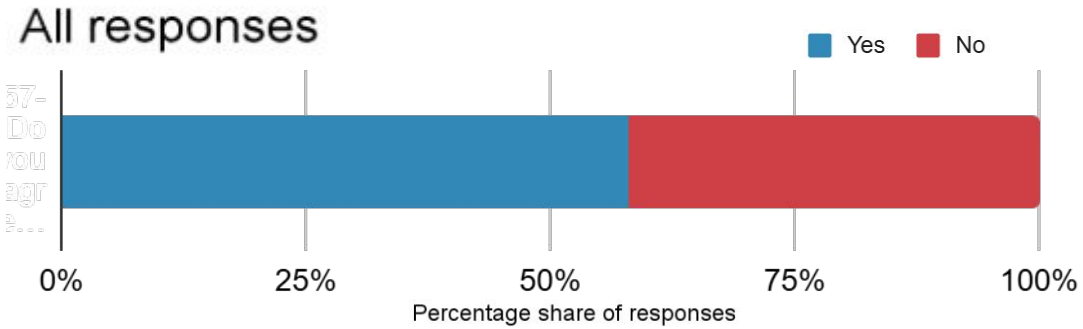
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Feedback received

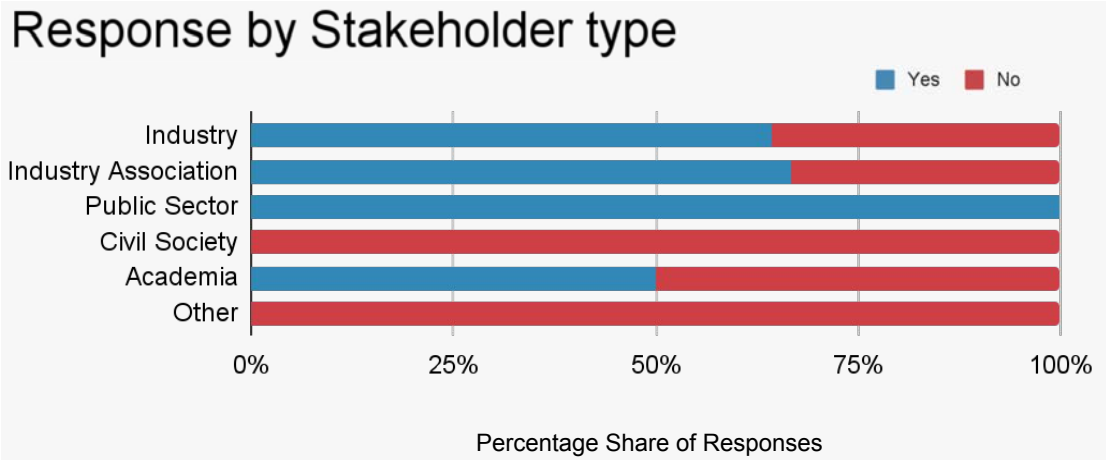
Overall, 58% of respondents agreed with the definition for non-baseload capacity.

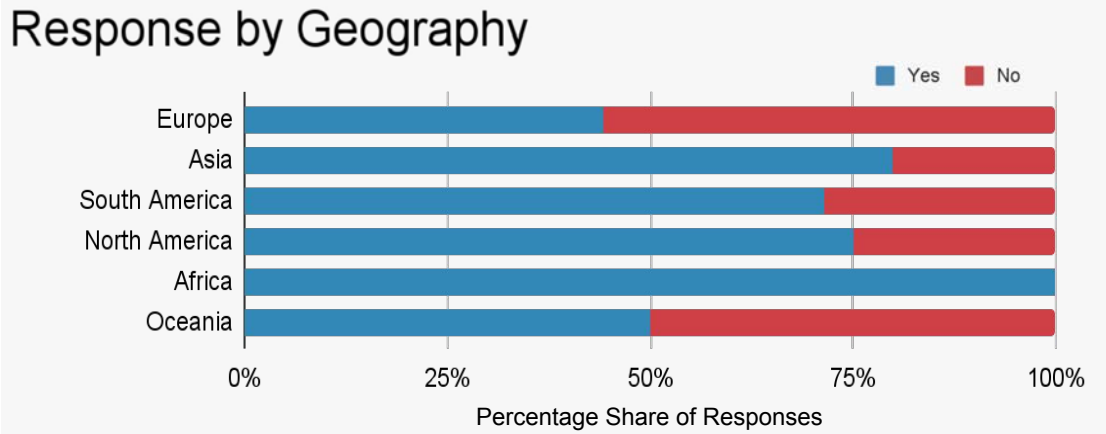
Of the 42% that disagreed, their feedback centred on these points:

- *A quantified threshold, based on hours of operation annually, with figures suggested in the range of 5-30%*
- *Add further granularity by technology type*
- *Concerns over the term 'peak load management' as loophole*
- *Other technology options exist for flexibility and grid security, questioning whether the exemption is needed at all*
- *A suggestion was made to broaden the definition, to exempt more fossil fuel plant*



Number of responses = 60





ANNEX A | DEFINITIONS

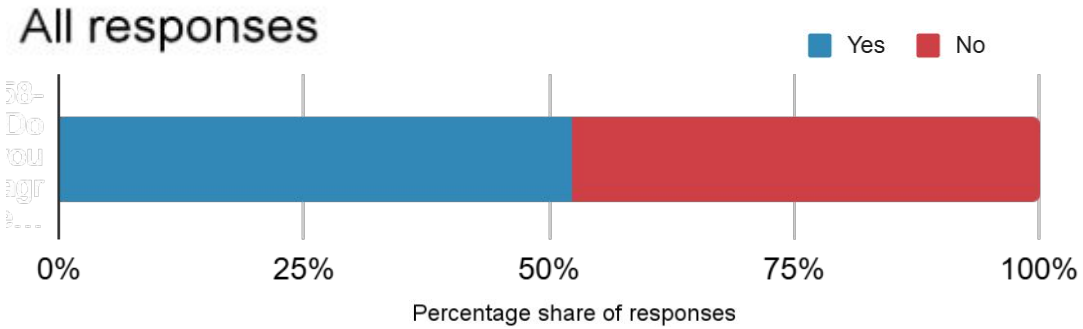
Q58. *Do you agree with the definition for low carbon and unabated fossil fuel power generation?*

Feedback received

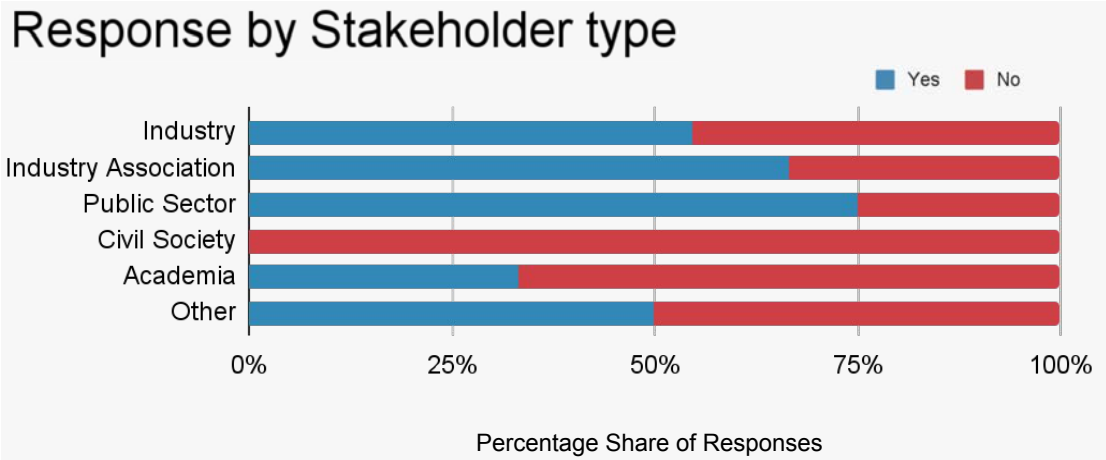
Overall, 53% of respondents agreed with the definitions.

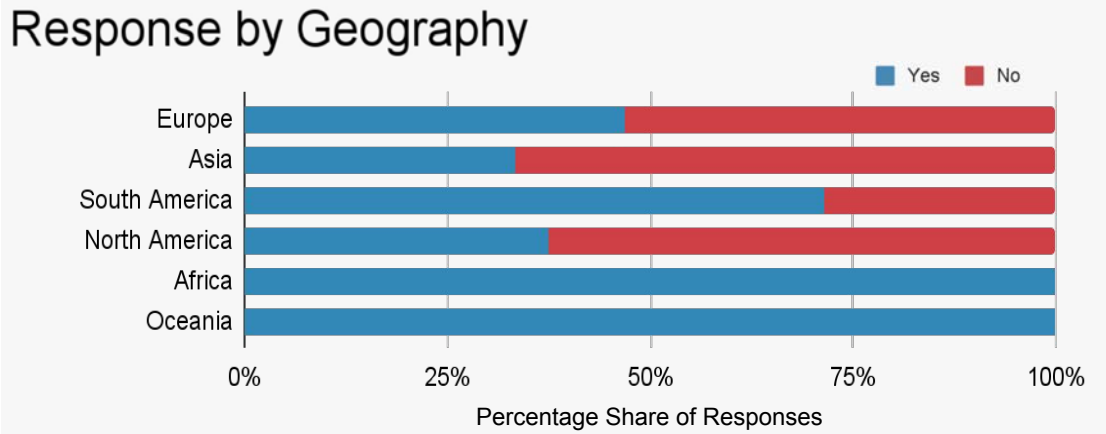
Of the 47% that disagreed, their feedback centred on these points:

- *No abated fossil fuel power generation in low-carbon category*
- *A third category for technologies including abatement*
- *Simplicity on the application of the methods to all companies*
- *There are mixed views on the threshold for abatement*
- *No biomass/BECCS in the low-carbon category*
- *Consider the system 'role' of generation in the categorisation*
- *Align with EU Taxonomy lifecycle emissions intensity*
- *Does use of captured carbon meet the capture rate threshold*
- *Clarify where hydrogen for power is included*



Number of responses = 59





ANNEX A | DEFINITIONS

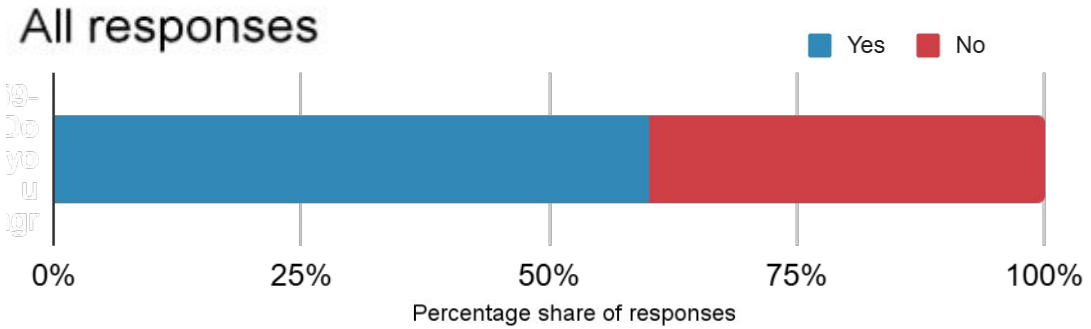
Q59. *Do you agree with the minimum threshold for carbon capture to be included in the low-carbon technology category to be set at 95%?*

Feedback received

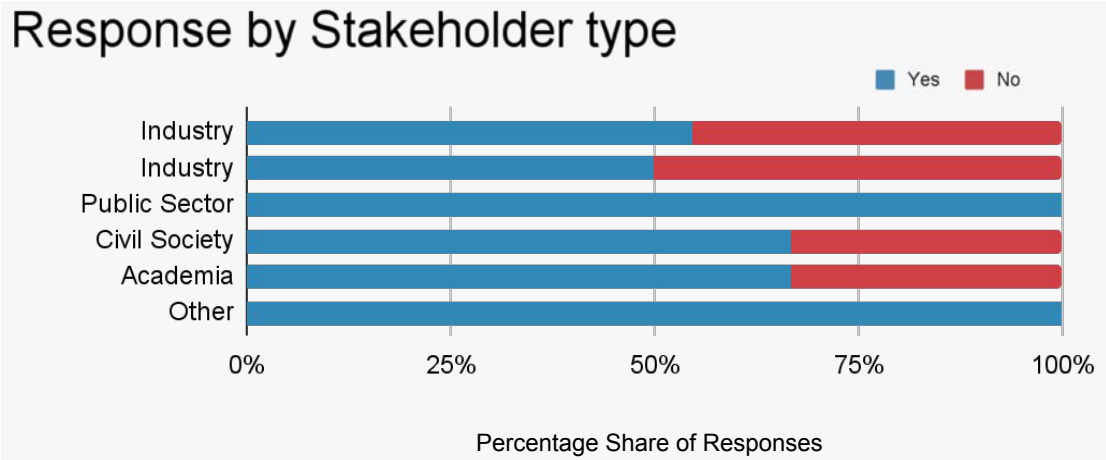
Overall, 60% of respondents agreed with 95% as the threshold for carbon capture to be included in the low-carbon technology share.

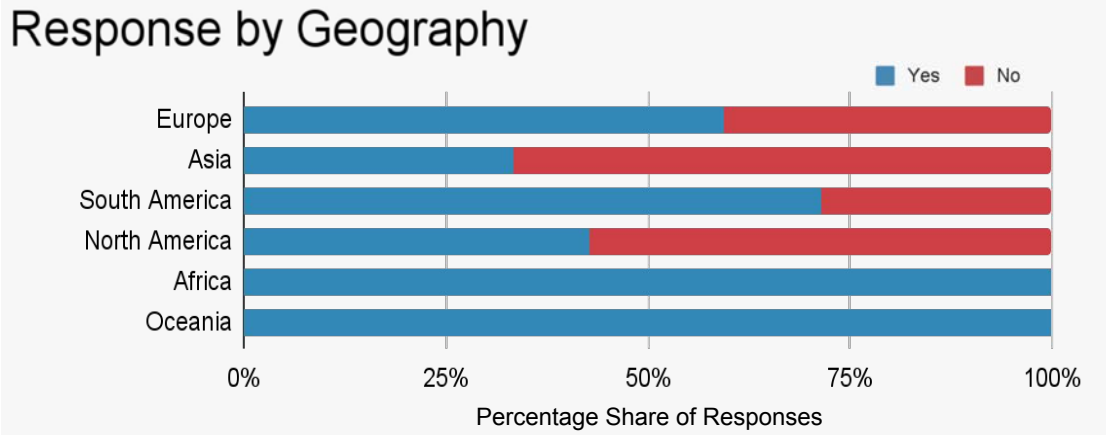
Of the 40% that disagreed, their feedback centred on these points:

- *A figure of 90% would be more practical and achievable*
- *The threshold could change over time, starting at around 80% today, increasing to 95% around 2035*
- *How the rate should be calculated for disclosure/reporting to the SBTi is not specified and this would impact the threshold*
- *Use an emissions-intensity per MWh value threshold*
- *Binary treatment of abated and unabated can be unhelpful*
- *95% is not ambitious enough for a 1.5 degree scenario*



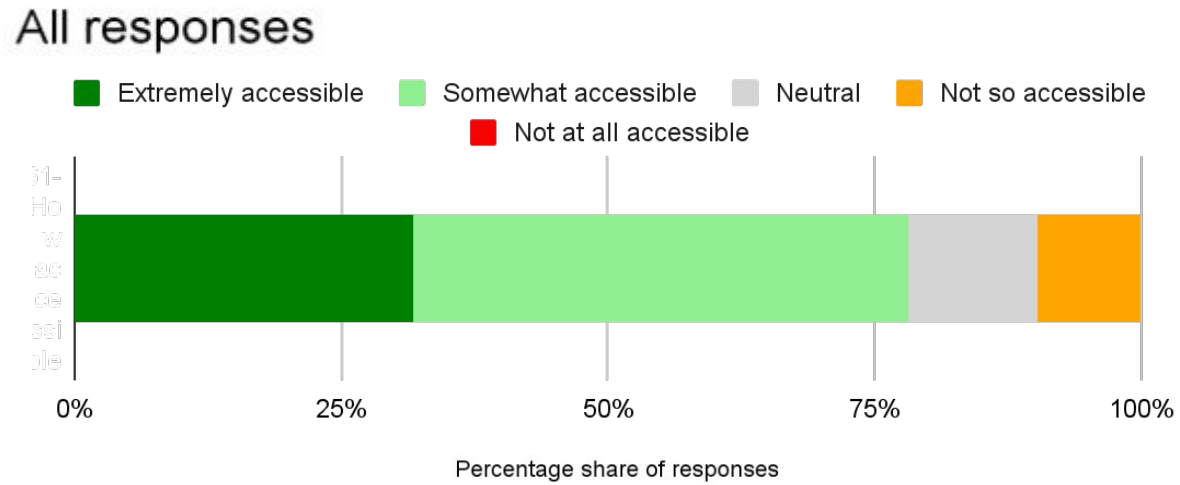
Number of responses = 58



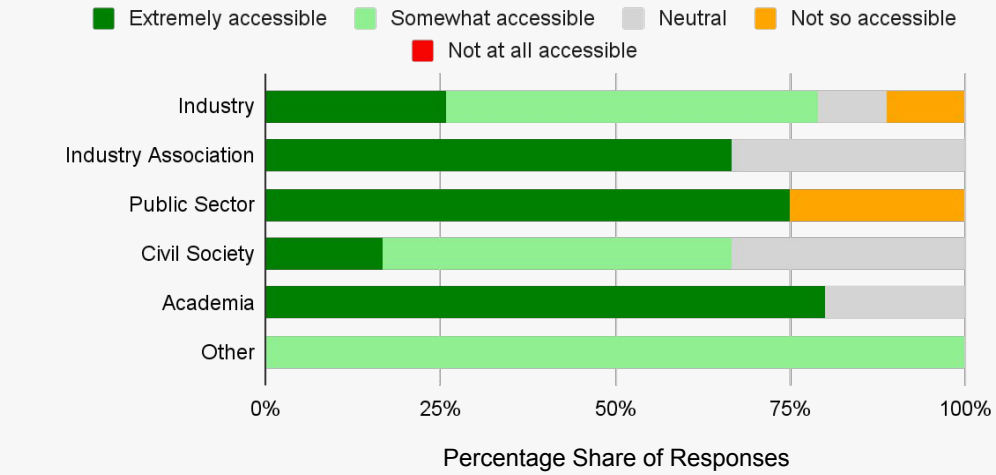


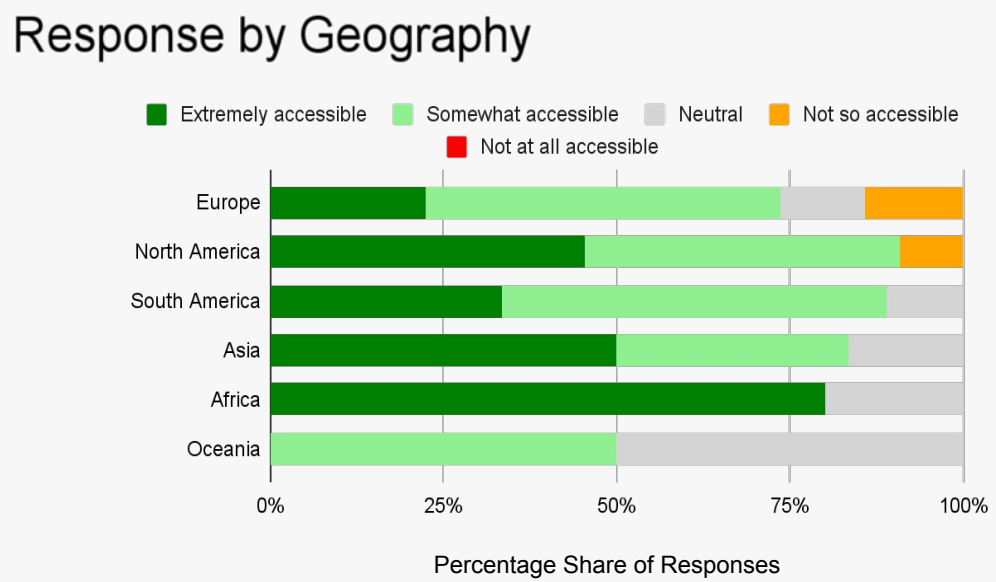
SURVEY ACCESSIBILITY

Q61. *How accessible did you find this survey?*



Number of responses = 82





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