Energy
Transitions
Commission

Protecting Paris – Where we are and what comes next

ETC Representatives Meeting

10 February 2026

Agenda

- **Reflections on COP and the state of the transition in early 2026**
- Protecting Paris: the challenge and ETC role
- Emerging insights
- Progress to date and next steps

Despite strong momentum on decarbonisation, COP30 negotiations had shortcomings

COP30 BRASIL AMAZÔNIA BELÉM 2025

Key COP30 Successes

1. **Momentum on Energy Transition**
Global commitment to scale grids, storage, and renewables (e.g., UNEZA targeting **USD 1T by 2030**).

2. **Industrial Decarbonisation Push**
Brazil launches ENDI; 30+ countries sign the Belém Declaration; unified steel standard covering **70% of global output**. Agreement on **four-fold increase** in global SAF production by 2035.

3. **Breakthrough on Climate–Trade Linkages**
First COP text linking climate policy to trade (e.g., CBAM), elevating an issue long blocked in negotiations.

Key COP30 Shortcomings

1. **Failure to commit to fossil fuel phase down**
Fossil fuels not mentioned in the negotiation text

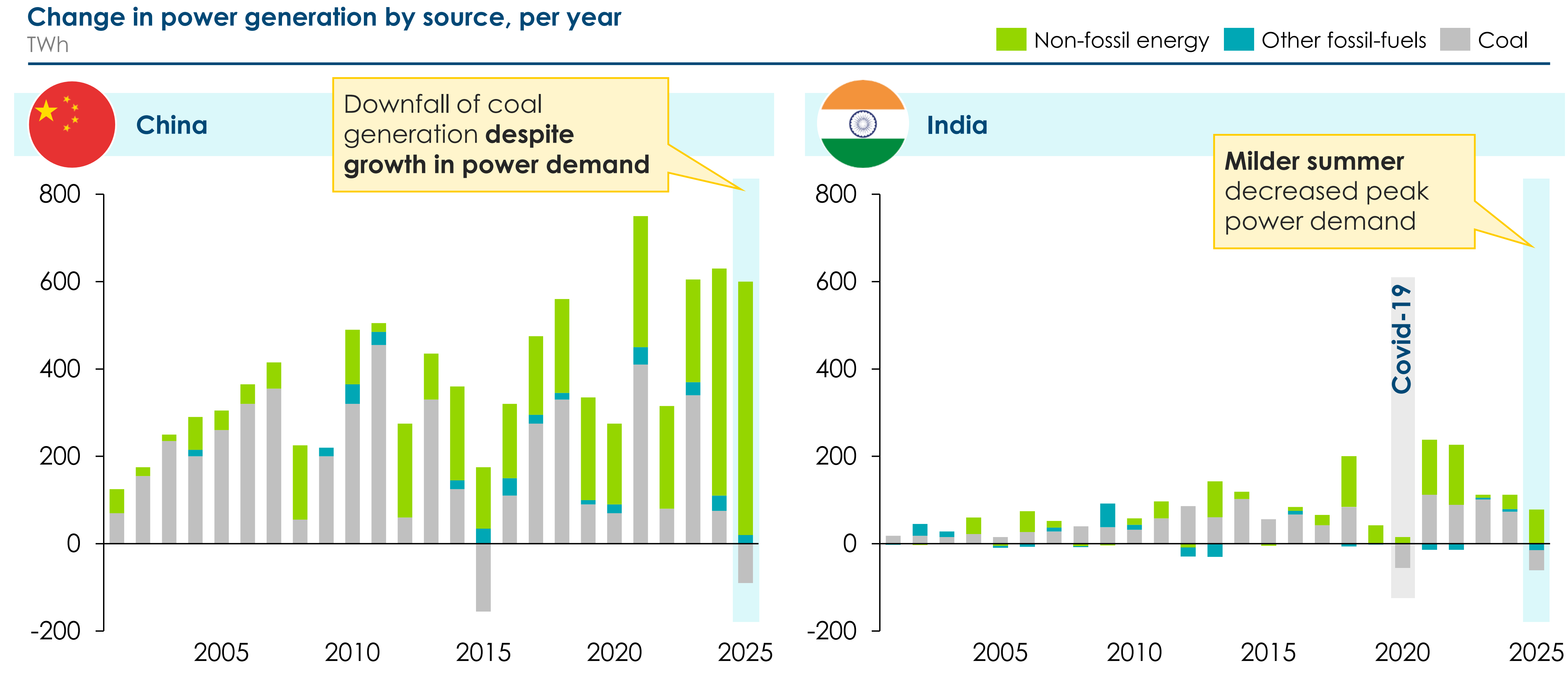
2. **Climate finance**
Unable to secure a binding roadmap for climate finance, with pledges far below the $1.3 trillion required by developing nations

3. **Carbon market rules**
Foundations of inter-governmental carbon credit trading continue to be put in place, though concerns about robustness and additionality still remain

4. **Weak ambition on NDCs**
The 113 (of 197) new Nationally Determined Contributions submitted fall short by 9-26 $GtCO_2e$ to fill to ambition gap with key submissions missing from India and the UAE

Source: Systemiq analysis for ETC.

In the power sector, progress has been strong with renewables growth in 2025 displacing for the first time coal power generation in China and India

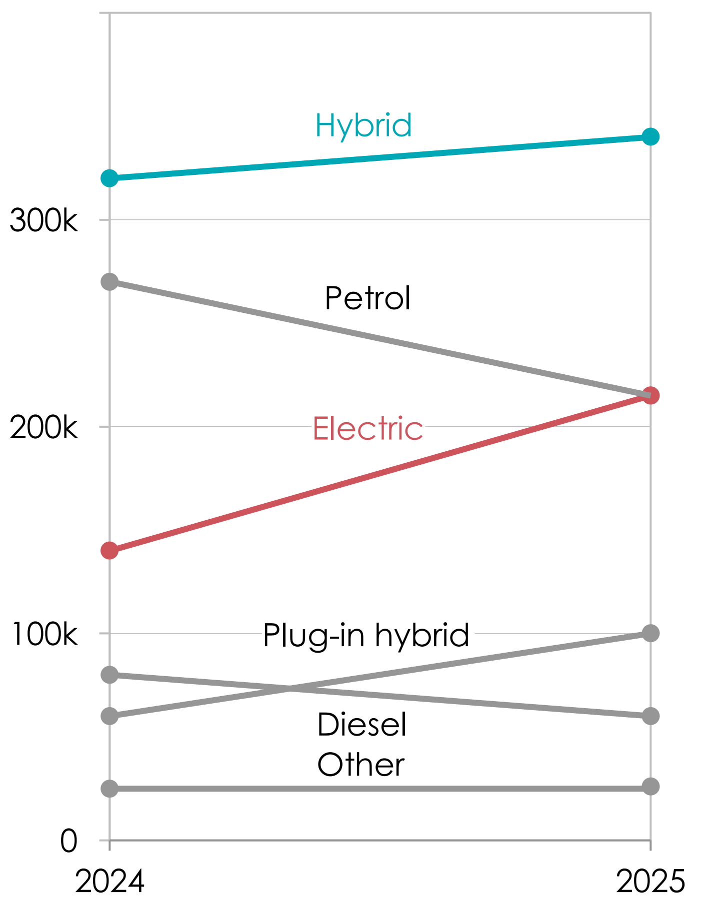


Source: Carbon Brief (2026) Coal power drops in China and India for first time in 52 years after clean-energy records

Electric vehicles penetration is picking up outside of China: EV surpassed ICE sales in the EU and emerging markets are leapfrogging to high shares

EU Sales by vehicle type, Dec 24-25

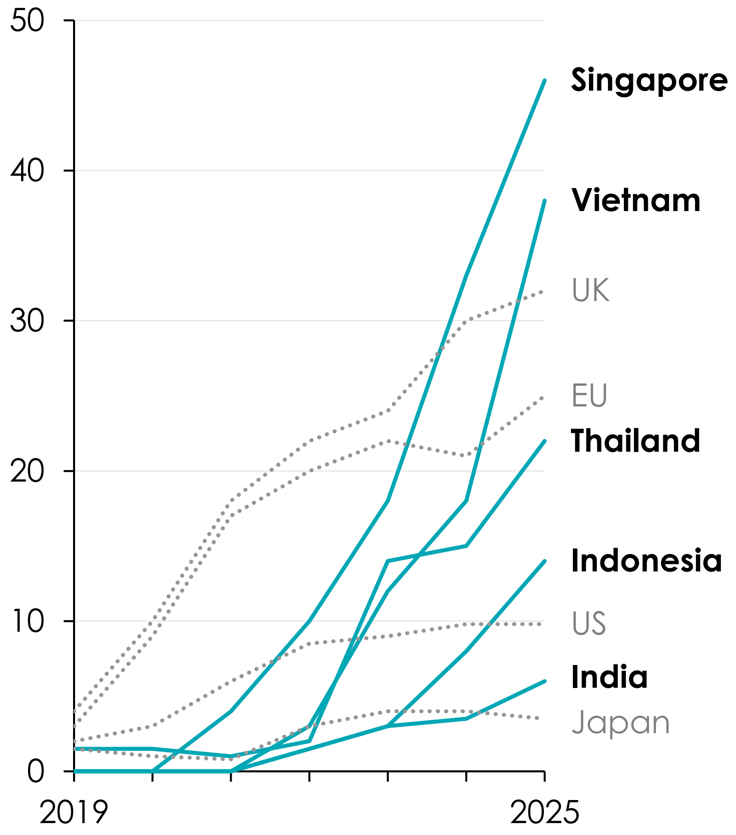
Number of vehicles



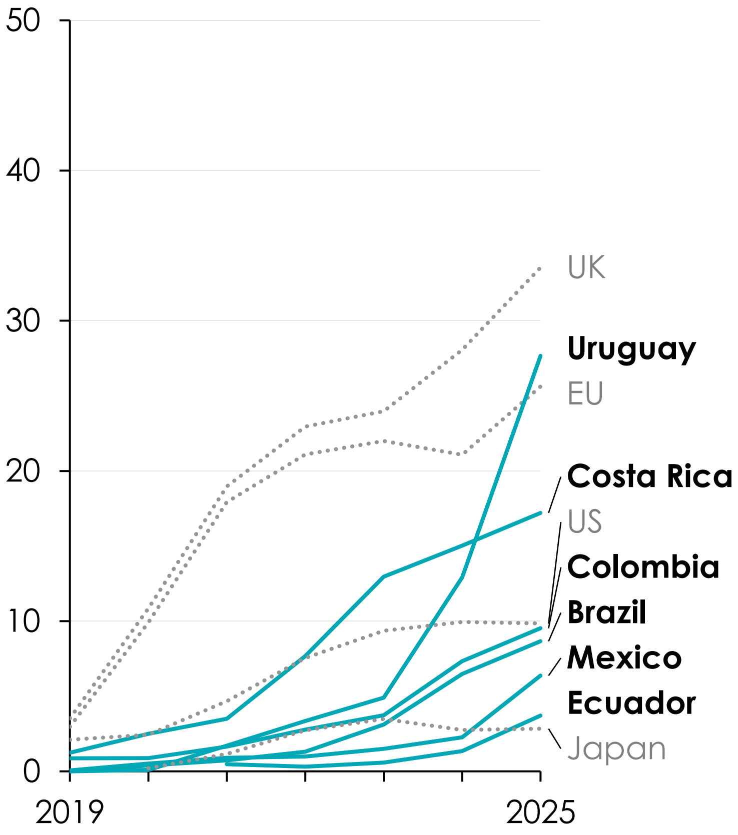
EV Shares of new passenger car sales

%

Asia[1]



Latin America and Caribbean[1]

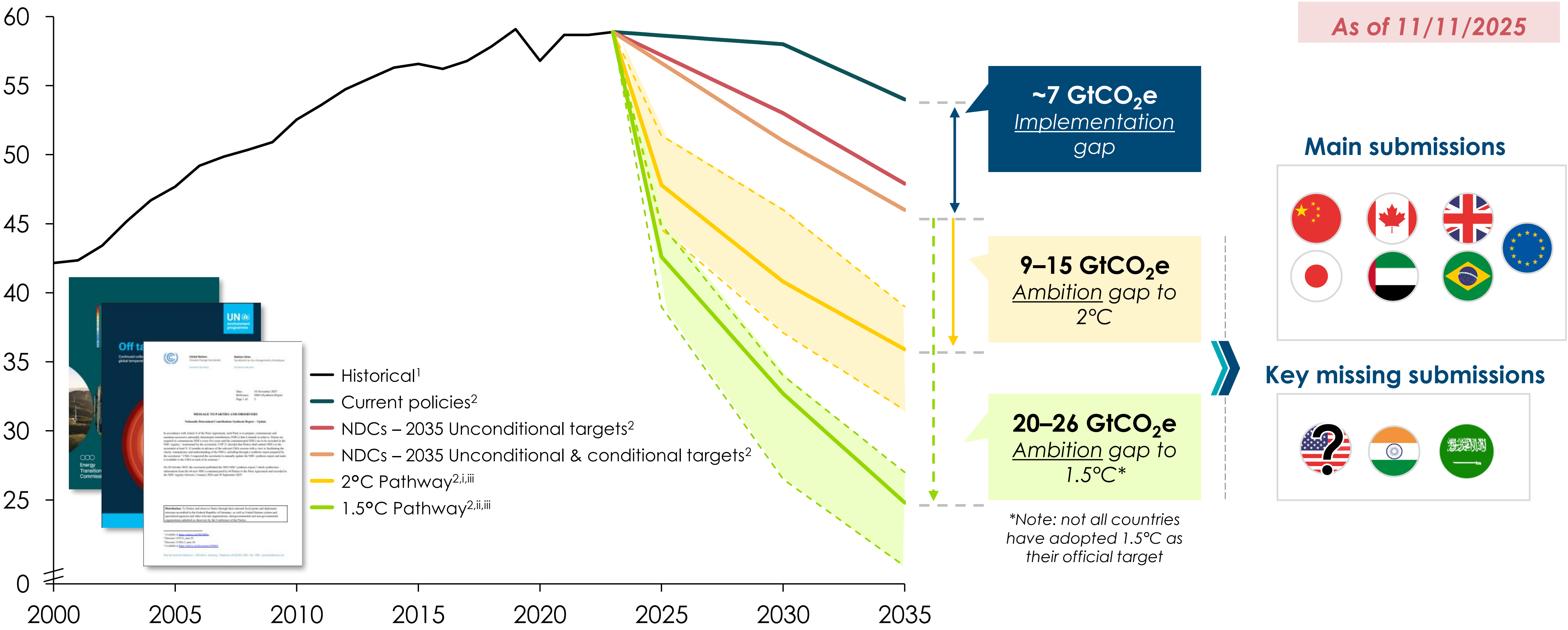


1. Grey lines show EV sales shares in select advanced economies for comparison

Source: Carbon Brief (2026) EVs just outsold petrol cars in EU for first time ever; Ember

The 113 (of 197) new Nationally Determined Contributions submitted are not filling the ambition gap

Global GHG emissions



Notes: [i] Based on IPCC Working Group III Sixth Assessment Report scenario class c1 (limit warming to 1.5°C (>50%) with no or limited overshoot). [ii] Based on IPCC Working Group III Sixth Assessment Report scenario class c3 (limit warming to 2°C (>67%)). [iii] Range corresponds to range between tenth and ninetieth percentile, central line corresponds to median.

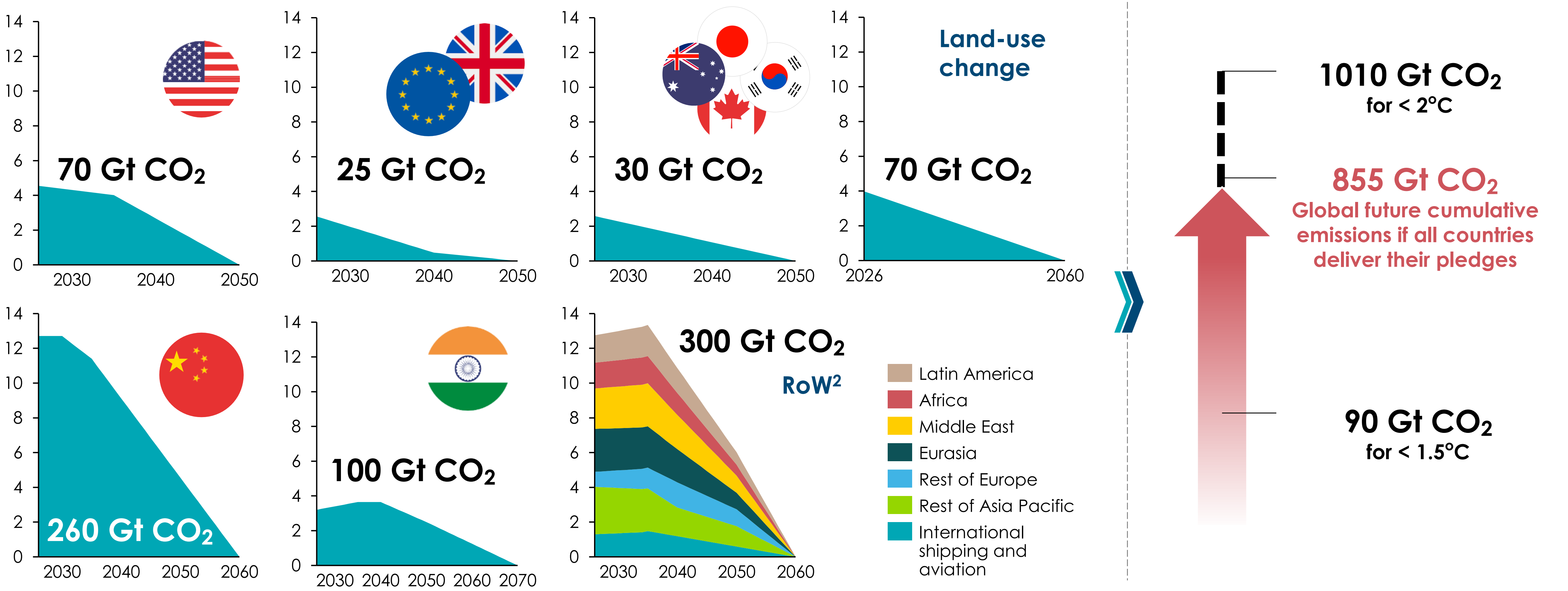
Sources: ETC (2024), Credible Contributions: Bolder Plans for Higher Climate Ambition in the Next Round of NDCs. Systemiq analysis for the ETC based on [1] IPCC (2022), Metadata Browser: Data for Figure SPM.5 - Summary for Policymakers of the WGIII Contribution to the IPCC AR6, [2] UNEP (2025), Emissions Gap Report 2025: Off target; Climate Watch NDC Tracker [accessed November 2025]; UN (2025) Nationally Determined Contributions Synthesis Report – Update

Even if all countries implement their pledges, cumulative future emissions likely to far surpass the carbon budget for a 1.5°C trajectory

Cumulative CO_2 emissions[1], 2026-2070

$GtCO_2$

Remaining carbon budget in 2026 for a 50% likelihood



1. Country estimates refers to energy-and industry related emissions; 2. Estimated based on IEA's STEPS until 2035 and then straight lined to 2060

Source: IEA (2025) World Energy Review; JRC/IEA 2025 Report (2025) GHG emissions of all world countries; Global Carbon Budget (2025) Fossil fuel CO2 emissions hit record high in 2025; Climate Change Tracker available at: https://climatechangetracker.org/climate-change-progress/current-remaining-carbon-budget-and-trajectory-till-exhaustion [Accessed November 2025]

Finance and corporates are struggling to implement net-zero targets, despite record year for SBTi validations

Finance

Alliances updates

GFANZ

Over 700 members in 2024
- Restructure: dropped requirement to be Paris aligned & publish targets and progress;

Net Zero Asset Managers Initiative

325 signatories as of Jan 2024
- Major companies left e.g., Blackrock (2025), Vanguard (2022)
- Suspended activities on implementation/reporting in Jan 25

net-zero banking alliance

Disbanded in 2025
- HSBC dialled back internal targets, but remains engaged with GFANZ.

Net Zero Insurance Alliance

Disbanded in 2024

Corporates

Commitment updates

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

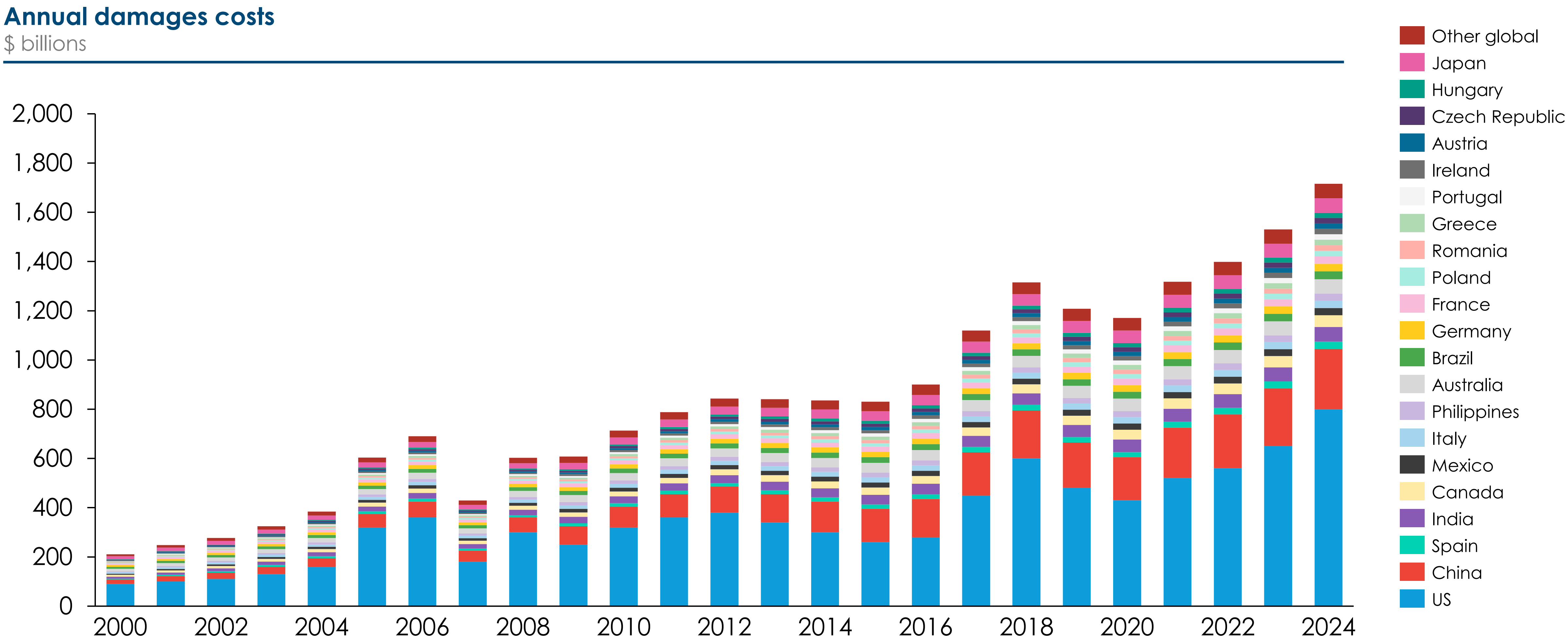
~11,000 companies, 25% of global revenue + doubling of Chinese companies in 18 months, BUT:
- 200 high-profile companies delisted (e.g. Microsoft, Unilever)
- Only ~50% of companies on track for Scope 1 or 3 emissions reductions
- New guidance, due next year, to stick to Net Zero by 2050 but no temperature pathway

bp

Major O&G dialling back on climate targets due to a slow phase out of FF
- **Shell's** removed 2035 target to reduce products emissions by 45% (though maintaining commitment of minus 15-20% by 2030)
- **BP** removed targets to 2030 and ramp-up fossil fuel investments

Source: Press releases; SBTi (2025) *SBTi Trend Tracker*. Shell (2024) *Energy Transition Update*. PWC (2025) *PwC's Second Annual State of Decarbonization report*.
PWC (2025): 73% of companies on track for Scope 2; 46% on track for Scope 1; 54% for scope 3.

Every year climate damage cost increases: in 2024 it cost the world $ 1.7 trillion with US spending 3.4% of national GDP



Note: Climate damages include insured and uninsured damages to property and climate-related government spending (including drainage grants, disaster prevention and recovery, environmental protection and agricultural insurance subsidies).

Source: https://assets.bbhub.io/professional/sites/44/BNEF-Adaptation-and-Resilience-The-New-Investment-Imperative.pdf, Bloomberg Intelligence Climate Damages Tracker, Bloomberg NEF.

Agenda

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- **Protecting Paris: the challenge and ETC role**
- Emerging insights
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Voices today are proposing we let Paris slide… ETC aims to shore up commitment to action, reinforcing Paris's well below 2°C objective

Calling for re-anchoring in ambition

Calling for a decrease in ambition

Net Zero..ish at 2-3°C

- Focus on **economically viable solutions** – with a strong focus on **electrification** which enables 80% of emissions reduction.
- People should **not accept a cost impact** of:
  I. Accelerating clean electricity;
  II. Reducing emissions from the HTA sectors (i.e. green premiums).
- **Negative climate change effects** are likely to be manageable

Risk of 'disorderly backsliding' on climate commitments

Net Zero well below 2°C

- Focus on **identifying the credible set of actions, and the target implications**, which responsible companies and countries should pursue.
- Provide concise evidence on transition costs and distributional impacts, clarify the collective effect of targets, and ground the work in the latest science on climate risks.
- ETC favorable positioning on this debate:
  - ✓ Trusted technical and economic analysis
  - ✓ Forum for objective debate
  - ✓ Extensive global reach

Progress on cost reduction and deployment relative varies by sector – but progress expectations suggest well below <2°C still possible

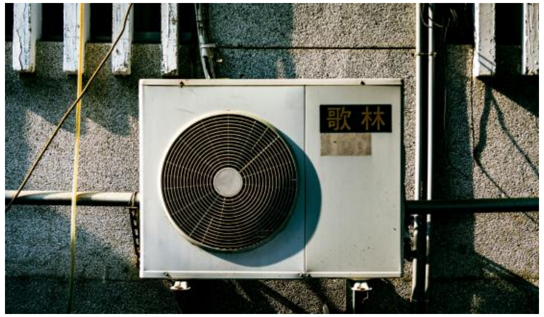
Low/zero carbon power

- **Renewables and nuclear** accounted for **80% of electricity growth in 2024** – with renewables growth outpacing global electricity demand in 1st half of 2025
- **Renewables overtake coal** as the world's largest source of electricity
- ETC " Power system transformation" report confirms the potential for low-cost decarbonisation, particularly in the global sunbelt

Road transport electrification

- **EVs** set to account for **25% of all car sales in 2025**
- EVs are already cheaper than ICE comparable models in China
- Rising sales in emerging markets: sales more than doubling in Brazil and almost tripling in Indonesia.

Residential heat electrification



- **Heat pump** sales **fell by 1% in 2024** mostly due to slow down in Chinese market; but outsold gas boilers in the US by 30%
- The next decade will be vital for electrical heating to reach widespread deployment in key markets

Hard to abate sectors

- **Significant announcements for ammonia and aviation** but too slow in aluminium, cement and steel.
- Over half of new projects now in Sunbelt (including EMDEs), driven by cheap renewables, national incentives.
- To achieve 2030 and 2040 goals, projects must be financed and begin construction within the next two years.

Source: IEA (2025) World Energy Review; MPP Global Project Tracker. For per sector sources, products in scope and technologies in scope please refer to MPP Global Project Tracker: Ember (2025) Global Electricity Mid-Year Insights 2025; BNEF (2025) Electric Vehicle Outlook

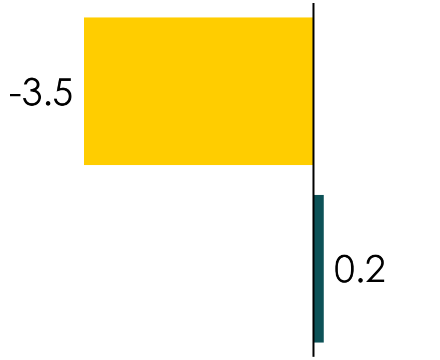
4 big “misses” in the 2020s

Required action in 2020s for 1.5°C limit

Required reductions in annual emissions (2021-2030)
Gt CO2e

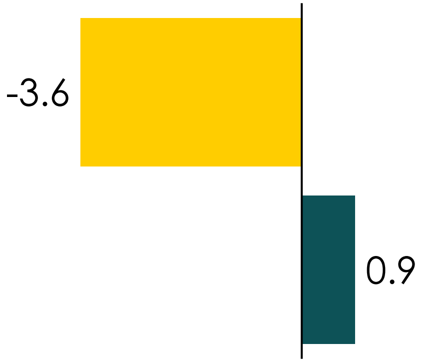
Actual change in annual emissions (2021-2024)
Gt CO2e

Early run down of existing coal generation



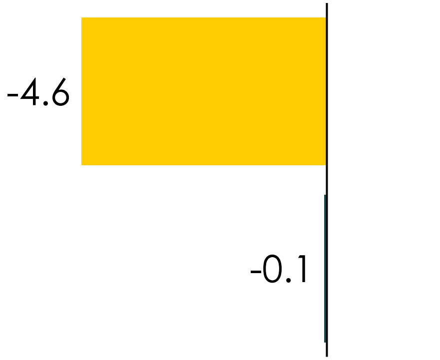
- Electricity equals 2/3 of coal demand
- China and India lead coal consumption, 2025 might have reached peak

End of deforestation



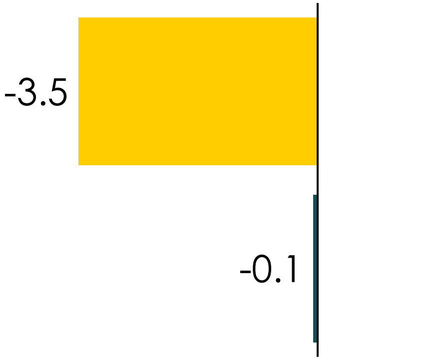
- Global deforestation slowing compared to previous decades, but still 65% higher than the required annual rate

Methane emission reduction



- Fossil fuel CH4 intensity down by only 8% in past 3 years
- Bio and agriculture emissions down by 2% in the past 3 years

Carbon removals



- Massive gap between CDR demand vs. need
- DAC cost pathways revised upwards

Notes: Methane emissions expectations only account for NDCs and Global Methane Pledges commitments; *MSCI CDR credit volume calculated by multiplying projected market size ($) by ETC average cost of carbon removal in each year ($/t$CO_2$)*. Source: ETC (2021) Assessing the commitments from COP26; ETC(2021) Keeping 1.5oC Alive; WRI (2025) Deforestation and Restoration Targets Tracker (Beta); IEA (2025) world Energy Outlook; MSCI Carbon Markets (2025), *Frozen Carbon Credit Market May Thaw as 2030 Gets Closer; Crippa M., Guizzardi D., Pagani F., Banja M., Muntean M. et al., GHG emissions of all world countries - 2025 Report, Publications Office of the European Union, Luxembourg, 2025, doi:10.2760/9816914, JRC143227; Global Forest Watch [Accessed Nov 2025].*

The focus of ETC work will be equal part analysis and considered engagement, with iterations between the two

Analysis

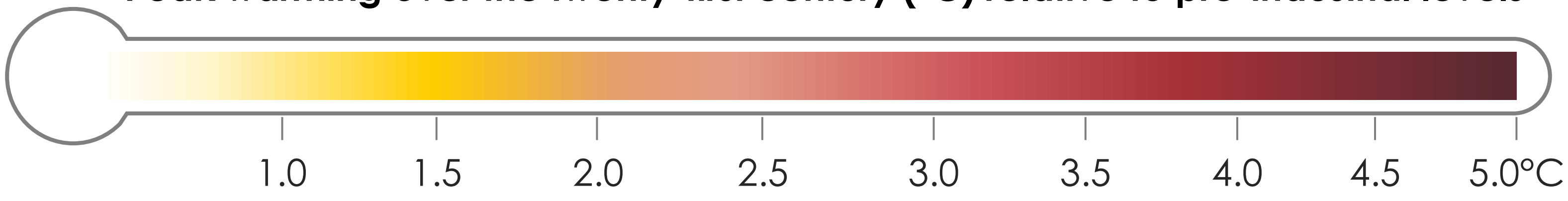
- Identify the core ‘blocks’ of emissions reductions that are needed to deliver temperatures closer to Paris objectives
- Identify costly and costless actions
- Actions and targets required to deliver

Engagement

- Moving from deep listening to testing emerging conclusions
- Work with partners to seed ownership and adoption of actions and targets required to deliver ambitious climate action in next 5-10 years, by COP31

ETC will dissect the difference between a transition led purely by lowest cost economics and a faster transition that allows us to remain well below 2°C

Peak warming over the twenty-first century (°C) relative to pre-industrial levels



Well below 2°C range due to **a faster transition**

Likely range of warming of a **transition led by economics alone**

2 main mitigation blocks

A **Turbocharging clean electrification & power decarbonisation**

- **AI** Turbocharging electrification
- **AII** Accelerating renewables
- **AIII** Early coal phase out

B **Other critical mitigation actions beyond electrification**

- **BI** Accelerating action across the harder-to-abate (HTA) sectors
- **BII** Reducing methane and N_20 emissions
- **BIII** Reducing emissions in LULUCF*

+ **Removals**

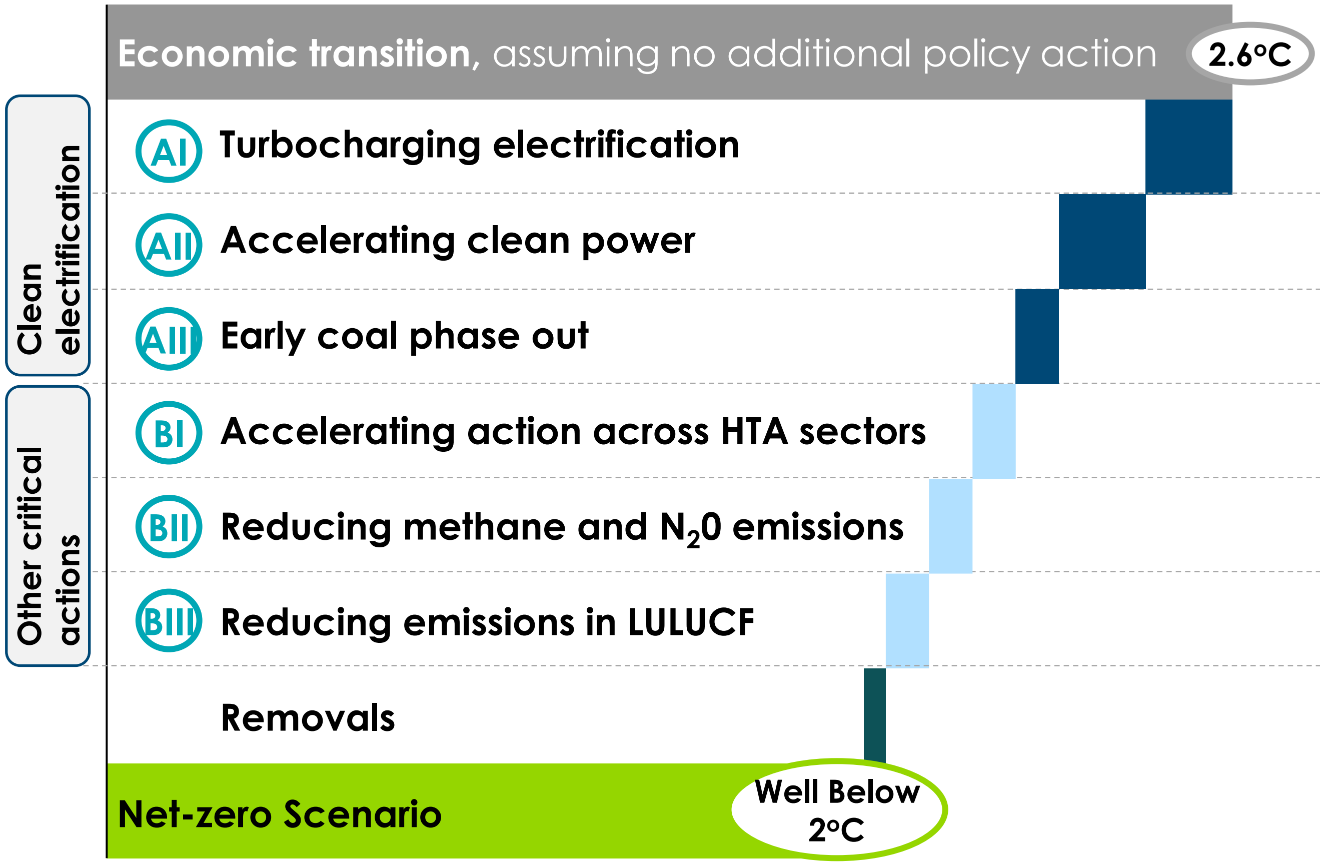
Note: LULUCF = Land Use, Land Use Change and Forestry

We will clearly identify the core ‘blocks’ of emissions reductions that are needed to deliver temperatures closer to Paris objectives

Illustrative

Peak warming in the 21st century and key mitigation areas

°C



Key levers of change

- Accelerating electric vehicles, heat pumps and industrial electrification, doubling energy efficiency
- Tripling renewables, extending grids and deploying storage
- Decreasing coal generation by decommissioning of old plants or displacing baseload demand
- Low-carbon steel, cement, aluminium and chemicals + sustainable aviation/shipping
- Cutting non-CO_2 emissions from O&G production and distribution as well as waste and agriculture
- Ending deforestation and increasing ecosystem restoration
- Scaling carbon dioxide removals from nature and engineered sources, alongside ambitious emissions reductions

Note: LULUCF = Land Use, Land Use Change and Forestry

We will highlight the costs – where mitigation is costless, it will need accelerated investment or will have a cost premium to be absorbed

Illustrative

Key

No cost or cheaper than alternative
Some cost
Clear cost

Peak warming in the 21st century and key mitigation areas

°C

Relative cost of action

Group	Mitigation area	Relative cost of action
	Economic transition, assuming no additional policy action (2.6°C)	
Clean electrification	AI **Turbocharging electrification**	Relatively costless – although heat pumps and industrial electrification uptake will need policy support
Clean electrification	AII **Accelerating clean power**	Renewables based system same or lower cost than fossil
Clean electrification	AIII **Early coal phase out**	Some cost for decommissioning or CCS
Other critical actions	BI **Accelerating action across HTA sectors**	Green premium will require carbon price on HTA
Other critical actions	BII **Reducing methane and N_20 emissions**	Mix of costless/some cost
Other critical actions	BIII **Reducing emissions in LULUCF**	Mix of costless/some cost
	Removals	Costly, with limited material economic benefit
	Net-zero scenario (Well Below 2°C)	

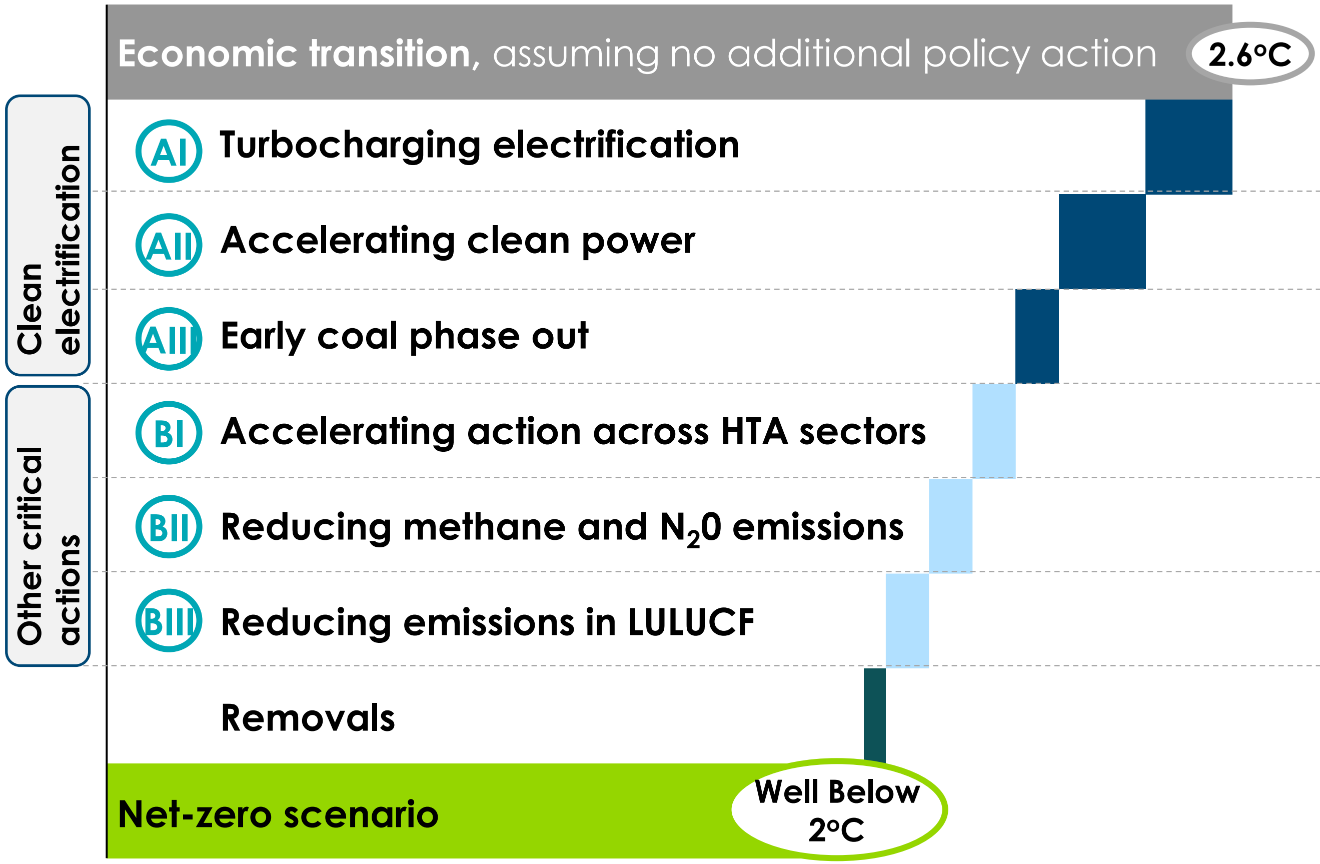
Note: LULUCF = Land Use, Land Use Change and Forestry

…and highlight the critical actions that are required to deliver these reductions – including climate policy

Illustrative & to be iterated in engagement phase

Peak warming in the 21st century and key mitigation areas

°C



Key public policies to analyse

- ICE bans, heat pump incentives, gas to electricity price parity, increase access to electricity, appliance efficiency
- Grid reinforcement, market mechanism (e.g. distributed generation, enable demand side flexibility)
- Decommissioning costs, CCS incentives, carbon pricing
- Carbon price and/or CfD; off-take de-risking mechanisms; fuel/product mandates
- Methane regulation and enforcement in O&G, product/food labelling, campaigns for diet change
- End deforestation, increase ecosystem restoration
- Increase demand for carbon credits in mandatory and voluntary markets (e.g. Article 4 Mechanism)

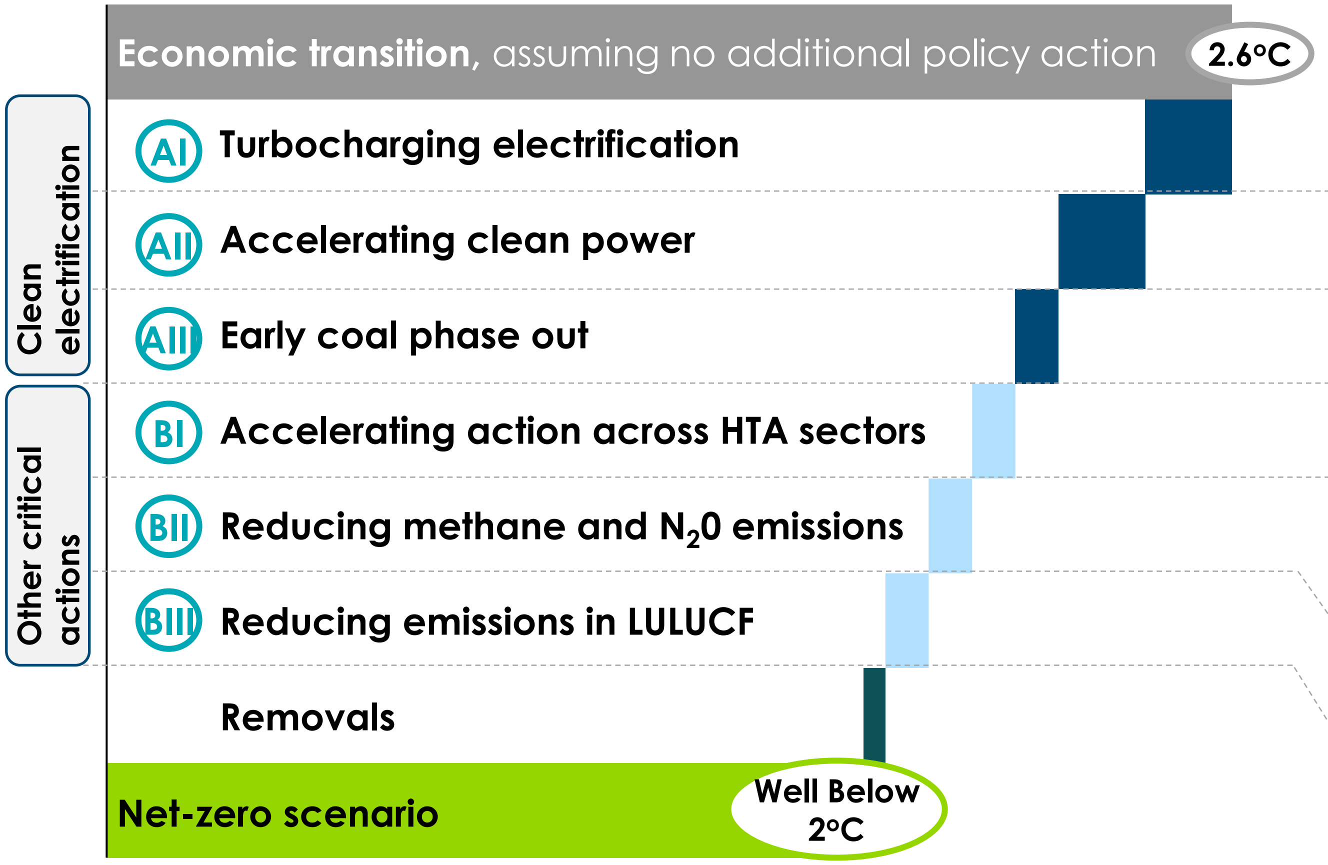
Note: LULUCF = Land Use, Land Use Change and Forestry

…Finally, we will seek to test, refine & seed ownership of the required near-term actions & targets that put the world on track

Illustrative & to be iterated in engagement phase

Peak warming in the 21st century and key mitigation areas

°C



Required targets (to be developed further)

- Near-term targets such as EV100, doubling energy efficiency, share of electrification (e.g. 35% by 2035), appliance efficiency
- Near-term targets such as RE100, tripling of renewables (GW)
- Coal phase out commitments, caps on grid emissions (i.e. CO_2/TWh),
- Green fuel and product targets (e.g. % by 2030, number of FIDs)
- Methane reduction targets (e.g. for O&G), food standards (e.g. for non-CO2 in agriculture)
- Supply chain targets for avoided deforestation
- Neutralisation or beyond net-zero pathway targets for companies with lower decarbonisation costs; robust integration in emissions trading schemes

Note: LULUCF = Land Use, Land Use Change and Forestry

There will be trade-offs to continue in a "well below 2°C" trajectory, but the alternative cost of non-transitional scenarios could be far worse

Faster transition

Higher transition costs e.g. early phase out of coal assets

Acceleration of distributional impacts i.e. uneven costs of capital

Delayed transition

Costs of inaction i.e. loss of global productivity

Increasing costs of adaptation

Physical risks and stranded assets

Source: Systemiq analysis for ETC

Through a programme of analysis and engagement, we will target endorsement and adoption of a revised action plan for well below 2°C

OUTPUTS

- **Revised action plan on mitigation opportunities** across clean electrification, heavy industry and nature + key country level acceleration prospects.
- **Global, white label, data sets and core narratives** addressing burning questions on how to accelerate the pace of today's transition

OUTCOMES

- **To protect and sustain climate action by keeping actions and targets credible and deliverable,** preventing abandonment of commitments perceived as unattainable.
- **Ambition, actions and targets** resulting from our analyses **recognised and owned by a broad network of key players** seeding a wider conversation at and in the run up to COP31 and beyond

IMPACT

Endorsement and adoption of a revised action plan – led by ETC but diffused through a broad community of actors - **to put the world back on track to well below 2°C**, based on leading new analysis, refined through engagement and adopted at the highest level and taken forward by key parties.

ETC will engage with 6 key audience groups

International climate community
including IPCC, UNFCCC, SBTi

Financial institutions
including former GFANZ/NZBA stakeholders

Corporates
inside and outside the ETC coalition

Civil society players
including the NGO community

Leading modellers
including the IEA, BNEF, S&P

Policymakers
Politicians, Special Advisers and Senior Civil Servants

We aim to mobilise throughout 2026 – targeting the ramp up to COP31

Analysis

Dec-Jun

Development of core analysis:
- Turbocharging clean electrification
- Accelerating power decarbonisation
- Hard-to-abate decarbonisation
- Reducing methane and N20 emissions
- Food production and LULUCF

End of analysis

Nov COP31

Engagement

To be defined, if a publication, what format, e.g. a report, an article, …

Oct-Feb '25

PHASE 0 - Targeted conversations with ambitious int'l climate community

Feb-Jun '26

PHASE 1 - Deep listening and targeted dialogue with core audiences (climate community, corporates, financiers), to inform out thinking

PHASE 2 - Broader engagement across the wider climate, energy and public-discourse ecosystem for the going public of ETC recommendations

Jun-Nov

PHASE 3 - Seeding a future campaign

Ongoing bilaterals

~40-50 key bilateral meetings testing our thinking

~ 4-5 possible roundtables with key audiences

Key stakeholders

IPCC, UNFCCC, IEA, Paris Agreement leaders

+

- *Key climate interlocutors*
- *Financial institutions*
- *Civil Society*
- *Leading modellers*

+

Critical mass of voices including wider climate, energy and public-discourse ecosystem

Notes: Phase 1 will re-engage with those in Phase 0 plus: key international climate interlocutors (IPCC, UNFCCC, SBTi), Financial institutions (including former GFANZ/NZBA stakeholders); Civil society players (NGO community); Leading modellers (IEA, BNEF, S&P); Phase 2 will reengage with all of Phase 0 and 1 targets plus a broader scope.

Phase 2 – Broader engagement across the wider climate, energy and public-discourse ecosystem

Key outputs

Revised action plan on mitigation opportunities + **Global, white label, data set and core narratives**

~40-50 Bilateral meetings

- **Re-engage with key audiences from Phase 0 & 1** (SBTi, IPCC, GFANZ, UNFCCC) to present emerging conclusions and foster ownership of conclusions and actions.
- **Selectively engage with wider ecosystem key actors:** Corporates, Financiers, Ambitious international climate community, wider energy ecosystem, key communication partners.

Roundtable discussions (~4). Tentative topics include:

1. **Understand data gaps and need for a revised pathway toolkit** to give **corporates and financial decision makers** clarity in boardroom decisions on the transition (e.g. GFANZ, NGFS, WMBC)
2. **Align on a plausible set of agreed actions** in supportive policy environments to support **heavy industry players** deal with the increasingly common hurdles to low-carbon investments (e.g. MPP, SBTi)
3. **Agree a plausible set of parameters that underline an ambitious transition** with the **analyst community** to overcome stakeholder pressure limiting the IEA's Net Zero stance (e.g. BNEF, S&P, Wood Mac, Rystad, Ember, IEA)
4. **Empowering and enabling the NGO community to promote key narratives** that result from our analysis and engagement to overcome shifts in sentiment towards security and defence (e.g. WBCSD, SBTi, WMBC, CAN)

Global climate events:

CERAWeek by S&P Global

UNITED NATIONS | UN Climate Change Conference - Bonn (UNFCCC SB62)

LONDON CLIMATE ACTION WEEK

CLIMATE WEEK NYC CLIMATE GROUP

COP31 Antalya Türkiye

Agenda

- Reflections on COP and the state of the transition in early 2026
- Protecting Paris: the challenge and ETC role
- **Emerging insights**
- Progress to date and next steps

We will anchor our energy analysis on BNEF's reference scenarios, while benchmarking against other scenarios

Preliminary

New Scenarios from BNEF to be released **April 2026**

	Scenario	Pathway Type	Net-Zero 2050?	Peak temperature	Included Sectors: Energy Use[1]	Included Sectors: AFOLU[2]	Included Sectors: Removals	Emissions Scope: CO_2	Emissions Scope: CH_4	Emissions Scope: N_2O
Reference	**BNEF** NEO 2025 Economic Transition	**Cost based technology change** with no further policy support for the energy transition beyond existing measures		**2.6°C** *at 67% probability*	●	○	○	●	○	○
Reference	**BNEF** NEO 2024 Net Zero	Normative scenario of an achievable stretch to get back on track to **net zero by 2050 by meeting sectorial carbon budgets**	✓	**1.75°C** *at 67% probability*	●	○	○	●	○	○
	IEA WEO 2025 Stated Policies	An exploratory scenario that models a **dynamic reading of today's policy** settings		**2.5°C** *at 50% probability*	●	○	●	●	●	●
	IEA WEO 2025 Net Zero	A normative scenario for a global pathway to be **aligned with a 1.5°C warming with limited overshoot**	✓	**1.65°C** *at 50% probability*	●	○	●	●	●	●
	ETC Accelerated But Clearly Feasible	A technically and economically feasible scenario that would require **more forceful policy support than current in place**	✓	**1.7°C** *at 50% probability*	●	○	●	●	●	○
***New** – to be included*	**BP** 2025 Below 2°C Trajectory	Scenario assuming significant **tightening of climate policies** and **shift in societal behaviour and preferences** supporting efficiency		**2.0°C** *at 67% probability*	●	○	○	●	●	●
***New** – to be included*	**Shell** 2026 Energy Security - Horizon	Normative scenario aiming for **net-zero emissions by 2050 with increased climate-friendly policies**	✓	**1.7°C** *at 50% probability*	●	●	●	●	●	●
***New** – to be included*	**NGFS** Orderly Net-Zero 2050	Scenario assuming **climate policies introduced early** and become gradually more stringent - **physical and transition risks limited**	✓	**<1.7°C** *at 50% probability*	●	●	●	●	●	●

Other scenarios to consider: S&P's IRENA's; Rystad's; The Food and Land Use Coalition's (for AFOLU)

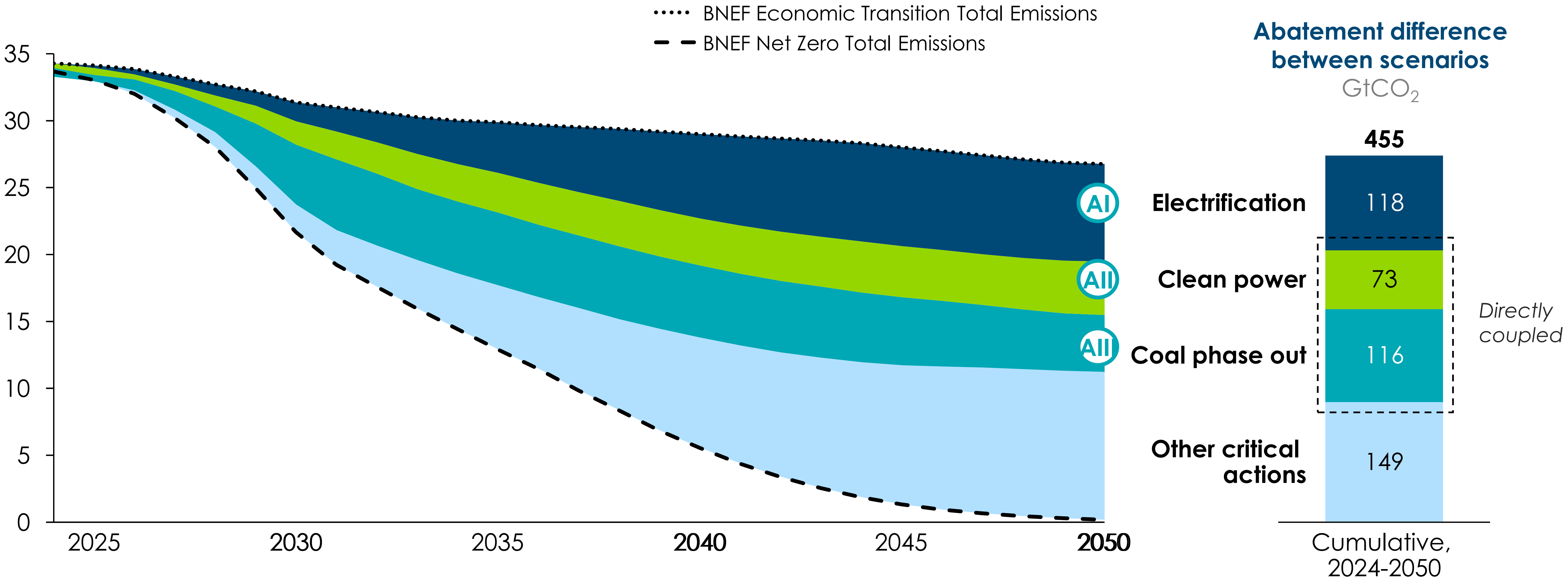
Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025; IEA (2025) World Energy Outlook; BP (2025) Energy Outlook; Shell (2025) The 2026 Energy Security Scenarios; NGFS, Scenarios Portal [Accessed January 2026]

In BNEF Scenarios, clean electrification is two-thirds of the abatement opportunity beyond an economic transition to reach net zero by 2050

Preliminary

Annual energy related CO_2 emissions abatement by lever (NZS vs ETS)

$GtCO_2/y$

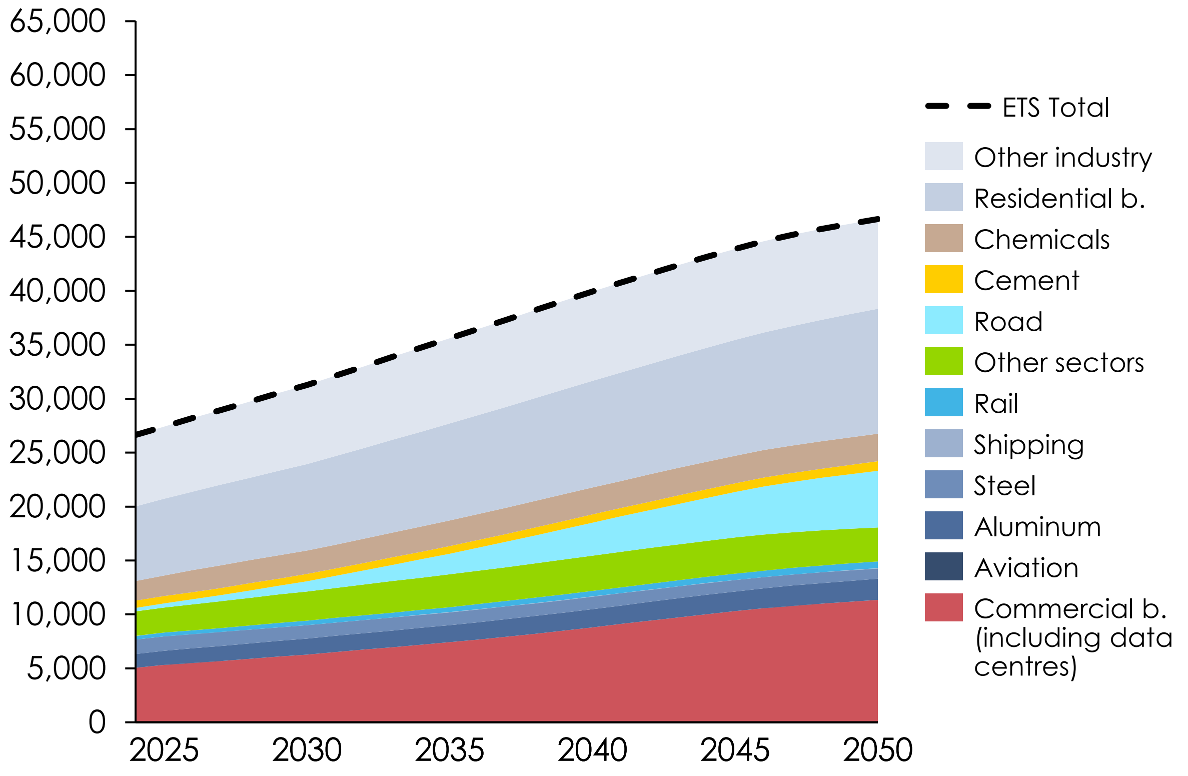


Notes: "Other critical actions" include energy–intensive industry, shipping and aviation, demand reduction, energy efficiency, and heat (non-electrified)
Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025

Faster pace of electrification in industry, including electricity demand for CCS, buildings and road is required to achieve net-zero, according to BNEF

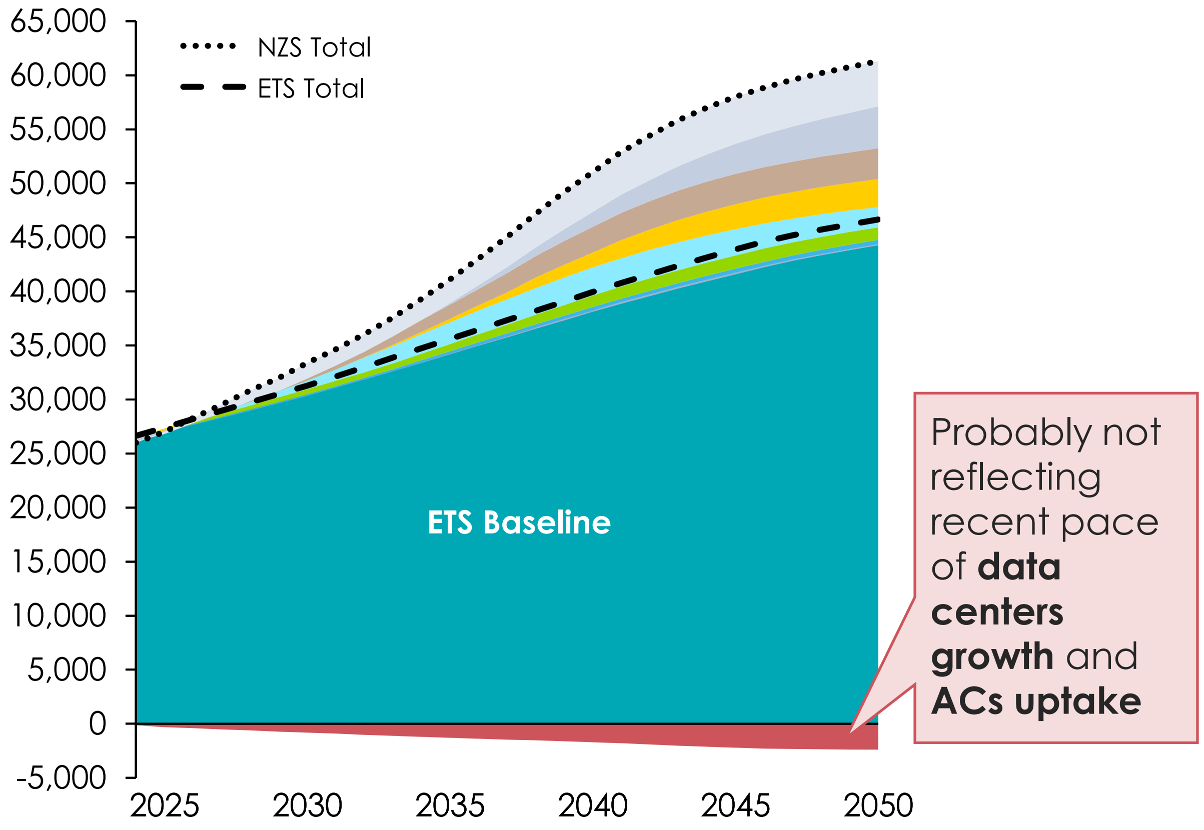
Economic Transition: Final electricity demand by sector

TWh/y



Net Zero: Final electricity demand

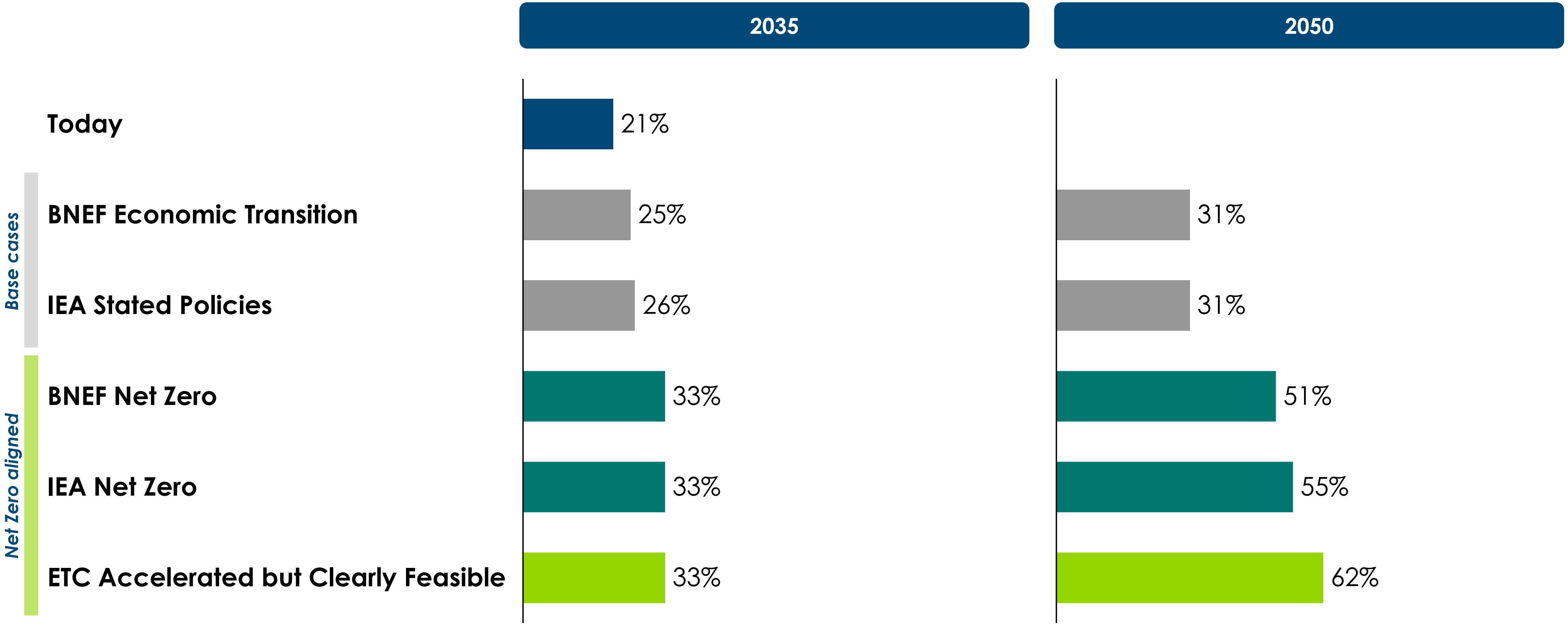
TWh/y



Notes: ETS Baseline refers to the overlapping demand in both.
Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025

Electrification in BNEF Scenarios are aligned with IEA's assumptions, but ETC work continues to identify additional potential

Electricity as share of final energy across multiple scenarios

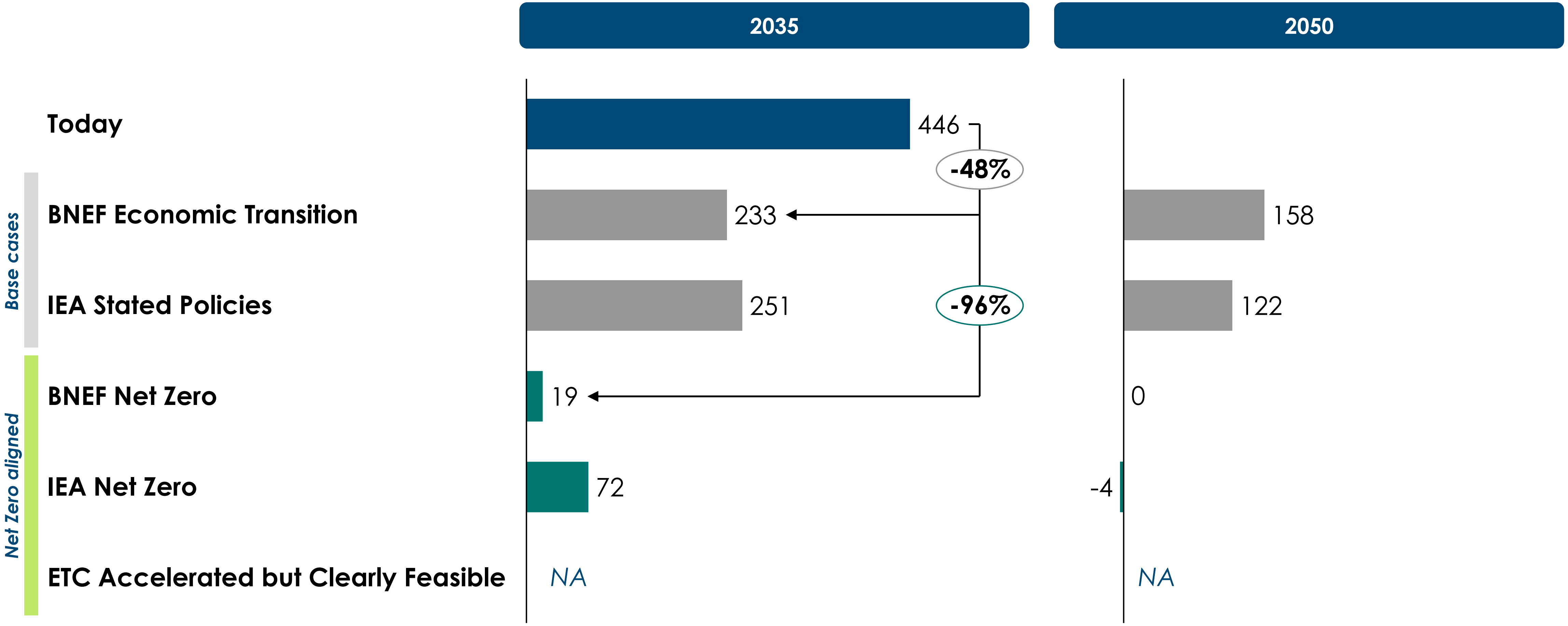


Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025; IEA (2025) World Energy Outlook

The pathway to "well below 2°C" depends on a turnaround of grid emissivity in the next 10 years

Grid emissivity

gCO2/kWh

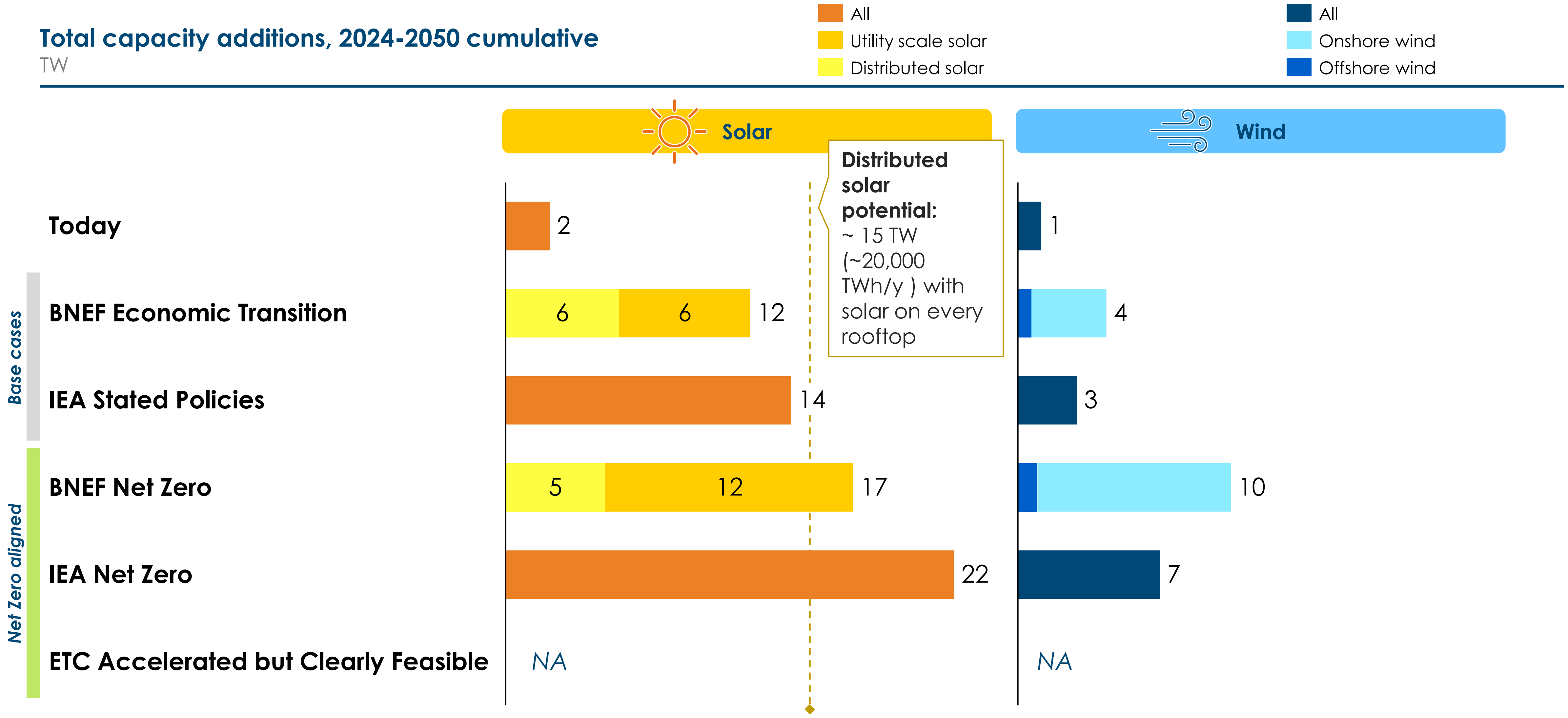


Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025; IEA (2025) World Energy Outlook

IEA points to opportunity for solar potential to go even further

Total capacity additions, 2024-2050 cumulative

TW

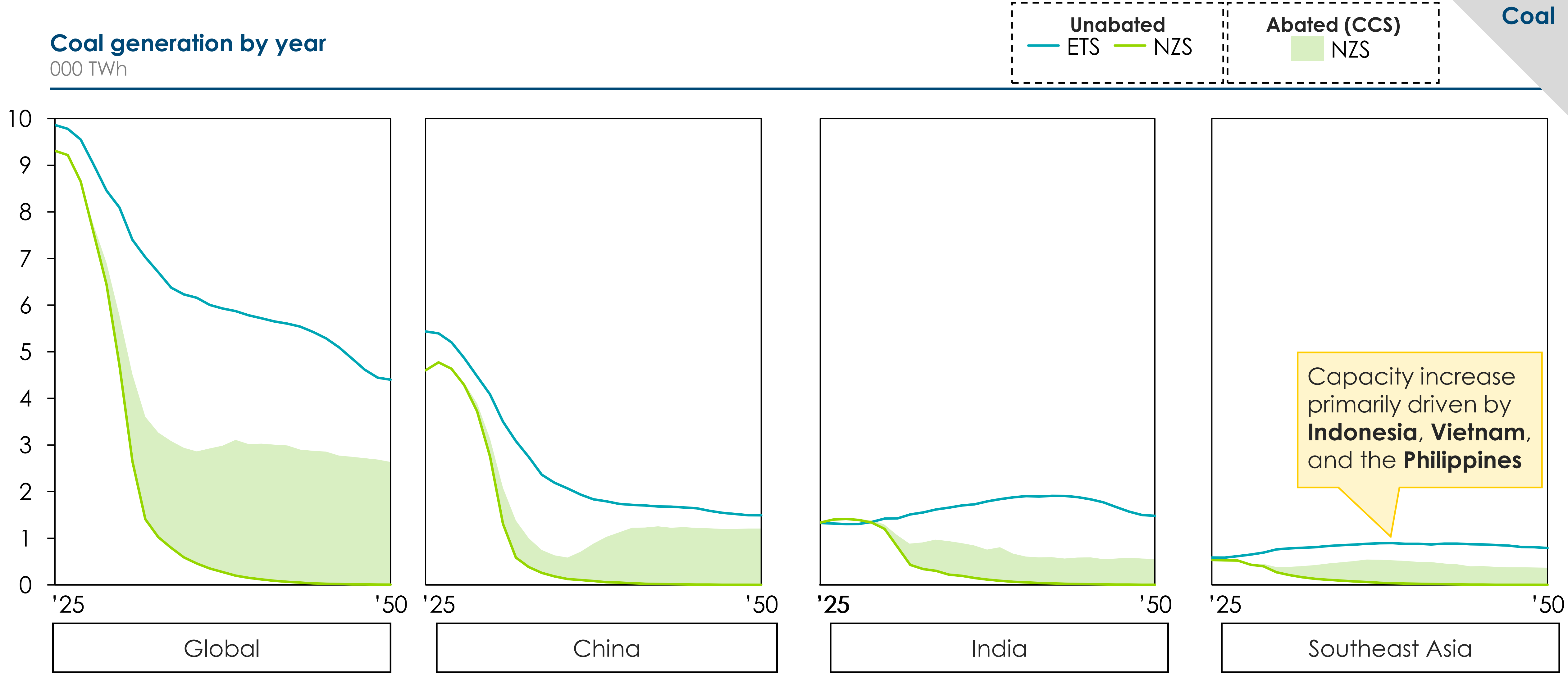


Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025; IEA (2025) World Energy Outlook

In BNEF Net Zero scenario, coal generation is largely abated with CCS rather than phased out

Coal generation by year

000 TWh

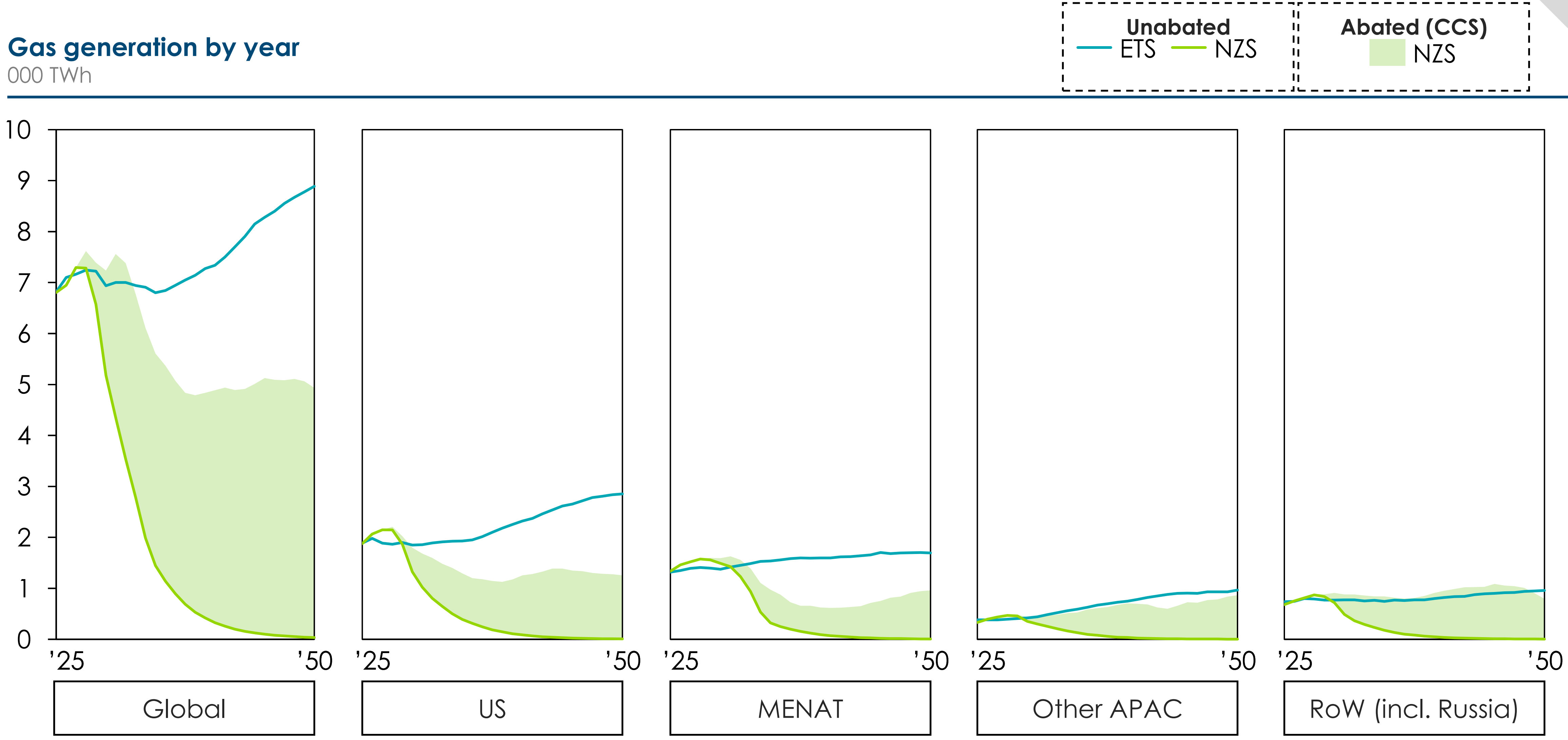


Note: negligible abated coal generation is deployed in the ETS (20 TWh at its peak) therefore it doesn't show up in these charts.
Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025

Similarly, in BNEF gas scenarios, regions such as US, Middle East, Asia Pacific and Russia, have gas generation abated by CCS

Gas

Gas generation by year
000 TWh

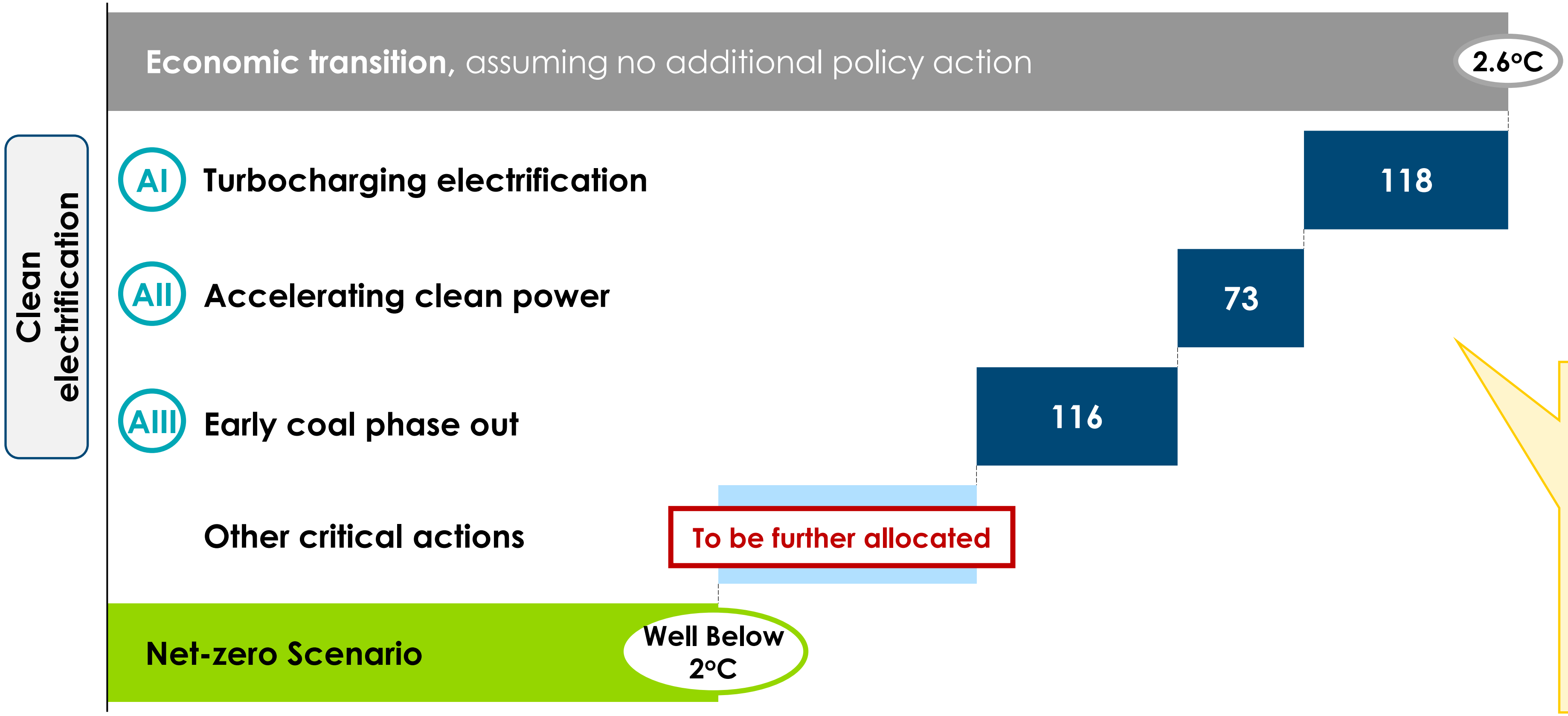


Note: Other Asia Pacific (APAC) includes Central Asia and Pacific island nations, as well as selected East Asian economies (Hong Kong, Macau, Mongolia, North Korea, and Taiwan).
Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025

We have started to size each mitigation block with the available BNEF data on cumulative emissions, to be then translated into temperature

Preliminary

Peak warming in the 21st century and key mitigation areas
Cumulative GtCO2 2025-2050



Initial assessment is on cumulative emissions until 2050, however **any continued emissions until 2100** will have a temperature increase impact

Source: Systemiq analysis for ETC; BNEF New Energy Outlook 2025

Agenda

- Reflections on COP and the state of the transition in early 2026
- Protecting Paris: the challenge and ETC role
- Emerging insights
- **Progress to date and next steps**

Next steps

Analysis

- **Electrification & power:** Finalise the scenario benchmark (incl. Shell, BP and other counterfactuals), integrate new BNEF NEO when ready (April/May)
- **Hard-to-abate sectors:** Refine the assessment of residual emissions and abatement levers in heavy-industry, shipping and aviation, focusing on where additional action beyond economically led pathways is required.
- **Methane emissions from fossil fuels:** Stress-test fossil methane reductions against Keeping 1.5°C Alive, distinguishing between automatic declines from fossil fuel phase-down and additional abatement needed by 2030 across coal and oil & gas.
- **AFOLU (agriculture, food, agriculture and land use):** Clarify assumptions on diet change, agricultural best practices and land-use outcomes, and define a transparent treatment of forest protection, restoration and management across scenarios, building on existing partner work and specialist interviews (e.g. Food and Land Coalition, WRI, Shell Venture Capitals, Environmental Defense Fund, IIASA).

Engagement

- **Advance engagement alongside analysis:** Continue senior bilateral discussions and technical exchanges to test emerging findings, while preparing a focused member workshop after the April scenario updates to align on implications for targets, sequencing and priorities.

Q&A