GREENHOUSE GAS PROTOCOL

Corporate Standard Technical Working Group

Subgroup 1, Meeting #11

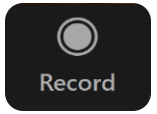
GHG Protocol Secretariat team:
Iain Hunt, Hande Baybar, Allison Leach

December 16th, 2025

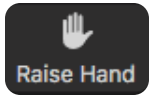
WORLD RESOURCES INSTITUTE

World Business Council for Sustainable Development

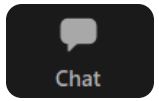
Meeting information



This meeting is **recorded**.



Please use the **Raise Hand** function to speak during the call.



You can also use the **Chat** function in the main control.

Recording, slides, and meeting minutes will be shared after the call.

Agenda

• Introduction and housekeeping	10 minutes
• Selecting a base year	25 minutes
• Base year recalculation policy and significance thresholds	25 minutes
• Options for when data unavailable for base year recalculation	25 minutes
• Emissions profile over time	25 minutes
• Wrap up and next steps	10 minutes

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GREENHOUSE GAS PROTOCOL

Housekeeping: Guidelines and procedures

- We want to make **TWG meetings a safe space** – our discussions should be open, honest, challenging status quo, and 'think out of the box' in order to get to the best possible results for GHG Protocol
- Always **be respectful**, despite controversial discussions on content
- TWG members should **not disclose any confidential information** of their employers, related to products, contracts, strategy, financials, compliance, etc.
- In TWG meetings, **Chatham House Rule** applies:
  - "When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed."
- **Compliance and integrity** are key to maintaining credibility of the GHG Protocol
  - Specifically, all participants need to follow the **conflict-of-interest policy**
  - **Anti-trust rules** have to be followed; please avoid any discussion of competitively sensitive topics*

* Such as pricing, discounts, resale, price maintenance or costs; bid strategies including bid rigging; group boycotts; allocation of customers or markets; output decisions; and future capacity additions or reductions

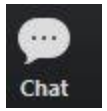
Zoom logistics and recording of meetings

Zoom Meetings

- All participants are muted upon entry
- Please turn on your video
- Please include your full name and company/organization in your Zoom display name

Raise your hand in the participants feature and unmute yourself to speak

Use the chat function to type in your questions



Meetings will be recorded and shared with all TWG members for:

- Facilitation of notetaking for Secretariat staff
- To assist TWG members who cannot attend the live meeting or otherwise want to review the discussions

Recordings will be available for a limited time after the meeting; ***access is restricted to TWG members only.***

GHG Protocol Decision-Making Criteria

Ensure scientific integrity and validity, adhere to the best applicable science and evidence … and align with the latest climate science.

Meet the GHG Protocol accounting and reporting principles of **accuracy**, **completeness**, **consistency**, **relevance**, and **transparency**. Additional principles should be considered where relevant: conservativeness (for GHG reductions and removals), permanence (for removals), and comparability (TBD). …

Advance the public interest by informing and supporting decision making that drives ambitious actions by private and public sector actors to reduce GHG emissions and increase removals in line with global climate goals. …

Promote interoperability with key mandatory and voluntary climate disclosure and target setting programs … while ensuring policy neutrality. Approaches should support appropriate uses of the resulting GHG data and associated information by various audiences …

Approaches which meet the above criteria should be feasible to implement, meaning that they are accessible, adoptable, and equitable. … For aspects that are difficult to implement, GHG Protocol should aim to improve feasibility, for example, by providing guidance and tools to support implementation.

Note: This is a summary version. For further details, refer to the full decision-making criteria included in the annex to the Governance Overview, available at https://ghgprotocol.org/our-governance.

Schedule of upcoming Subgroup 1 and Full TWG meetings (tentative)

Meeting type	#	Date	Time	Topics
Subgroup 1	11	December 16th, 2025	09:00 ET / 15:00 CET / 22:00 CHN	• Follow up on pending items from phase 2 topics covered so far (base year selection, recalculation policy and significance thresholds, base year recalculation, emissions profile over time)
Full TWG	5	January 20th, 2026	Option 1: 08:00 ET / 14:00 CET / 21:00 CHN Option 2: 16:00 ET / 22:00 CET / 05:00 CHN	• Review preliminary Subgroup 1 phase 2 outcomes • Review preliminary Subgroup 3 phase 2 outcomes
Subgroup 1	12	February 24th, 2026	09:00 ET / 15:00 CET / 22:00 CHN	• Intensity metrics (ratio indicators)
Subgroup 1	13	March 24th, 2026	09:00 ET / 14:00 CET / 21:00 CHN	• GHG targets
Subgroup 1	14	April 21st, 2026	09:00 ET / 15:00 CET / 21:00 CHN	• Follow up on pending items for phase 2 topics
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Full TWG	7	May 26th, 2026	Option 1: 08:00 ET / 14:00 CET / 20:00 CHN Option 2: 16:00 ET / 22:00 CET / 04:00 CHN	• Review Subgroup 2 phase 2 outcomes (verification and assurance)
Full TWG	8	June 2nd, 2026	Option 1: 08:00 ET / 14:00 CET / 20:00 CHN Option 2: 16:00 ET / 22:00 CET / 04:00 CHN	• Review Subgroup 3 phase 2 outcomes (data and calculation methodology)

Today's objectives

1. Review preliminary outcomes on phase 2 topics covered to date
2. Address remaining open questions related to phase 2 topics covered to date

Phase 2 topics addressed in previous meetings:

- Selecting a base year (Meeting 6)
- Base year recalculation policy and significance thresholds (Meeting 7)
- Options for when data unavailable for base year recalculation (Meeting 9)
- Emissions profile over time (Meeting 10)

Subgroup 1, Phase 2: Tracking emissions over time

Relevant chapters: chapter 5 (Tracking Emissions Over Time), chapter 8 (Accounting for GHG Reductions), chapter 11 (Setting GHG targets)

D.1. Updates to requirements and guidance for **selecting a base year**.

D.2. Updates to requirements and guidance for developing a **base year recalculation policy** and defining a **significance threshold** and related disclosure requirements.

D.3. Revisit **optionality of reporting emissions for all years included in a GHG statement** in addition to the base year to enable tracking of an emissions profile over time.

D.4. Integration and update of **2005 amendment** "Base Year Recalculation Methodologies for Structural Changes" (Appendix E).

D.5. Additional **guidance for estimating base year emissions** for acquired assets where records of emissions activities are limited or non-existent.

D.6. Revisit **reporting requirements for base year recalculation** including whether changes due to structural changes versus methodological changes should be reported separately.

D.7. Requirements and guidance for **tracking emissions intensity metrics over time**.

D.8. Additional guidance on how to appropriately disclose the **reason(s) for changes in emissions over time**.

D.9. Updates to **target-setting guidance** to bring up to date and facilitate interoperability with target setting programs (including SBTi).

Corporate Standard Development Plan, Section 5: Scope of work for the standard revision

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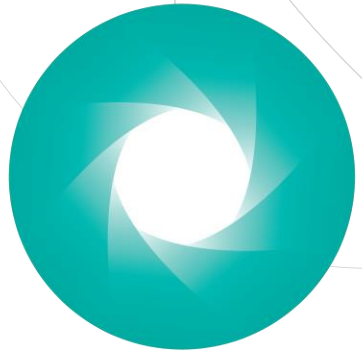

GREENHOUSE GAS PROTOCOL

Selecting a base year: Status by subtopic

#	Subtopic	Preliminary subgroup 1 outcomes	Pending items
2.1	**Inventory base year** and target base year	• An inventory base year and a target base year should be considered **distinct concepts** (i.e., each serves a different purpose) • Companies should have the **flexibility in choosing** the same year or different years for their inventory base year and target base year	• Revisit framing as part of text revisions
2.2	**Representativeness** of base year	• The Corporate Standard should include language specifying that the base year should be **representative of typical conditions or typical operations**	• Whether to define as a **requirement** ("shall" statement) or **recommendation** ("should" statement) (**poll**)
2.3	Use of **multi-year averages**	• N/A	• Whether to **continue to allow the use of a multi-year average** in lieu of a single base year (**poll**)
2.4	Base years by **scope**	• N/A	• Whether to continue with the status-quo of recommending (but not requiring) companies to **establish a single base year across scopes** (**poll**)
2.5	**Recency/timing** of base year	• Companies should have **flexibility to choose** either earliest year with verifiable data or target base year (per program requirements)	• Revisit as part of framing of 2.1
2.6	**Rolling base year** option	• **Eliminate rolling base year option** as currently defined in Corporate Standard	• N/A

See Appendix A for prior meeting slides and previous poll results on the topic of selecting a base year.

Discussion: Please share any comments related to the above preliminary Subgroup 1 outcomes or pending items.

Selecting a base year: Discussion and polls

Discussion

Polls

#	Subtopic	Poll question
2.2	**Represent-ativeness** of base year	Should language specifying that a base year be selected that is **representative of typical conditions or operations** be defined as a **requirement** ("shall" statement) **or recommendation** ("should" statement)? **a. Requirement** ("shall" statement) **b. Recommendation** ("should" statement) **c. Abstain**
2.3	Use of **multi-year averages**	Should the Corporate Standard continue to specify that companies **may use a multi-year average** to establish a base period in lieu of a single base year? **a. Yes**, a multi-year average (or base period) should be specified as an option **b. No**, a multi-year average (or base period) should *not* be specified as an option **c. Abstain**
2.4	Base years by **scope**	Should the Corporate Standard **recommend** (but not require) that companies establish a **single base year across scopes** (as currently specified in the Scope 3 Standard)? a. Yes, using the same base year across scopes should be **recommended** (status quo) b. No, using the same base year across scopes should be **required**. c. No, using the same base year across scopes should be **optional**. **d. Abstain**

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Base year recalculation and significance thresholds: Status by subtopic

#	Subtopic	Preliminary subgroup 1 outcomes	Pending items
3.1	**Significance threshold** requirement	• Companies should be **required to define a significance threshold** as part of their base year recalculation policy	• Whether requirement should **specify** that a **quantitative** significance threshold be defined or **allow for a qualitative and/or quantitative** significance threshold (**poll**)
3.2	**Prescriptive** quantitative significance threshold	• The Corporate Standard should define a **prescriptive quantitative significance threshold**	• Whether a prescriptive quantitative significance threshold should be defined as a **requirement** or as a **recommendation**/default value (**poll**)
3.3	Significance threshold **level**	• Define a prescriptive quantitative significance threshold of **5%** separately for each emissions scope.	• **Reconsider 5% threshold level** in the context of preliminary Subgroup 3 outcomes on **justifiable exclusions**
3.4	Application of significance thresholds by **scope**	• Significance thresholds **should apply separately across each emissions scope**	• N/A
3.5	Application of significance thresholds by **types of events** triggering a base year recalculation	• A **single significance threshold should apply across all types of events** triggering a base year recalculation	• N/A

See Appendix B for prior meeting slides and previous poll results on the topic of base year recalculation policies and significance thresholds.

Discussion: Please share any comments related to the above preliminary Subgroup 1 outcomes or pending items.

Base year recalculation and significance thresholds: Discussion and polls

Discussion

Polls

#	Subtopic	Poll question
3.1	**Significance threshold** requirement	Should language **requiring that companies establish a significance threshold** as part of their base year recalculation policy specify a **quantitative** significance threshold or allow for a **qualitative and/or quantitative** significance threshold? a. Specify that a **quantitative** significance threshold is required b. Allow for a **qualitative and/or quantitative** significance threshold* **c. Abstain**
3.2	**Prescriptive quantitative** significance threshold	Would you support defining a **recommended quantitative significance threshold** in the Corporate Standard (i.e., as opposed to defining a required significance threshold)?** **a. Yes**, I would **support** defining recommended quantitative significance threshold **b. No**, I would **oppose** defining a recommended quantitative significance threshold **c. Abstain**

* Please share examples of qualitative significance thresholds if you are in favor of this option.
** A preliminary outcome from Subgroup 1 Meeting 7 is to define a 5% significance threshold applied separately to each emissions scope

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Options for when data unavailable for base year recalculation: Status by subtopic

#	Subtopic	Preliminary subgroup 1 outcomes	Pending items
4.1	**Methods for estimating** base year emissions	• Support for **historical activity data** and **scaling based on proxy data** as suitable methods (split opinions on others considered)	• Consideration of whether **scaling from a reliable GHG inventory for recent year(s)** should be specified as a **preferred method** (in the absence of historical activity data) (**poll**) • Whether to maintain and how to define the term "**backcast**"
4.2	Backcasting/ proxy **estimation methods as preferred option**	• **Backcasting/ proxy estimation methods** should be the **preferred option** for both structural changes and methodological changes	• Whether preference should be defined as a **requirement** ("shall" statement) or **recommendation** ("should" statement) (**poll**)
4.3	**Disclosure** of no base year recalculation	• N/A (split opinions)	• Determination of **whether there are any instances** where disclosure of no base year recalculation would be an **acceptable option**
4.4	**Reestablishment** of the base year	• Reestablishing the base year **should be an option in the case of structural changes** (split options for other types of events triggering a base year recalculation)	• Further discussion on **situations** where reestablishing the base year is an **appropriate option**
4.5	Draft **decision tree**	• Overall support for draft decision tree	• **Further refinement** in consideration of topics above

See Appendix C for prior meeting slides and previous poll results on the topic of options for when sufficient data is unavailable for base year recalculation.

Discussion: Please share any comments related to the above preliminary Subgroup 1 outcomes or pending items.

Options for when data unavailable for base year recalculation: Discussion and polls

Discussion

Polls

#	Subtopic	Poll question
4.1	**Methods for estimating** base year emissions	Should **establishing a reliable GHG inventory for recent year(s) and then scaling based on proxy data** (e.g., revenue) be specified as the **preferred method** for estimating base year emissions (in the absence of historical emissions or activity data)? **a. Yes**, scaling from a reliable recent GHG inventory should be specified as the preferred method for estimating base year emissions **b. No**, scaling from a reliable recent GHG inventory should not be specified as the preferred method for estimating base year emissions **c. Abstain** *Note: Question to be asked in 2 parts (for structural changes and other types of events triggering a base year recalculation, respectively).*
4.2	Backcasting/ proxy **estimation methods as preferred option**	How should backcasting/use of proxy estimation methods be specified as a preferred option for situations when data is unavailable for base year recalculation? **a. Requirement** ("shall" statement) **b. Recommendation** ("should" statement) **c. Abstain**

Note: 4.1 pertains to different methods that may be used for estimating base year emissions (i.e., preference for scaling based on proxy data over other methods considered on slide 44) while 4.2 pertains the specification of backcasting/proxy estimation methods as a preferred option over reestablishing the base year or disclosure of no recalculation.

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Subgroup 1, Meeting 10 poll results: Recalculated time series

How should requirements/ recommendations related to the recalculated inventory time series be updated?	**Maintain status quo (require recalculation of base year emissions only)**	**7 of 17 (41%)**
	Make more stringent (e.g., require more years)	**8 of 17 (47%)**
	Make less stringent (e.g., change base year recalculation to recommendation)	2 of 17 (12%)

Which years shall/should be recalculated/ reported in addition to the base year?	**Leave to discretion of company based on reporting objectives**	**7 of 17 (41%)**
	Recent year(s) (e.g., last 1 year, last 3 years)	**6 of 17 (35%)**
	Some years – other (e.g., specific years, every 3rd year in series)	2 of 17 (12%)
	All intervening years	1 of 17 (6%)
	Other	1 of 17 (6%)

In general, how should recalculation/reporting of other years in the time series (beyond the base year) be specified?	Optional ("may" statement) – status quo	4 of 15 (27%)
	Recommendation ("should" statement)	**9 of 15 (60%)**
	Requirement ("shall" statement)	2 of 15 (13%)

Member comments:

- A full time series is essential – estimation methods can ease the burden for companies
- A recalculated time series should be recommended only considering varying capacities of companies
- Reporting recent years helps for quality control for evaluating recalculations
- Recalculation should be optional for consistency with financial accounting

*Most supported options shown in **orange**.*

Subgroup 1, Meeting 10 poll results: Original time series

How should specifications for reporting original (historical) inventory time series (without recalculation) be updated?	Optional reporting of original/historical emissions (status quo)	4 of 17 (24%)
	Recommended reporting of original (historical) emissions	**10 of 17 (59%)**
	Required reporting of original (historical) emissions	3 of 17 (18%)

If reporting of original (historical) inventory time series (without recalculation) is required/recommended, to which years should the provision apply?	Base year only	4 of 17 (24%)
	All years since base year	**7 of 17 (41%)**
	Some years	4 of 17 (24%)
	N/A – I do not support a requirement/recommendation to report the original (historical) inventory time series	2 of 17 (12%)

Member comments:

- Information on the original time series without recalculation should be available from prior reports
- Reporting should be recommended but not required considering varying capacities of companies
- Original time series should be reported from target year onwards or prior 2-4 years, for consistency with other environmental/social data points

*Most supported options shown in **orange**.*

Subgroup 1, Meeting 10 poll results: Other methods

How should specifications for reporting a target-relevant time series be updated (noting that the Corporate Standard is not a target setting standard)?	No specification needed (Corporate Standard is not a target setting standard)	3 of 17 (18%)
	Optional reporting of target-relevant time series	4 of 17 (24%)
	Recommended reporting of target-relevant time series (if applicable)	**8 of 17 (47%)**
	Required reporting of target-relevant time series (if applicable)	2 of 17 (12%)

How should specifications for reporting of emissions intensity metrics be updated?	Required reporting of emissions intensity metrics	4 of 17 (24%)
	Recommended reporting of emissions intensity metrics	4 of 17 (24%)
	Optional reporting of emissions intensity metrics (Status quo – optional reporting of ratio indicators)	**9 of 17 (53%)**

Member comments:

- While the Corporate Standard is not a target setting standard, tracking progress against targets is a crucial use of GHG inventory data
- Reporting should be recommended but not required considering varying capacities of companies
- Need to discuss further the denominator used whether denominator would be recalculated (*Note: as framed in Meeting 10, discussion on intensity metrics assumed no recalculation of the numerator or denominator*)

*Most supported options shown in **orange**.*

Emissions profile over time: Status by subtopic

#	Subtopic	Preliminary subgroup 1 outcomes	Pending items
5.1	**Recalculated** time series	• Requirements/recommendations for the recalculated inventory time series should be **either maintained or made more stringent** • If further specification is provided for recalculating/reporting of emissions for other years beyond the base year, it should be defined as a **recommendation**, not a requirement	• Which years (in addition to the base year) should be recalculated/reported, with the most support for recent years (e.g., last 1-3 years) or leaving it to the discretion of the company based on their reporting objectives (**poll**)
5.2	**Original** (historical) time series without recalculation	• If further specification is provided for reporting of original/historical emissions (without recalculation) for prior years, it should be defined as a **recommendation**, not a requirement	• Confirm support for a **recommendation** to report original/historical emissions (without recalculation) (**poll**) *Note: Follow-up question on support for a recommendation framed to apply to years relevant to the objectives of the reporting company, considering split options on which years to report.*
5.3	**Target-relevant** time series	• If further specification is provided for reporting information related to a target relevant, it should be defined as a **recommendation**, not a requirement	• Confirm support for a **recommendation**
5.4	**Emissions intensity** time series	• N/A (split opinions, but with the most support for maintaining the status quo with optional reporting of emissions intensity metrics)	• To be revisited in a future meeting as part of broader discussion on emissions intensity metrics

See Appendix D for prior meeting slides on the topic of an emissions profile over time.

Discussion: Please share any comments related to the above preliminary Subgroup 1 outcomes or pending items.

Emissions profile over time: discussion and polls

Discussion

Polls

#	Subtopic	Poll question
5.1	**Recalculated** time series	Would you support defining a **recommendation** in the Corporate Standard that companies ***should*** **report recalculated emissions** for additional years beyond the base year? **a.** **Yes**, I would **support** a recommendation to report recalculated emissions for additional years beyond the base year **b.** **No**, I would **oppose** a recommendation report to recalculated emissions for additional years beyond the base year **c.** **Abstain** *Note: Question to be asked in two parts: reporting of recent years (e.g., last 1-3 years) and other years relevant to the reporting objectives of the company.*
5.2	**Original** (historical) time series	Would you support defining a **recommendation** in the Corporate Standard that companies ***should*** **report original/historical emissions** (i.e., without recalculation) for prior years relevant to reporting objectives? **a.** **Yes**, I would **support** a recommendation to report original/historical emissions for other years relevant to reporting objectives **b.** **No**, I would **oppose** a recommendation to report original/historical emissions for other years relevant to reporting objectives **c.** **Abstain**
5.3	**Target-relevant** time series	Would you support defining a **recommendation** in the Corporate Standard that companies ***should*** **report information related to a target relevant time series** (e.g., recalculated emissions for target base year) if relevant (i.e., if a company has active targets)? **a.** **Yes**, I would **support** a recommendation to report information related to a target-relevant time series **b.** **No**, I would **oppose** a recommendation report to information related to a target-relevant time series **c.** **Abstain**

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Next steps

Items to be shared by GHG Protocol Secretariat:	TWG member action items:	Next meetings

• Final slides, minutes, and recording from this meeting
• Feedback survey
	• Deadline for responses to Meeting 11 feedback survey: Monday, January 5th, 2026	• **Full TWG:** Tuesday, January 20th, 2026
		  • Option 1: 08:00-10:00 ET, 14:00-16:00 CET, 21:00-23:00 CHN
		  • Option 2: 08:00-10:00 ET, 22:00-00:00 CET, 05:00-07:00 CHN
		• **Subgroup 1:** Tuesday, February 24th, 2026
		  • 09:00-11:00 ET, 15:00-17:00 CET, 22:00-00:00 CHN

Schedule of upcoming Subgroup 1 and Full TWG meetings (tentative)

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Full TWG	8	June 2nd, 2026	Option 1: 08:00 ET / 14:00 CET / 20:00 CHN Option 2: 16:00 ET / 22:00 CET / 04:00 CHN	• Review Subgroup 3 phase 2 outcomes (data and calculation methodology)

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Thank you!

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Change log

Slide #s	Change	Details
8, 27, 28	Updated slides	Dates for upcoming TWG meetings updated.
21-23	Updated slides	Minor update to specify that comments listed are from members of Subgroup 1

Appendix A

Selecting a base year: Slides from prior meetings

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Selecting a base year: current GHG Protocol requirements/recommendations

Corporate Standard, ch.5 (pp.35-36)

"Companies ***shall*** choose and report a base year for which verifiable emissions data are available and specify their reasons for choosing that particular year."

"Most companies select a single year as their base year. However, it is also possible to choose an average of annual emissions over several consecutive years."

"Companies ***should*** choose as a base year the earliest relevant point in time for which they have reliable data."

Scope 2 Guidance, 9.1 (p.75)

[Dual reporting] companies "***should*** choose a year in which both market-based data and location-based data are available."

"Companies that have already set a base year set for scope 2 ***shall*** specify the method used to calculate it..."

Scope 3 Standard, 9.1 (p.100)

"Companies ***should*** establish a single base year for scope 1, scope 2, and scope 3 emissions..."

"However, companies that have already established a base year for scope 1 and scope 2 emissions ***may*** choose a more recent year for the scope 3 base year..."

Draft LSR Guidance, 12.2.3 (p.218)

Companies ***should***:

use a "representative year or period for which verifiable data exist."

"consider setting a base period, rather than a single base year, for land emissions..."

"aim to use the same base year for all scopes, metrics, and targets."

Requirements for establishing a base year across programs and standards

*Note: requirements for SBTi, IFRS, and ESRS all pertain to **target base years***

SBTi Corporate Net-Zero Standard (v1.2)*	ISO 14064-1: 2018	IFRS S2 Climate-related Disclosures	ESRS E1 Climate Change	GRI Climate Change Exposure Draft
Criterion C-16 (p.10)	6.4.1 (pp.10-11)	Paragraph 33(e) (p.16)	Paragraph 34(c) (p.78), Paragraph AR 25(a) (p.92)	CC-4-d (p.23), GH-1-d (p.27), GH-2-d (p.30), GH-3-d (p.34)
"The base year ***shall*** be no earlier than 2015. The company ***shall*** use the same base year for its long-term science-based targets as its near-term science-based targets. Scope 1 and scope 2 targets ***shall*** use the same base year."	"The organization ***shall*** establish a historical base year for GHG emissions and removals for comparative purposes or to meet GHG programme requirements or other intended uses of the GHG inventory."	"For each target, the entity ***shall*** disclose… …the base period from which progress is measured" (IFRS S2 requires companies to *measure* GHG emissions in accordance with the GHG Protocol)	"The undertaking ***shall*** disclose its current base year and baseline value, and from 2030 onwards, update the base year for its GHG emission reduction target every five-year period thereafter." (If undertaking has set GHG emission reduction targets)	"The organization ***shall*** report the base year for the calculation, including the rationale for choosing it." (Requirement specified separately for scope 1, scope 2, and scope 3, and for both inventory base year and target base year)

* Detailed requirements and recommendations from both the current SBTi Corporate Net-Zero Standard (v.1.2) and the Version 2.0 Consultation Draft, released in March 2025, will be reviewed.

Specific requirements/recommendations for base year selection across standards and programs

Criterion	GHG Protocol Corporate Standard	SBTi Corporate Net-Zero Standard (v.1.2)*	SBTi Corp. NZ Std. (v.2.0 Consult. Draft)*	ISO 14064: 2018	IFRS S2 Climate-related disclosures*	ESRS E1 Climate change*	GRI Climate Change Exposure Draft
Recency of base year	Should be earliest relevant point in time with reliable data	No earlier than 2015	No earlier than 3 years before submission for initial validation	Not specified	Not specified	Must not precede first reporting year of target period by more than 3 years	Not specified
Use of multi-year averages	Option to use average over consecutive years	Not permitted unless specified in relevant sector-specific guidance	Not specified, with no change from v1.2 noted	Part of year or multi-year averages permitted	Not specified, term "base period" used rather than "base year"	Allowance for 3-year average if increases representativeness	Not specified
Use of same or different base years across scopes	Recommendation for single base year across scopes (Scope 3 Standard)	Same for scope 1&2 required, same for scope 3 recommended	Consistent base year across all indicators required	Scopes framework not used in ISO, differentiation by category not noted	Not specified	Not specified	Not specified
Representative-ness of "typical" operations	Addressed indirectly by option to use multi-year average	Base year emissions should be representative of typical profile	Requirement to select base year reflecting typical operations	Not specified, but data must be representative of reporting boundary	Not specified	Requirement to explain how representativeness ensured	Not specified
Data reliability/ verifiability	Requirement for verifiable emissions data	Emissions data should be accurate and verifiable	Must accurately reflect company's performance	Base year with verifiable GHG data required	Not specified	Not specified	Not specified
Rolling base year/updates to base year over time	Option for rolling base year	Not specified	Use of target year from previous cycle as base year for new cycle	Organizations may change base year, but changes must be justified	Not specified	Base year for reduction targets updated every 5 years after 2030	Not specified

Consistent with GHG P | Additional requirements | Divergent from GHG P | Criterion not specified

* Requirements/recommendations for **target base years**

GREENHOUSE GAS PROTOCOL

Draft for TWG discussion

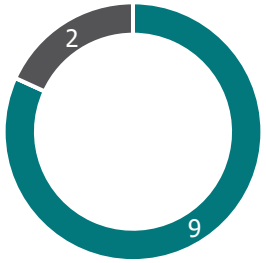
GHG Protocol decision-making criteria analysis (DRAFT)

Question 2. Should companies choose inventory and target base years separately or together as a single base year?

Criterion	A. Companies *should* choose inventory base year and target base year separately	B. Companies *may* choose the same year for both inventory and target base year or *may* choose different years	C. Companies *should* choose the same *year* for both inventory and target base year
Scientific integrity	N/A	N/A	N/A
GHG accounting and reporting principles	**Pros:** Promotes *completeness* (i.e., more complete information related to companies' historical emissions) **Cons:** May pose practical challenges to achieving *consistency* and *accuracy* if companies recommended to choose earliest year with verifiable data	**Pros:** Flexibility allows companies to choose approach that facilitates most *relevant* information to internal and external stakeholders, may help mitigate challenges from option A related to consistency and accuracy **Cons:** May hinder *completeness* (of accounting for a companies' historical emissions) for some reporters	**Pros:** May help mitigate challenges from option A related to consistency and accuracy **Cons:** May inhibit *relevance* by focusing on a single purpose for tracking emissions against a base year and *completeness* (of accounting for companies' historical emissions)
Support decision-making that drives ambitious global climate action	**Pros:** Facilitates more complete information related to companies' historical emissions profiles **Cons:** May deemphasize target setting	**Pros:** Gives companies option to focus efforts related to tracking emissions over time on target setting **Cons:** Potential for less complete information related to historical emissions may inhibit accountability	**Pros:** Emphasizes target setting and providing information for forward-looking climate action **Cons:** Potential for less complete information related to historical emissions may inhibit accountability
Support programs based on GHG Protocol and uses of GHG data	**Pros:** Distinguishing between inventory and target base years not anticipated to negatively impact interoperability with target setting programs, provision of information for uses beyond target setting context	**Pros:** Flexible approach can help serve different stakeholders' information needs (including related to target setting) **Cons:** Flexibility in approaches may inhibit comparability of reported information and lead to confusion for users of GHG data	**Pros:** Supports uses related to target setting programs **Cons:** Inhibits uses benefitting from a longer time series (assuming that target base years will typically be recent years)
Feasibility to implement	**Cons:** Companies participating in target setting programs may have to maintain two base years, practical challenges with recalculating emissions for distant base years	**Pros:** Flexibility helps mitigate challenges cited for options A and C	**Pros:** May mitigate practical challenges with base year emissions recalculation (assuming recent base years) **Cons:** Approach does not address needs of companies not participating in external target setting programs/implicitly requires companies set targets

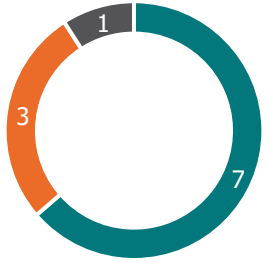
Base year selection: feedback survey results (n=11)

The Corporate Standard should **distinguish between** an inventory base year and a target base year



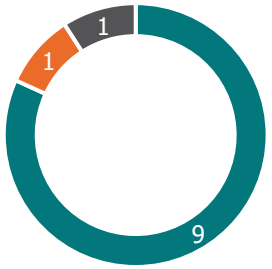
Comments:
- Provides flexibility for different companies in telling their stories
- Targets often set later
- If inventory base year is first year of inventory, defining an inventory base year does not add value

Guidance on the **recency/timing** of an (inventory) base year such that companies may select the earliest year with verifiable data or target base year



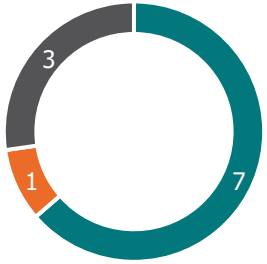
Comments:
- Inventory base year should be earliest year with verifiable data
- Earliest year shouldn't be specified, considering improvements in inventory quality over time

Companies should have the **flexibility** in choosing whether to select inventory and target base years **separately or together**



Comments:
- Inventory and target base years shouldn't be the same
- GHG P's role should be to provide inventory requirements – base year for target separate from this
- Support for providing flexibility
- Target setting should be encouraged

The **rolling base year** option should be maintained but updated such that a base year should only be rolled forward at longer intervals (e.g., every 5-10 years)



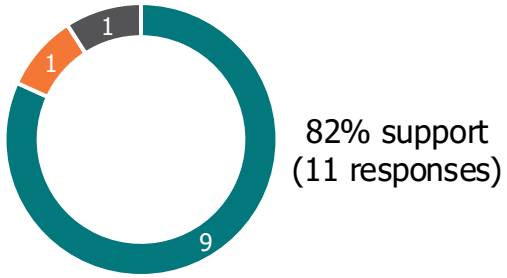
Comments:
- Requests to discuss further
- Reestablishing a base year every 5 years not the same as a rolling base year
- Rolling base year not suitable for tracking progress over time

■ Support ■ Oppose ■ Abstain

Inventory base year and target base year

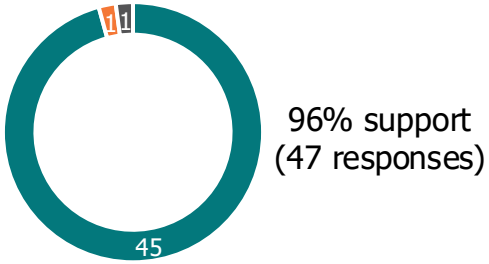
Preliminary outcome: Companies that have a base year established for GHG reduction targets should have the **option to use the same year for their inventory base year or choose a different year**.

Subgroup 1 level of support



82% support
(11 responses)

Full TWG level of support



96% support
(47 responses)

Support Oppose Abstain

Comments (support):

- Flexible approach to **accommodate varied circumstances**

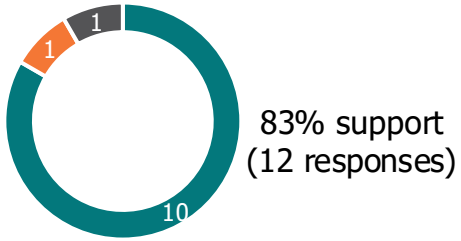
Comments (strong opposition):

- Corporate Standard should provide **requirements for inventory base year**, regardless of whether a company has a target or not. Inventory base year should be **earliest representative year with reliable data** to provide **transparency** on historical emissions.

Rolling base year option

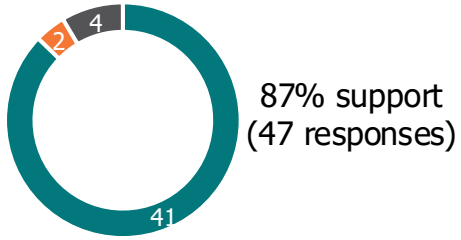
Preliminary outcome: The **rolling base year option** as currently defined in the Corporate Standard **should be eliminated**.

Subgroup 1 level of support



83% support
(12 responses)

Full TWG level of support



87% support
(47 responses)

■ Support ■ Oppose ■ Abstain

Comments (support):

- Enhances **consistency and transparency** in reporting
- Reduces **risk of companies manipulating base years** to mask poor performance

Comments (strong opposition):

- **Depends on how option is defined**: rolling base year every year may be eliminated but allowing a base year to be rolled over longer time intervals should remain on the table
- Rolling base year may better allow for tracking mitigation efforts in **sectors subject to rapid change**

Appendix B

Base year recalculation policy and significance thresholds: Slides from prior meetings

GREENHOUSE GAS PROTOCOL

Reasons triggering base year recalculation: current GHG Protocol requirements

Corporate Standard, ch.5 (pp.35-36)

The following cases ***shall*** trigger recalculation of base year emissions:

- **Structural changes** in the reporting organization that have a significant impact on the company's base year emissions including:
  - Mergers, acquisitions, and divestments
  - Outsourcing and insourcing of emitting activities
- **Changes in calculation methodology** or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data.
- **Discovery of significant errors**, or a number of cumulative errors, that are collectively significant

Reasons triggering base year calculation referenced in other documents, but *not* in Corporate Standard:

Scope 2 Guidance, 9.2 (p.76)

Recalculation of a **market-based total** if scope 2 base year chosen only calculated according to location-based method

Scope 3 Standard, 9.3 (p.104)

Changes in **categories or activities** included in the scope 3 inventory

Draft LSR Guidance, 12.8.1 (p.236)

Changes in the **categories or activities** included in the inventory

Base year recalculation: relevant requirements from external programs

Draft for TWG discussion

SBTi Corporate Net-Zero Standard (v1.2)* Criterion C-32 (p.13)	SBTi Corporate Net-Zero Standard (v2.0 Consultation Draft)* Criterion C-11 (p.46)	ISO 14064-1: 2018 6.4.2 (p.11)	ESRS E1 Climate Change Paragraph AR 25(b) (p.92)	GRI Climate Change Exposure Draft CC-4-d (p.25), GH-1-d (pp.28-29)
"A company's base year emissions recalculation policy must include a **significance threshold of 5% or less** that is applied to emission recalculations or in the absence of a base year emissions recalculation policy, a company must agree to apply a 5% significance threshold for emission recalculations."	"Significant" events where companies ***shall*** recalculate base year emissions: • Structural changes • Methodological changes • Shifts from scope 1 and 2 to scope 3 • Discovery of errors Companies ***shall*** recalculate "when the cumulative impact of one or several base year emissions recalculation events results in a variation of **5% or more** in any scope 1, scope 2, or scope 3 category"	"Substantial" events where companies ***shall*** recalculate base year emissions: • Structural changes • Methodological changes • Discovery of errors "The organization ***shall not*** recalculate its base-year inventory to account for changes in facility production levels, including opening or closing of facilities."	"the baseline value and base year ***shall not*** be changed unless significant changes in either the target or reporting boundary occur. In such a case, the undertaking ***shall*** explain how the new baseline value affects the new target, its achievement and presentation of progress over time."	"Significant" events where companies ***should*** recalculate base year emissions: • Structural changes • Methodological changes • Discovery of errors

Draft for TWG discussion

GHG Protocol decision-making criteria analysis (DRAFT): Question 2

Should the Corporate Standard define a prescriptive quantitative significance threshold for base year recalculation?

Criterion	A. No, the Corporate Standard should not define a prescriptive quantitative significance threshold	B. Yes, the Corporate Standard should define a required quantitative significance threshold	C. Yes, the Corporate Standard should define a recommended or default quantitative significance threshold
Scientific integrity	N/A	N/A	N/A
GHG accounting and reporting principles	**Pros:** Flexibility for companies to define recalculation policies most *relevant* to their needs. **Cons:** Inhibits *transparency* and *accurate* emissions profiles over time	**Pros:** Promotes *transparency* and *accuracy* **Cons:** Inhibits *relevance*	**Pros:** Maintains some flexibility for companies to define recalculation policies most relevant to their needs while promoting better *transparency* and *accuracy* of emissions profiles over time
Support decision-making that drives ambitious global climate action	**Pros:** Flexibility may help serve internal decision-making needs **Cons:** Diversity of practices may obscure an accurate picture of changes over time, inhibiting both internal and external decision-making	**Pros:** Standardized approach can contribute to accurate profiles of emissions over time, promoting better internal and external decision-making **Cons:** Rigid approach may detract from providing information serving internal decision-making needs	**Pros:** A more standardized approach (as compared to status quo) can contribute to accurate profiles of emissions over time, promoting better internal and external decision-making, some flexibility still provided allowing organizations to adapt to their own decision-making needs
Support programs based on GHG Protocol and uses of GHG data	**Pros:** No anticipated risks related to interoperability with programs **Cons:** Inhibits comparability of information	**Pros:** Promotes comparability of information **Cons:** Risks interoperability with programs who require a different significance threshold	**Pros:** Promotes comparability of information **Cons:** *Some* risk of inhibiting interoperability of programs, but less than in case of defining a required threshold
Feasibility to implement	**Pros:** Status quo, no anticipated implementation challenges	**Pros:** Helps simplify process of developing a base year recalculation for companies who do not already have one **Cons:** Will require companies to update their base year recalculation policies, may lead to increased instances of recalculation for some companies	**Pros:** Helps simplify process of developing a base year recalculation for companies who do not already have one **Cons:** Will prompt companies to update their base year recalculation policies but not require them to do so

Meeting 7 feedback survey results (n=12 responses)

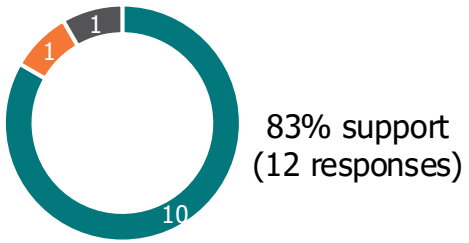
Majority support for **eliminating the rolling base year option** as currently defined in the Corporate Standard	**10 support** / 1 oppose / 1 abstain
Majority support that the Corporate Standard to **require companies to establish a significance threshold** as part of their base year recalculation policy	**10 support** / 1 oppose / 1 abstain
Split opinions on whether requirement for a significance threshold (if adopted) should specify a **quantitative significance threshold or allow for a qualitative and/or quantitative significance threshold**	6 require quantitative / 5 allow qualitative and/or quantitative / 1 abstain
Majority support that the Corporate Standard establish a **prescriptive quantitative significance threshold**	**8 support** / 2 oppose / 2 abstain
Split opinions on whether a prescriptive quantitative significance threshold be a **requirement or a recommendation**	5 requirement / 7 recommendation / 0 abstain
Majority support that significance thresholds should apply **separately by scope**	**9 support** / 1 oppose / 2 abstain
Majority support that a **single significance threshold should apply cumulatively across all types of events** triggering base year recalculation	**11 support** / 0 oppose / 1 abstain
Majority support for a **5% significance threshold for scopes 1 and 2** if a prescriptive quantitative threshold defined	**8 support** / 1 oppose / 3 abstain
Majority support for a **5% significance threshold for scope 3** if a prescriptive quantitative threshold defined	**8 support** / 0 oppose / 4 abstain

Includes 12 responses received by COB on Tuesday, June 17th.

Significance threshold requirement

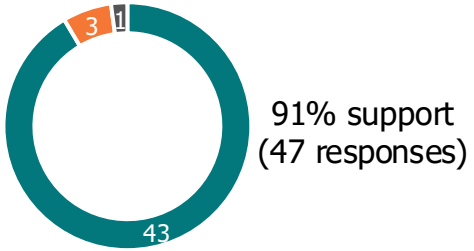
Preliminary outcome: Companies should be **required to establish a significance threshold** as part of their base year recalculation policy.

Subgroup 1 level of support



83% support
(12 responses)

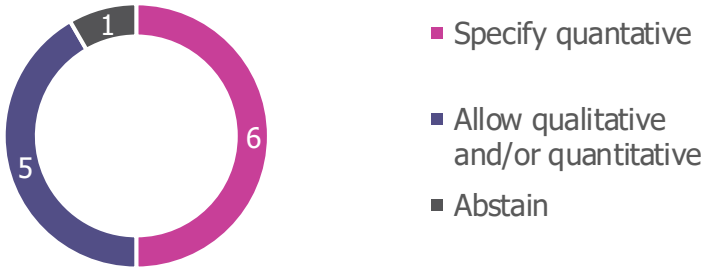
Full TWG level of support



91% support
(47 responses)

Support Oppose Abstain

Subgroup 1 poll: Require a quantitative significance threshold or allow qualitative and/or quantitative



Comments (support):

- Support for requiring a **quantitative** significance threshold: promotes standardization, comparability, and reduces need for interpretation
- Support for allowing **qualitative and/or quantitative** significance thresholds, but qualitative thresholds still need to clearly indicate what leads a particular factor to be above or below the threshold
- Support, but thresholds should focus more on the **materiality** of emissions
- Support, but significance thresholds need to be considered in relation to **uncertainty**
- Support, but more **guidance** is needed as base year recalculation can be challenging for users

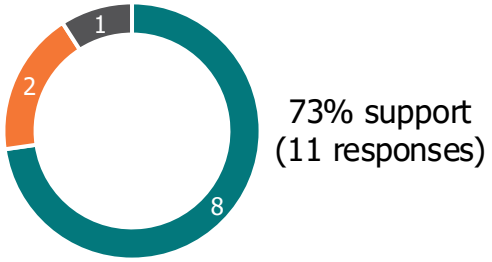
Comments (strong opposition):

- **Opposition to requiring** base year recalculation
- Base year recalculation should be the **purview of target setting standards**, not GHG accounting standards
- Some companies **recalculate emissions whenever there's been a significant acquisition** – judgement not based on a significance threshold for emissions

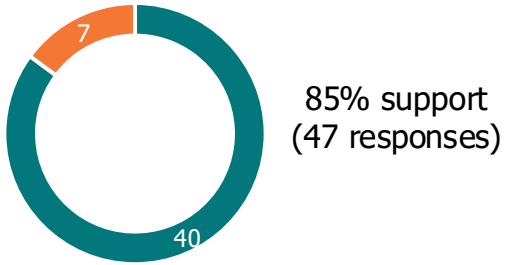
Prescriptive quantitative significance threshold

Preliminary outcome: The Corporate Standard should define a **prescriptive quantitative significance threshold** for base year recalculation.

Subgroup 1 level of support

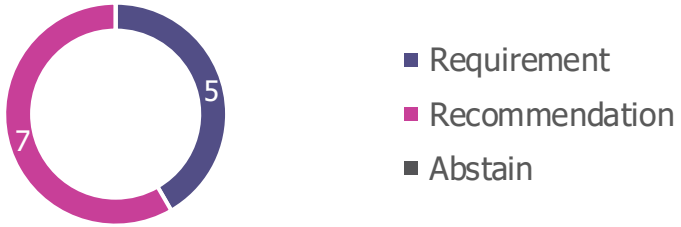


Full TWG level of support



Support Oppose Abstain

Subgroup 1 poll: Prescriptive quantitative significance threshold as requirement or recommendation



Comments (support):

- Support for a **requirement**: Ensure consistent application among companies and enhance comparability, ensure that companies recalculate their base year emissions, consider matching with requirements in other standards (e.g., SBTi)
- Support for a **recommendation**: Appropriate balance between standardization and flexibility, significance threshold should be based on materiality to company

Comments (strong opposition):

- **Opposition to requiring** base year recalculation, should be role of target setting standards
- Support for taking a **principles-based approach**, allowing companies to judge significance according to their own set of facts and circumstances
- Risk that **level of uncertainty** for calculated emissions exceeds the significance threshold
- Request to see **examples**
- Suggestion to further discuss the **types of changes triggering base year recalculation**, not just the size

Appendix C

Options for when data unavailable for base year recalculation: Slides from prior meetings

GREENHOUSE GAS PROTOCOL

Discussion: Methods for "backcasting" or estimating base year emissions where emissions data unavailable

Draft for TWG discussion

Aggregated list of methods including those posed by Subgroup 1 members and those listed in IPCC Guidelines

Method	Description	Applicability	Data requirements	Quality rating[1]	Data feasibility rating[2]	Method feasibility rating[3]
Historical activity data	Use historical activity data and emission factors, where available, to calculate emissions	Any type of change	Activity data and emission factors for base year	High	Low	High
Similar assets as proxy	Base on a subset of assets or activities under consideration, or similar assets within the company or industry	Structural changes	Data for reasonably similar assets	Medium	Medium	Medium
Scale based on proxy data	Scale based on a proxy variable (e.g., revenue, production output), similar to IPCC surrogate data method	Structural changes	Data for a reasonable proxy variable	Medium	High	Medium
Overlap technique	IPCC overlap technique, use relationship between emissions calculated using previous and new/improved methods for years where data exists for both to scale base year emissions	Methodological changes	Data to apply both previous and new/improved methods	Medium	Medium	Low
Trend extrapolation	IPCC trend extrapolation technique, use trend in emissions over years where data exists to extrapolate back to base year	Any type of change	A time series from which base year emissions can be reasonably extrapolated	Medium	Medium	Low
Industry average emissions intensity	Apply industry-specific emissions intensity per unit revenue	Structural changes	Emissions intensity figures that can be reasonably applied	Low	High	Medium

1. **Quality rating:** Potential for producing data that reasonably represents actual emissions during the base year/ reasonably provides for a consistent time series
2. **Data feasibility rating:** Likelihood of having adequate data to reasonably apply method
3. **Method feasibility rating:** Feasibility of implementing method for a range of reporters

**** Preliminary Secretariat ratings – intended as staring point only for discussion***

Discussion

- Do you agree with ratings?
- Which methods are most applicable and in what situations?
- Are there other methods that should be considered?

Summary: Options for companies when data is unavailable for base year recalculation

(Preliminary Secretariat analysis)

Option	Pros	Cons	Circumstances where most applicable
"Backcasting"/ proxy estimation of base year emissions	• Promotes a **complete and consistent** emissions profile over time	• **Uncertainty** in estimates • Challenges with **auditing** • **Feasibility challenges** and level of effort for companies	Where data exists to apply a proxy estimation method* to develop a reasonable estimate of base year emissions *See previous slide for analysis of proxy estimation methods
Disclose no recalculation	• Allows companies to prioritize efforts to addressing **most significant changes**	• **Inhibits a consistent profile** over time • Provides an "**easy out**" for companies to avoid recalculation	Where change is relatively insignificant/does not have a material impact on overall base year emissions and consistent profile over time
Reestablish base year	• Promotes **consistency** (but over a shorter timeframe) • Allows companies to prioritize tracking of emissions for **more recent years** if historical data is no longer relevant	• **Inhibits a complete** emissions profile over time • Undermines **transparency and accountability** • **Inhibits comparisons** between companies	Where change is (particularly) significant/ has a material impact on overall base year emissions and consistent profile over time and where a reasonable estimate cannot be made

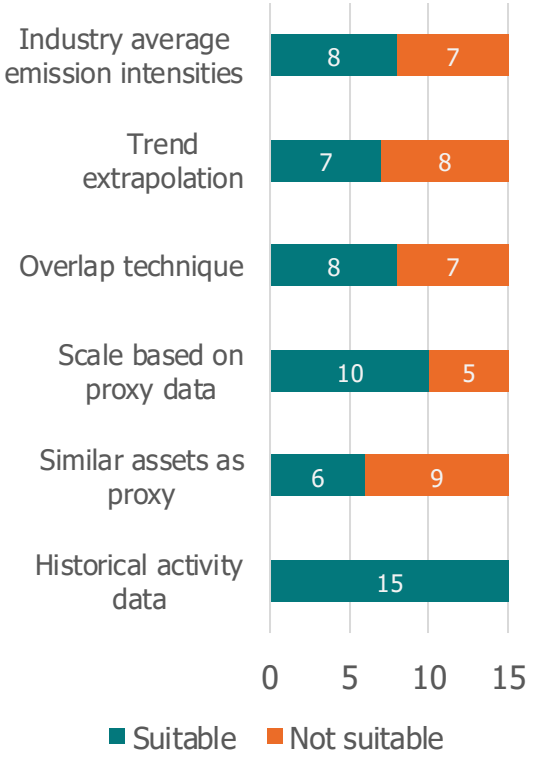
Discussion

- Which options are most applicable in what situations?
- Are there other options that should be considered?

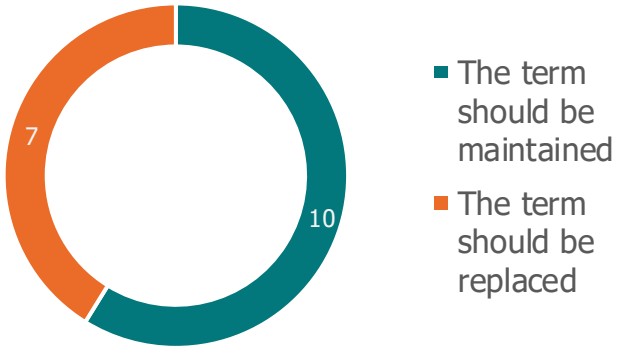
Note: Applicability of options/methods will be considered through the lens of different scenarios in the next slide.

Subgroup 1 Meeting 9 survey results: "Backcasting" and methods for estimating base year emissions in the absence of emissions data

Which methods should be specified as suitable methods for "backcasting" or estimating base year emissions?



Should the term "backcast" be maintained or replaced?



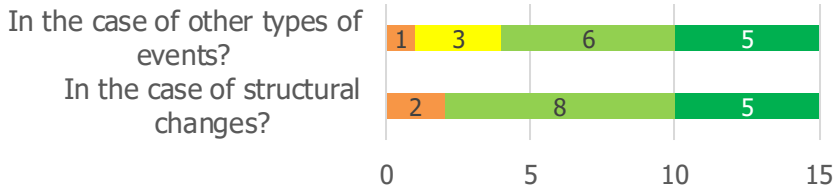
- *Majority support* for specifying **historical activity data** and **scaling based on proxy data** as suitable methods
- *Split opinions* on **other methods** considered
- *Split opinions* whether to maintain term "**backcast**"

Summary of member comments

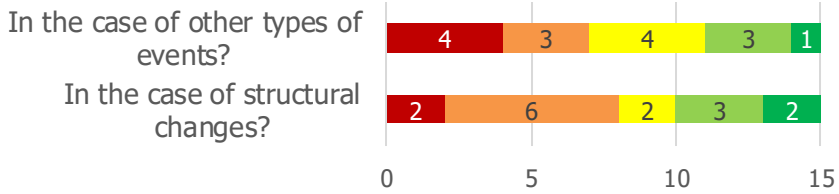
- A technical/descriptive or method for backcasting should be provided
- Backcasting should start with determining the current inventory
- Building an historical inventory with economic data or other proxy estimates won't be consistent with the current inventory
- A ranking of methods should be established according to data quality, representativeness, and reliability
- The same definition of "backcasting" as IPCC's should be used
- Using the term "backcasting" is not necessary as the Corporate Standard does not require a complete time series with intervening years
- While using historical activity data is preferable, it will typically not be available
- Custom proxies should be avoided for the sake of comparability
- Trend extrapolation requires at least two years' data, which may not be feasible
- Quality of methods may vary by scope
- If industry averages are used, justification should be required
- Corporate Standard should provide a limited menu of approved methods

Subgroup 1 Meeting 9 survey results: Options for base year recalculation in the absence of sufficient data

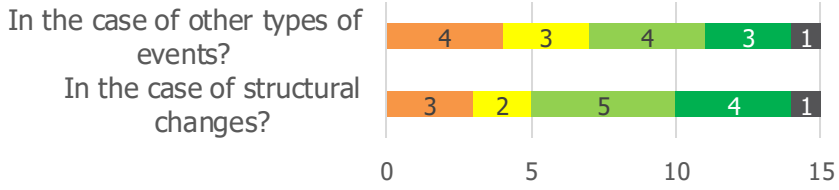
Should backcasting/proxy estimation methods be the preferred option?



Should disclsoure of no base year recalucation be maintained as an option?

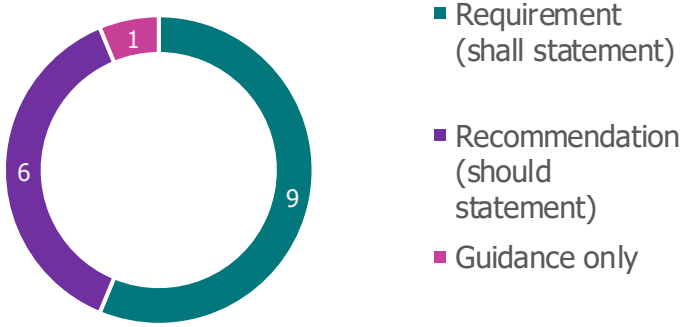


Should reestablishing the base year be maintained as an option?



Strongly disagree Disagree Neutral Agree Strongly agree Abstain

If backcasting/proxy estimation methods is specified as the preferred option, how should it be defined?

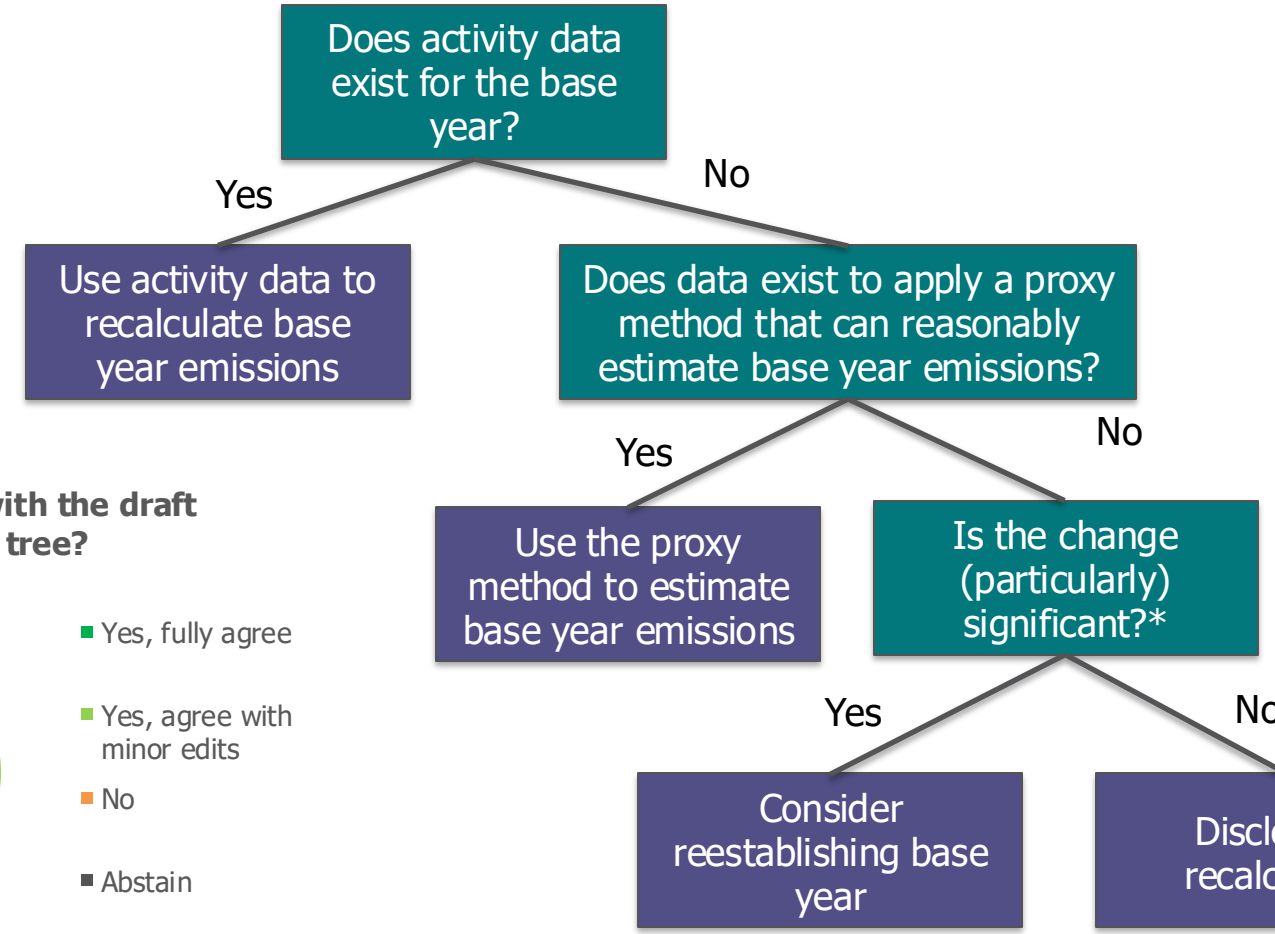


Summary of member comments

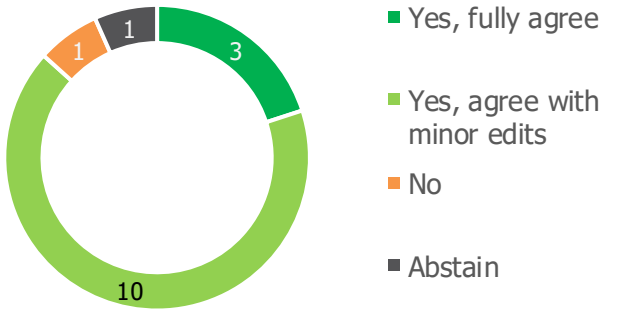
- Disclosure of no recalculation should not be considered a viable option as it leads to inconsistency and has implications for target tracking

- *Majority support* that **backcasting/proxy estimation methods** should be the **preferred option** for both structural changes and other types of events
- *Split opinions* on whether backcasting/proxy estimation methods should be defined as a **requirement** or a **recommendation**
- *Split opinions* on maintaining **disclosure of no base year recalculation** as an option
- *Majority support* that **reestablishing the base year** should be an option for **structural changes**, *split opinions* for other types of events

Subgroup 1 Meeting 9 survey results: Draft decision tree for base year recalculation in the absence of data



Do you agree with the draft decision tree?



Summary of member comments

- Overall support for decision tree
- Examples for each case should be provided
- Consider noting that while errors may not be significant when discovered, they may accumulate over time
- Estimating base year emissions requires emission factors (not just activity data), which will often be unavailable for scope 3

Appendix D

Emissions profile over time:
Slides from prior meetings

GREENHOUSE GAS PROTOCOL

Methods of tracking GHG emissions over a time series

Method	Information provided	Information excluded
Original (historical) inventory time series: Annual historical reported emissions (with no recalculation*) * *An original (historical) inventory time series specifically does not involve recalculation for structural changes. However, it may be argued that recalculation for methodological changes and discovery of error remains necessary to ensure a consistent and accurate time series.*	• A record of a company's original historical emissions, which can be summed to estimate cumulative emissions (by scope/category) • Changes in emissions that are attributable to activities in the company's inventory boundary	• Changes in emissions to the atmosphere (as distinguished from a change in ownership or control of emissions-generating activities, i.e., structural changes)
Recalculated inventory time series: Annual emissions, with recalculation	• Changes in emissions to the atmosphere (as distinguished from a change in ownership or control of emissions-generating activities)	• Record of the company's original historical emissions
Recalculated target-relevant time series: Recalculated time series over relevant period for an active emissions reduction target	• Progress toward achieving a target	• Historical emissions over a longer time series than the target period
Emissions intensity time series: Emissions intensity per unit of physical activity or economic value	• Changes in emissions performance relative to a selected metric	• Changes in absolute emissions

Note: All methods above are examples of tracking GHG inventory data over a time series. The list does not include consequential methods for estimating changes in emissions from a baseline scenario.

Current Corporate Standard requirements by time series method

Method	Required information ("shall")	Recommended information ("should")	Optional information ("may")
Original (historical) inventory time series: Annual historical reported emissions (with no recalculation for structural changes)	None	None	**All "actual" (i.e., original) emissions** as reported in respective years in the past (p.38)
Recalculated inventory time series: Annual emissions, with recalculation (including for structural changes)	**Base year emissions** (recalculated for structural changes, methodological changes, etc.) (p.35, p.63)	None	**Recalculated emissions** data **between the base year and the reporting year** (p.38, p.64)
Recalculated target relevant time series: Recalculated time series over relevant period for an active emissions reduction target	None (unless inventory base year used for targets)	None	Information on **emissions and performance in relation to a target** (p.85)
Emissions intensity time series: Emissions intensity per unit of physical activity or economic value	None	None	Relevant **ratio performance indicators** (p.63)

Tracking emissions over time: Reporting requirements from external programs

Program source	Reporting requirements
ISO 14064-1: 2018	• **Required information: GHG inventory for base year**, explanation of changes and **recalculation** of the base year or other historical GHG inventory (9.3.1) • **Recommended information:** GHG emissions and removals from the **previous reporting period**, GHG emission **intensity ratios** (9.3.2)
GRI 102: Climate Change 2025	• **Required information: Base year** emissions, context for any significant changes that triggered recalculations, previously reported base year emissions if base year emissions recalculated (102-4-h, 102-5-d, 102-6-d, 102-7-d)
SBTi Corporate Net-Zero Standard Version 2.0 (Draft for Second Public Consultation)	• **Required information** (base year recalculation): **Updated (target) base year GHG inventory** and reasons for recalculation (CNZS-C31) • **Required information** (performance reporting): **Emissions for each scope** in target base year after recalculations (if applicable), values in the target base year for **other applicable indicators** used to set targets (CNZS-C34)
IFRS S2 Climate-related Disclosures	• *IFRS S2 does not include any specific requirements related to disclosure of emissions for past years or their restatement.*
ESRS E1 Climate Change Exposure Draft	• **Optional information:** "*A comparison of the undertaking's emissions over time may be performed by comparing current year emissions to a meaningful comparative, for example a GHG emission reduction target base year*" (AR 27 for para. 31 and para. 32)
CDP Full Corporate Questionnaire 2025, Module 7	• Fields to indicate whether **base year emissions** have been recalculated and whether other **past years' emissions** have been recalculated (7.1.3) • Fields to provide **base year and base year emissions** by scope and category (7.5)

Financial accounting: Comparative information over time

Program source	Reporting requirements
IFRS 18: Presentation and Disclosure in Financial Statements	• **Required information:** "…an entity **shall provide comparative information** (that is, information **for the preceding reporting period**) for all amounts reported in the current period's financial statements." (Paragraph 31) In case of **change in** accounting **policy**, retrospective **restatement or reclassification**; an entity is required to disclose 3 financial statements: **the current year and the two preceding years**. (Paragraph 38) • **Recommended information:** "…an entity **may present a third statement** (or statements) of financial performance (thereby presenting the current reporting period, the preceding period and one additional comparative period). However, the entity is **not required to present a third statement**…" (Paragraph B15)
U.S. GAAP ASC 205-10-45: Other Presentation Matters	• **Required information:** N/A • **Recommended information:** "In any one year **it is ordinarily desirable** that the statement of financial position, the income statement, and the statement of changes in equity **be presented for one or more preceding years**, **as well as for the current year**." (205-10-45-2)
SEC Regulation 210.3-01 Consolidated balance sheets	• **Required information:** "There **must be filed**, for the registrant and its subsidiaries consolidated and for its predecessors, audited balance sheets as of the end of each of the **two most recent fiscal years**." (210.3-01 (a))

Key points:
- A base year is not a relevant concept in financial accounting
- No recalculation done for structural changes
- Required reporting of prior years applies to recent years (e.g., last 3 years)