



Corporate Standard Technical Working Group

Subgroup 1, Meeting #13

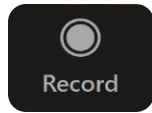
GHG Protocol Secretariat team:

Iain Hunt, Hande Baybar, Allison Leach

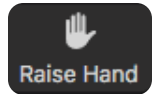
April 28th, 2026



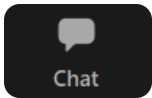
Meeting information



This meeting is **recorded**.



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



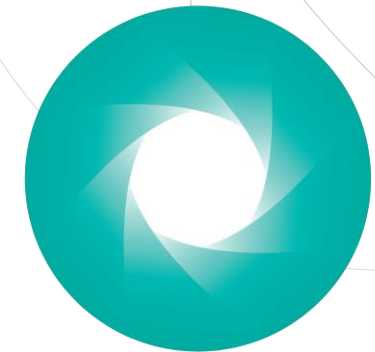
You can also use the **Chat** function in the main control.



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

Agenda

- Introduction and housekeeping 10 minutes
- GHG targets 60 minutes
- GHG intensity metrics 40 minutes
- Wrap up and next steps 10 minutes

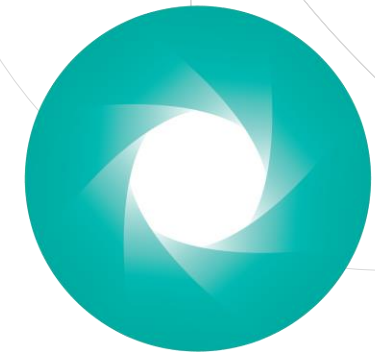


GREENHOUSE GAS PROTOCOL



Agenda

- **Introduction and housekeeping** **10 minutes**
- GHG targets 60 minutes
- GHG intensity metrics 40 minutes
- Wrap up and next steps 10 minutes



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Housekeeping: Guidelines and procedures

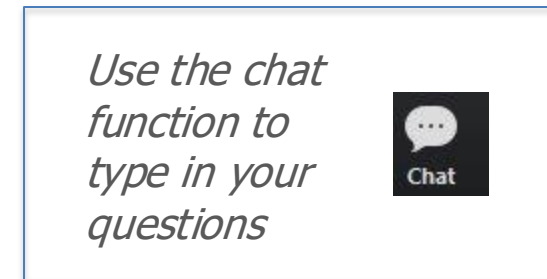
- We want to make **TWG meetings a safe space** – our discussions should be open, honest, challenging status quo, and ‘think out of the box’ in order to get to the best possible results for GHG Protocol
- Always **be respectful**, despite controversial discussions on content
- TWG members should **not 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



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.***

UPDATE: Recordings will be available upon request only. Please email iain.hunt@wri.org to request the recording.

Schedule of upcoming TWG meetings (subject to change)

Meeting type	Meeting #	Subgroup 1	Subgroup 2	Subgroup 3
Full TWG	5	January 20, 2026		
Subgroup	12	March 17, 2026	March 3, 2026	February 10, 2026
Subgroup	13	April 28, 2026	April 14, 2026	March 31, 2026
Subgroup	14	June 9, 2026	May 26, 2026	May 12, 2026
Full TWG	6	June 30, 2026 (review phase 2 outcomes)		
Full TWG	7	July 16, 2026 (review phase 2 outcomes)*		
Full TWG	8	July 28, 2026 (review phase 2 outcomes)		
Full TWG	9	September 1, 2026 (tentative, review of revisions)		
Full TWG	10	September, 24, 2026 (tentative, review of revisions)*		
Full TWG	11	October 13, 2026 (tentative, review of revisions)		
Full TWG	12	November 3, 2026 (tentative, review of revisions)		



Proposed topics for remaining Subgroup 1 meetings

#	Proposed topics
12	<ul style="list-style-type: none"> • Timing of base year recalculation • Reporting requirements • GHG targets, introduction
13	<ul style="list-style-type: none"> • GHG targets, concluded • Emissions intensity metrics
14	<ul style="list-style-type: none"> • Tie up loose ends • Review chapter 5 draft text

All meetings are scheduled for Tuesdays, with two exceptions indicated with an *, which will be held on Thursdays.

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

 Scope of work items to be considered in today's meeting.

Today's objectives



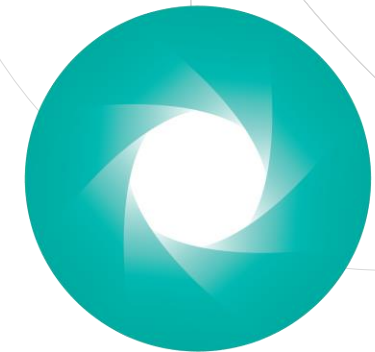
1. Review provisions related to **GHG targets**.



2. Consider the role of **emissions intensity metrics** in tracking GHG performance over time.

Agenda

- Introduction and housekeeping 10 minutes
- **GHG targets** 60 minutes
- GHG intensity metrics 40 minutes
- Wrap up and next steps 10 minutes



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GHG targets: Items to be considered today

- Continuation of Meeting 12 discussion
- Whether targets should be recommended ('should') or optional ('may')

General specifications on GHG targets

1

- General approach: Including detailed provisions or general criteria
- Example considerations: Target boundary, completion date, level of ambition

Detailed specifications on GHG targets

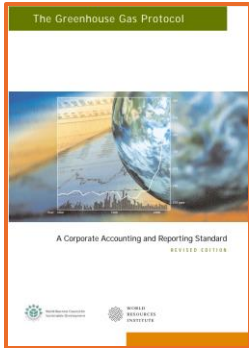
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- General approach: Whether to require/ recommend/ specify as optional
- Target information that companies shall/should/ may disclose

Reporting of GHG targets

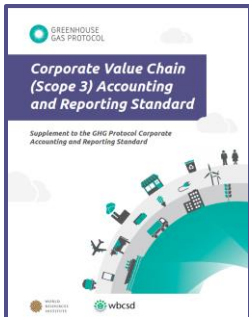
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GHG Targets: Current specifications in GHG Standards



Corporate Standard: Targets *optional*

- Chapter 11 provides guidance on GHG targets but does not specify any requirements or recommendations that companies set targets.
- *"Often, a corporate GHG emission reduction target is the logical follow-up to developing a GHG inventory."* (Chapter 11, p.74)
- *"Effective GHG management involves setting a GHG target."* (Chapter 11, p.75)



Scope 3 Standard: Targets *optional*

- *"Companies are **not required** to set a scope 3 reduction target, but **should consider** setting a target in the context of their business goals."* (Chapter 9, p.100)
- *"Companies **may** set a variety of scope 3 reduction goals including: [list of options for a single/separate targets across emissions scopes and categories]"* (Chapter 9, p.100)



Land Sector and Removals Standard: Targets *recommended*

- *"Companies **should** set targets for all relevant accounting categories in this Standard"* (Chapter 17, p.97)
- Chapter 17 provides conditional requirements/recommendations applicable if companies choose to set targets (detailed on following slide).

GHG targets: specifications from relevant accounting/disclosure standards

- **ISO 14064-1:2018** specifies GHG targets as **optional**:
 - 7.3 GHG emission reduction or removal enhancement targets: *"The organization **may** set targets to reduce GHG emissions"*
 - 7.3 also specifies **required disclosure information** *if* an organization reports a target and **criteria that should be considered** for target setting
- Relevant **reporting/disclosure standards** considered do **not** provide specifications on GHG targets, but **require the disclosure of information** related to targets:
 - **IFRS S2 Climate-related Disclosures**, ¶133: *"An entity shall disclose the quantitative and qualitative climate-related targets it has set ... including any greenhouse gas emissions targets"*.
 - **ESRS E1 Climate Change Draft November 2025**, E1-6, ¶23 (34 amended) *"The undertaking shall disclose the GHG emission reduction targets it has set..."*
 - **GRI 102 Climate Change 2025**, 102-4-a: *"The organization shall report short-, medium- and long-term gross Scope 1, Scope 2, and Scope 3 GHG emissions reduction targets..."*

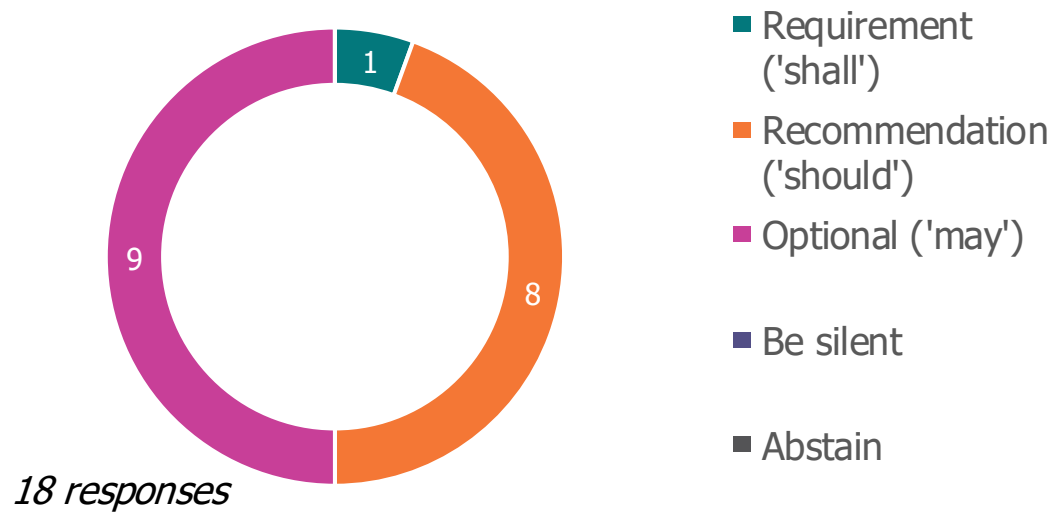
Key message: Relevant GHG accounting/reporting and climate disclosure standards **do not require the setting of GHG targets, but do require disclosures related to targets.**

Note: SBTi is not included here, but will be considered later in the meeting when reviewing more detailed provisions related to GHG targets.

Subgroup 1 Meeting 12 poll results: GHG targets

Subgroup 1 members expressed *split opinions* on whether GHG targets should be specified as a **recommendation ('should' statement)** or as **optional ('may' statement)**.

What specifications (if any) should the Corporate Standard provide on the setting of GHG targets?



- **Comments in favor of a requirement ('shall' statement)**
 - A GHG inventory without a target does not make sense.
- **Comments in favor of a recommendation ('should' statement)**
 - GHG Protocol should encourage the disclosure of targets but not prescribe how they are set.
 - GHG targets are essential, and need to be measurable, comparable, and achievable.
- **Comments in favor of leaving optional ('may' statement)**
 - Specifying targets as optional preserves GHG Protocol's role as an accounting and reporting standard, while allowing companies to set and report targets where relevant.
 - ISO 14064-1 treats targets as optional.

Note: See Appendix C for additional poll results from Subgroup 1 Meeting 12 on topics that will not be addressed during this meeting: timing of base year recalculation and reporting requirements for base year recalculation.

What provisions should the Corporate Standard provide on the setting of GHG targets?

Criterion	<u>Recommend targets ('should')</u> <i>Approach taken in Land Sector and Removals Standard</i>	<u>Specify targets as optional ('may')</u> <i>Status quo in Corporate Standard, Scope 3 Standard, ISO 14064-1</i>
Scientific integrity	N/A	N/A
GHG accounting and reporting principles	N/A	N/A
Support decision-making that drives ambitious global climate action	Promotes target setting as a best practice for facilitating ambitious global climate action (pro).	References targets as tool for corporate climate action (pro), but does not promote/encourage targets to the same extent as a recommendation would (con).
Support programs based on GHG Protocol and uses of GHG data	Helps promote participation in target setting programs (pro). Some risk of inhibiting interoperability with programs that do not require/recommend targets or if have differing target specifications (con).	Highlights targets as a use case for GHG inventory data, without posing interoperability risks (pro).
Feasibility to implement	May necessitate the development of specific requirements/recommendations on targets (con). Recommendation on topic that goes beyond accounting and reporting , some implementation challenges for reporters may be anticipated (con).	Status quo in Corporate Standard , no feasibility challenges anticipated (pro).



Discussion:

- Please share any additional arguments for either option above (recommending targets versus leaving optional).
- What should GHG Protocol's role be on targets, a topic that goes beyond GHG accounting and reporting?

The DMC analysis above builds on that presented in Meeting 12 (slide 31), eliminating the two options presented that did not receive significant support (requiring targets, being silent on topic).

Detailed provisions on GHG targets: GHG Protocol and ISO standards

The GHG Protocol **Corporate Standard** and **Scope 3 Standard** include recommendations, options, and additional guidance for setting GHG targets.

The GHG Protocol **Land Sector and Removals (LSR) Standard** provides **conditional requirements and recommendations**, applicable when companies choose to set targets.

ISO 14064-1:2018 specifies **general criteria** "that should be considered" for setting GHG targets.

For example, the Scope 3 Standard (chapter 9) includes guidance on:

- Setting a **single target/separate targets** by scope and category
- **Target type** (absolute or intensity)
- **Target completion date:** *"In general, companies **should** set long-term targets..."*
- **Target level:** *"In general, companies **should** set an ambitious target that reduces emissions significantly below... business as usual"*
- **Use of offsets or credits**

Examples (LSR Standard chapter 17):

- *"Companies **shall** set separate targets for emissions, independent of any removals, while optionally setting removal targets"**
- *"Companies **should** set target levels aligned with the global need to reduce GHG emissions in line with 1.5°C pathways"*
- *"Companies **should** set separate targets by scope"*

* LSR-specific requirement, will not be considered by the Corporate Standard TWG.

ISO 14064-1:2018 (7.3):

*"For setting the target, the following criteria **should be considered:***

- *climate science;*
- *reduction potential;*
- *international, national context;*
- *sectorial context (e.g. voluntary sectorial commitment, cross-sectorial effect)."*

Note: ISO 14060 – Net Zero Aligned organizations is under development, providing requirements on GHG targets.

Targets are **optional** in CS and S3

Targets are **recommended** in the LSRS

Targets are **optional** in ISO 14064-1

Target requirements: SBTi Corporate Net-Zero Standard V2.0 Draft for Second Public Consultation



- General target setting requirements provided in screenshot to the right
- The CNZS V2.0 also includes detailed target setting requirements for each emissions scope
- SBTi has also developed [sector-specific target pathways](#) for some sectors.

CNZS-C10. Companies shall set targets to address emissions from their operations and value chain consistent with their net-zero ambition.

Company segment: All companies

Assessment stage: Initial Validation, Renewal Validation

- C10.1. **Separation of scopes:** Companies shall set separate targets to address scope 1, 2, and 3 emissions.
- C10.2. **Target timeframe:**
- Near-term targets shall cover a five-year period from the date of submission. At Initial Validation, companies may set targets with a shorter timeframe to align with their business or reporting cycle.
 - Long-term targets shall be set for 2050 at the latest, or earlier as required.
- C10.3. **Mid-term targets:** Companies [shall / may] set mid-term targets covering a 10-year period from the date of submission to ensure continuity at the end of the 5-year timeframe
- C10.4. **Target metrics:** Companies shall set targets using the metrics specified in Annex A and consistently apply those metrics throughout the target cycle.
- C10.5. **Target ambition:** The target ambition shall meet or exceed the level applicable to the target metric and method specified in Annex A.
- C10.6. **Maintaining net-zero alignment:** Where companies have already reached the net-zero aligned performance for a portion of activities or emission sources within their value chain, they shall maintain or further improve that level of performance.
- C10.7. **Aggregation of GHGs:** Companies may aggregate distinct GHGs into a single CO₂-equivalent (CO₂e) metric unless otherwise specified in applicable Sector Standard(s).
- C10.8. **Separation of FLAG targets:** FLAG targets shall be kept separate from (non-FLAG) targets.
- C10.9. **Sector-specific targets:** When a company falls within the scope of an SBTi Sector Standard(s), companies shall set targets as required by these Standards.¹⁸

Note: Appendix B includes screenshots from CNZS V2.0 on activity-specific pathways/metrics. These will be considered in the second half of the meeting on GHG intensity metrics.

Detailed provisions on GHG targets: Subgroup 1 member comments

Overall, Subgroup 1 member comments suggested support for avoiding prescriptive provisions on GHG targets, with these being the appropriate domain of target setting programs.

- Support for general criteria from ISO 14064-1, but more detailed recommendations are better suited to target setting standards.
- GHG Protocol should focus on accounting and reporting and leave the level of target ambition to target setting programs.
- Companies should follow criteria from target setting standards (e.g., SBTi)
- GHG Protocol should take a principles-based approach and not be prescriptive on GHG targets.
- 'Should' and 'may' statements constitute guidance only and deviations from these are not findings for a verifier.
- If provision is provided on setting targets "in line with 1.5°C pathways and product analyses", guidance is needed on where to find such guidance.
- Concern with a requirement to maintain separate targets by emissions scope.
- Companies should set target levels aligned with the need to reduce emissions in line with 1.5°C pathways.



Discussion: Detailed specifications on GHG targets

- ***What overall approach should the Corporate Standard take to providing detailed specifications on GHG targets?***
 - Include **detailed provisions ('shall'/'should' statements)** applicable if companies choose to set targets
 - Include a list of **general considerations/criteria** for setting targets ('shall consider'/'may consider')
 - Refer to **external programs**
 - Do not include any detailed specifications (i.e., **be silent**)
- ***If detailed specifications are included, what criteria/considerations should they address?***
 - Target boundaries (e.g., targets across scopes/categories)
 - Target type (absolute versus intensity)
 - Target length (e.g., short-term, long-term)
 - Target level
 - Basis in climate science
 - Policy context (e.g., international, national, subnational)
 - Sectoral context
 - Others?

GHG targets: Reporting provisions in GHG Protocol and ISO standards

GHG Protocol Corporate Standard GHG Protocol Scope 3 Standard

Chapter 9 (Reporting) of the Corporate Standard does not include any specifications on reporting of information related to GHG targets but Chapter 11 (GHG Targets) specifies the following:

*"Companies **should** include the following information when setting and reporting progress in relation to the target:*

1. *Description of the target...*
2. *Information on emissions and performance in relation to the target..."*

The Scope 3 Standard (11.2) specifies targets as **optional reporting information**:

"Information on the company's GHG management and reduction activities, including scope 3 reduction targets,..."

Targets are **optional** in CS and S3

GHG Protocol Land Sector and Removals (LSR) Standard

The LSR Standard (17.2.2) specifies **conditional reporting requirements** for GHG targets:

*"If companies choose to set target(s), they **shall** disclose the following information for each of their selected target(s):*

- *Target **boundary***
- *Target **type***
- *Target **base year** or base period, with justification*
- *Target **commitment year** or period, and whether it is a single-year or multi-year target*
- *Target **level***
- ***Progress** in reaching the target*
- ***Additional information** specific to each target type"*

Targets are **recommended** in the LSRS

ISO 14064-1:2018

ISO 14064-1:2018 (7.3) specifies **conditional reporting requirements**:

*"If the organization reports a target, the following information **shall** be specified and reported:*

- ***Period covered** by the target, including the target **reference year** and target **completion year**;*
- ***Type** of target (intensity or absolute);*
- ***Category of emissions** included in the target;*
- *The **amount of reduction** and its unit expressed in accordance with the type of target."*

Targets are **optional** in ISO 14064-1

External programs and standards: Reporting requirements related to targets

Relevant external reporting standards and programs include detailed reporting requirements on GHG targets. Screenshots from relevant sections of standards referenced below are provided in Appendix A.



[IFRS S1](#) General Requirements (2023)
[IFRS S2](#) Climate-Related Disclosures (2023)*

- IFRS S1 ¶51 defines **general** disclosure requirements related to **targets**
- IFRS S2 ¶33-37 defines disclosure requirements for climate-related targets
- IFRS S2 ¶36 defines disclosure requirements for **GHG targets**



[ESRS 2](#) General Disclosures (Draft Nov.2025)
[ESRS E1](#) Climate Change (Draft Nov.2025)

- ESRS 2 GDR-T (¶50-52) defines **general** disclosure requirements related to **targets**
- ESRS E1-6 (¶22-23) defines disclosure requirements for **climate-related targets**
- ESRS E1-6 (¶23) defines disclosure requirements for **GHG targets**



[GRI 102](#): Climate Change 2025

- GRI 102 (Disclosure 102-4) defines disclosure requirements for **GHG emissions reduction targets and progress**

* December 2025 [Amendments to IFRS S2](#) did not amend paragraphs considered here.

Note: The below is not comprehensive in mapping all disclosure requirements included in external standards.

Disclosure requirement	GHG Protocol LSR Standard	ISO14064-1: 2018	IFRS	ESRS	GRI
Target base year/ reference period	✓ Sec.17.2.2	✓ Sec.7.3	✓ S1 ¶51(d), S2 ¶33(e)	✓ GDR-T ¶51(d)	✓ 102-4(h)
Target timeframe/ commitment year	✓ Sec.17.2.2	✓ Sec.7.3	✓ S1 ¶51(c) S2 ¶33(d)	✓ GDR-T ¶51(e)	✓ 102-4(a) (reference to short, medium, and long-term targets in guidance)
Type of target	✓ Sec.17.2.2	✓ Sec.7.3	✓ S2 ¶33(g)	✓ GDR-T ¶51(c)	Setting absolute targets specified by 102-4(a)
Target boundary	✓ Sec.17.2.2	✓ Sec.7.3	✓ S2 ¶33(c) (part of entity) S2 ¶36(a) (GHGs) S2 ¶36(b) (emissions scopes)	✓ GDR-T ¶51(c) E1 ¶23(a)-23(b)	✓ 102-4(a) (emissions scopes) 102-4(d) (scope 3 categories) 102-4(e) (GHGs)
Target level	✓ Sec.17.2.2	✓ Sec.7.3			✓ 102-4(a)
Progress in reaching target	✓ Sec.17.2.2		✓ S1 ¶51(f), S2 ¶35		✓ 102-4(i)
External validation			✓ S2 ¶34(b)		
Standards or methods followed				✓ GDR-T ¶51(f)	✓ 102-4(k)
Statement on scientific basis			S2 ¶33(h) requires disclosure on how latest international agreement informed the target	✓ E1 ¶23(c)	✓ 102-4(f)
Gross/net targets, use of credits	Table 17.2 in guidance to provide further detail on reporting external compensation targets		✓ S2 ¶36(e)	E1 AR12 for ¶23 requires gross targets	Setting gross targets specified by 102- 4(a)

Reporting provisions on GHG targets: Comments from Subgroup 1 members

- Other GHG targets set by the company (e.g., KPIs for carbon intensity per \$, product, volume) should be included.
- Target setting standard applied should be included.
- When companies set targets they should provide sufficient contextual information, e.g., type, scope, base year, timeframe, progress, and where relevant, methodology or use of offsets.
- GHG targets should be comparable among similar companies.



Discussion: Reporting provisions on GHG targets

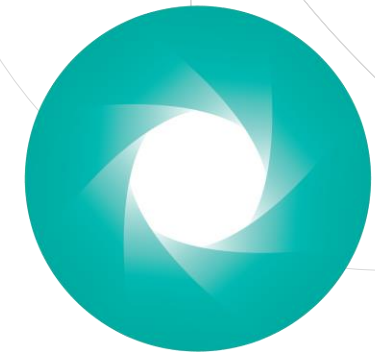
- ***What overall approach should the Corporate Standard take to specifying reporting provisions on GHG targets?***
 - Require the reporting of information related to GHG targets ('shall' statements)
 - Recommend the reporting of information related to GHG targets ('should' statements)
 - Specify reporting of information related to GHG targets as optional ('may' statements)
 - Make no specification on reporting of information related to GHG targets (be silent)
- ***What information should be specified in reporting provisions on GHG targets?***
 - Target boundary (e.g., scopes/categories included)
 - Target base year
 - Target completion year
 - Type of target
 - Target level
 - Progress in reaching target
 - Use of offsets/credits
 - Target setting standards followed
 - Third-party validation of target
 - Statement on scientific basis
 - Others?



Topics	Questions	Options
General specifications on targets	1. What general specification should the Corporate Standard provide on the setting of GHG targets? <i>Note: Options narrowed from question posed in Meeting 12.</i>	<ul style="list-style-type: none"> a. Recommend that companies set GHG targets ('should' statement) b. Specify the setting of GHG targets as optional ('may' statement) c. Abstain
Detailed specifications on targets	2. What overall approach should the Corporate Standard take to providing more detailed specifications on GHG targets? <i>Note: See criteria in Question 3 for examples.</i>	<ul style="list-style-type: none"> a. Include specific provisions ('shall/'should' statements) that apply when companies choose to set GHG targets b. Reference general criteria/considerations ('should consider'/'may consider') c. Refer to external programs d. Do not provide any specific provisions/guidance (be silent) e. Abstain
	3. What criteria/specifications on GHG targets should be included? <i>Check all that should apply.</i> <i>Note: See slide 16 for source of criteria.</i>	<ul style="list-style-type: none"> a. Target boundary b. Type of target c. Target timeframe d. Target level e. Basis in climate science f. Policy context (international, national, etc.) g. Sectoral context h. Other (please specify in chat) i. None (no specifications should be provided) j. Abstain
Reporting of GHG targets	4. What overall approach should the Corporate Standard take to specifying reporting provisions on GHG targets ?	<ul style="list-style-type: none"> a. Require the reporting of information related to GHG targets ('shall' statements) b. Recommend the reporting of information related to GHG targets ('should' statements) c. Specify reporting of information related to GHG targets as optional ('may' statements) d. Make no specification on reporting of information related to GHG targets (be silent)
	5. What information should be specified in reporting provisions on GHG targets? <i>Check all that should apply.</i> <i>Note: See slides 20-23 for sources of types of reporting information.</i>	<ul style="list-style-type: none"> a. Target boundary b. Target base year c. Target completion year d. Type of target e. Target level f. Progress in reaching target g. Use of offsets/credits h. Target setting standard followed i. Third party validation of targets j. Statement on scientific basis k. Other (please specify in chat) l. None (no specifications should be provided) m. Abstain

Agenda

- Introduction and housekeeping 10 minutes
- GHG targets 60 minutes
- **GHG intensity metrics 40 minutes**
- Wrap up and next steps 10 minutes



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GHG emissions intensity metrics: Items to be considered today

- Reporting of **organization-level** GHG emissions intensity
- Reporting of **product-level** GHG emissions intensity

Reporting of GHG emissions intensity metrics

1

- Specifications for developing **organization-level*** GHG emissions intensity metrics (when relevant)

Specifications for developing GHG emissions intensity metrics

2

* Specifications on product-level intensity metrics is beyond the scope of work for the Corporate Standard TWG.

GHG emissions intensity metrics: Summary of stakeholder feedback

Summary of survey feedback

- Some stakeholders requested **flexibility in the current approach** to tracking emissions over time (i.e., comparison to a base year) and **advocated for the incorporation of performance-based reporting of emissions intensity metrics**, either as:
 - An **alternative** to the current approach
 - A **complement** to the current approach (i.e., with both used in tandem)
- Some stakeholders requested **additional guidance** on the development of performance metrics
- Some suggested **standardizing** performance metrics by **sector***

Situations cited by stakeholders advocating for performance-based reporting of emissions intensity metrics

1. Growing companies (including those in sectors contributing to global decarbonization)
2. Companies divesting from emissions intensive assets or businesses

(Section D.8 of [Corporate Standard Stakeholder Survey Summary](#))

* Development of sector-specific requirements is beyond the scope of current Corporate Standard revisions.

Review: Subgroup 1 Meeting 10 (Emissions profile over time)

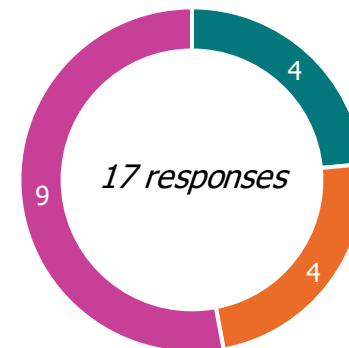
Subgroup 1 Meeting 10 addressed **reporting provisions** related to four methods for **tracking GHG emissions over a time series** (below), including an **emissions intensity time series**.

Method
Original (historical) inventory time series: Annual historical reported emissions (with no recalculation)
Recalculated inventory time series: Annual emissions, with recalculation
Recalculated target-relevant time series: Recalculated time series over relevant period for an active emissions reduction target
Emissions intensity time series: Emissions intensity per unit of physical activity or economic value

Member feedback on reporting of emissions intensity metrics (Subgroup 1 Meeting 10 live poll and feedback survey)

Subgroup 1 members expressed *split opinions* on how **reporting of emissions intensity metrics** should be specified in the Corporate Standard.

How should specifications for reporting of emissions intensity metrics be updated?



■ Required ■ Recommended ■ Optional

Member comment: Need to discuss further denominator used and whether denominator would be recalculated. (Note: As framed in Meeting 10, discussion on intensity metrics presumes no recalculation of the numerator or denominator).

* Development of sector-specific requirements is beyond the scope of current Corporate Standard revisions.

GHG emissions intensity: Specifications in GHG Protocol and ISO standards

Reporting of emissions intensity metrics and other ratio indicators is **recommended or optional** in the following GHG Protocol and ISO standards:

<p>Corporate Standard (ch.9, Optional information > Information on emissions and performance)</p>	<p>"Relevant ratio performance indicators (e.g. <i>emissions per kilowatt-hour generated, tonne of material production, or sales</i>)"</p>
<p>Scope 3 Standard (11.2, Optional information)</p>	<p>"Relevant performance indicators and intensity ratios"</p>
<p>Land Sector and Removals Standard (20.3, Additional reporting information)</p>	<p>"A GHG report may also include additional metrics such as performance indicators, intensity ratios, and progress in relation to targets, if relevant and applicable to the reporting company"</p>
<p>ISO 14064-1:2018 (9.3.2, Recommended information)</p>	<p>"The organization should consider including the GHG report:... ...description and presentation of additional indicators, such as efficiency or GHG emission intensity (emissions per unit of production) ratios"</p>

Types of ratio indicators described in the Corporate Standard (ch.9):

- **Productivity/efficiency ratios:** Value or achievement of a business divided by GHG impact (e.g., sales per GHG, production volume per amount of GHG)
- **Intensity ratios:** GHG impact per unit of physical activity or unit of economic output. Examples include:
 - **Product intensity:** GHG emissions per amount of product
 - **Service intensity:** GHG emission per function or service
 - **Sales intensity:** GHG emissions per sales
- **Percentages:** Ratio between two similar items (e.g., current GHG emissions as percentage of base year emissions)

Note: Only **GHG emissions intensity** performance metrics will be considered in this meeting.

GHG emissions intensity: Specifications from external standards and programs



[IFRS S2](#) Climate-Related Disclosures (2023)
[ESRS E1](#) Climate Change (Draft Nov.2025)

Both **IFRS S2** and **ESRS E1** reference GHG emissions intensity as they're applied in **GHG intensity targets**:

- **IFRS S1** (¶B66): "...an **intensity target** is defined as a ratio of a measure, or a change in the ratio of a measure, to a business metric."
- **ESRS E1** (AR13 for ¶23): "If the undertaking discloses **intensity targets**, they **shall** be formulated as ratios of GHG emissions relative to a unit of physical activity or economic output."

* See next slide for a more detailed example. Also see Appendix B for screenshots from SBTi CNZS V2.0 draft Annex showing intensity metrics and net-zero benchmarks for different emissions activities.

** Sectors with sector-specific intensity convergence methods include air transport, buildings, cement, financial institutions, iron and steel, maritime transport, and electric utilities & power generation (SBTi CNZS V.1.3.1, Table 4)



[GRI 102](#): Climate Change 2025

GRI Disclosure 102-8 specifies **requirements** to report GHG emissions intensity ratios:

"The organization **shall**:

- Report GHG **emissions intensity ratio(s)**, including the gross GHG emissions in metric tonnes of CO2 equivalent (the numerator) and the organization-specific metric (the denominator) chose to calculate the ratio(s);
- Report the scope(s) of GHG emissions included in the intensity ratio(s), whether Scope 1, Scope 2, or Scope 3"



SBTi Corporate Net Zero Standard (CNZS)
[V1.3.1](#), [V2.0 draft for second public consultation](#)

Some options for **setting category-specific targets** in V2.0 draft are **emissions intensity** approaches. Examples:

- C18.1 (Scope 3, Cat.1,2) "The average **emissions intensity** (tCO₂e/t) of the commodity meets the reference intensity benchmarks"*
- C18.3 (Scope 3, Cat.4,6,9): "The average **emissions intensity** of (e.g., gCO₂e/t*km) of transport activities (road, aviation, maritime) meets the reference intensity benchmarks"

Some sectors have pathways for SBTi targets based on sector-specific intensity convergence methods.**

Organization and product-level GHG emissions intensity in GHG targets

(Example: Cement sector)

- Due to **significant process emissions** from limestone calcination in clinker production, rate of decarbonization may differ from the overall economy-wide rate of decarbonization.
- **SBTi's Sectoral Decarbonization Approach (SDA) for cement sector:** Based on **sectoral convergence in emissions intensity** in terms of t CO₂/t cementitious product or t CO₂/t cement.



Cement **producing** companies:
Scope 1 and 2 emissions

- If clinker production makes up $\geq 95\%$ of a company's scope 1 emissions, the company *may* use the **cement SDA** for target setting for **all of their scope 1 and 2** emissions.*
- If clinker production makes up $< 95\%$ of scope 1, the **cement SDA may be used for portion** of scope 1 and 2 emissions arising from own clinker and own clinker-containing cement production.
- *Target based on **organization-level** GHG emissions intensity (scope 1 and 2 only).*



Cement **consuming** companies:
Scope 3 emissions

- An **emissions intensity target** is an eligible approach to address **priority commodities** (representing $\geq 5\%$ of total scope 3).**
- **Emissions intensity target:** The average emissions intensity (tCO₂e/t) of the commodity meets the **reference intensity benchmark** (Net zero benchmark for cement: 0.033 t CO₂e/t cement by 2050).
- *Target based on **product-level** emissions intensity.*

* SBTi [Cement Science Based Target Setting Guidance V1.0](#), Criterion Cement-C2.

** SBTi [Corporate Net Zero Standard V2.0 second draft for public consultation](#), Criterion CNZS-C18.1.



Discussion: GHG intensity metrics

- ***What purpose(s) does reporting of GHG intensity metrics serve?***
 - Organization-level GHG intensity metrics
 - Product-level GHG intensity metrics
- ***How should reporting of GHG emissions intensity metrics be specified in the Corporate Standard?***
(Required/recommended/optional/no specification)
 - For organization-level GHG intensity metrics
 - For product-level GHG intensity metrics
- ***What general approach should the Corporate Standard take to providing specifications on the development of GHG intensity metrics at the organization-level* (for cases when companies report intensity metrics)?***
 - *Provide detailed provisions (conditional 'shall'/'should') statements*
 - *Provide general guidance only (status quo)*
 - *Be silent*
- ***If detailed provisions related to the development of organization-level GHG emissions intensity metrics are provided, what should they be?***

* Specifications on product-level intensity metrics is beyond the scope of work for the Corporate Standard TWG.

Polls: GHG emissions intensity metrics



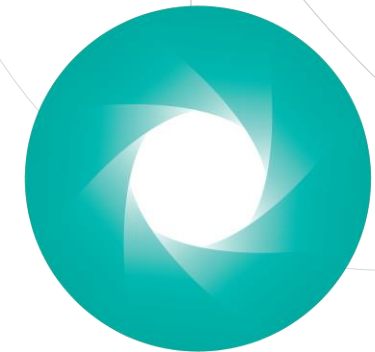
Question	Options
<p>1. How should reporting of GHG intensity metrics be specified in the Corporate Standard?</p> <ul style="list-style-type: none"> • At the company/organization level? • At the product level? 	<p>a. Required ('shall' statement) b. Recommended ('should' statement) for all reporters c. Recommended ('should' statement) if relevant (e.g., if they have targets based on emissions intensity metrics) d. Optional ('may' statement) (status quo) e. Make no specification (be silent) f. Abstain</p>
<p>2. What general approach should the Corporate Standard take to providing specifications on the development of GHG intensity metrics at the company/ organization-level* (for cases when companies report intensity metrics)?</p>	<p>a. Provide detailed provisions (conditional 'shall'/'should') statements b. Provide general guidance only (status quo) c. Be silent d. Abstain</p>

* Specifications on product-level intensity metrics is beyond the scope of work for the Corporate Standard TWG.

Agenda

- Introduction and housekeeping 10 minutes
- GHG targets 60 minutes
- GHG intensity metrics 40 minutes
- **Wrap up and next steps 10 minutes**

Draft for TWG discussion



GREENHOUSE GAS PROTOCOL



WORLD
RESOURCES
INSTITUTE



World Business
Council
for Sustainable
Development

Next steps

Items to be shared by GHG Protocol Secretariat:

- Final slides, minutes, and recording from this meeting
- Feedback survey

TWG member action items:

- Respond to feedback survey (deadline Monday, May 11th)

Next meeting

- Tuesday, June 9th, 2026 (09:00-11:00 ET, 15:00-17:00 CET, 21:00-23:00 CHN)
- Full TWG meetings scheduled for June 30th, July 16th, and July 28th

Draft text for Corporate Standard chapter 5 (Tracking emissions over time) to be shared prior to the next Subgroup 1 meeting.

Thank you!

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Appendix A

Reporting requirements on
GHG targets from external
programs/standards

IFRS S1: General disclosure requirements on targets

- 51 An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose:
- (a) the metric used to set the target and to monitor progress towards reaching the target;
 - (b) the specific quantitative or qualitative target the entity has set or is required to meet;
 - (c) the period over which the target applies;
 - (d) the base period from which progress is measured;
 - (e) any milestones and interim targets;
 - (f) performance against each target and an analysis of trends or changes in the entity's performance; and
 - (g) any revisions to the target and an explanation for those revisions.

IFRS S2: Disclosure requirements on climate-related targets

- 33 An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:
- (a) the metric used to set the target (see paragraphs B66–B67);
 - (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);
 - (c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);
 - (d) the period over which the target applies;
 - (e) the base period from which progress is measured;
 - (f) any milestones and interim targets;
 - (g) if the target is quantitative, whether it is an absolute target or an intensity target; and
 - (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.
- 34 An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:
- (a) whether the target and the methodology for setting the target has been validated by a third party;
 - (b) the entity's processes for reviewing the target;
 - (c) the metrics used to monitor progress towards reaching the target; and
 - (d) any revisions to the target and an explanation for those revisions.
- 35 An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.
- 37 In identifying and disclosing the metrics used to set and monitor progress towards reaching a target described in paragraphs 33–34, an entity shall refer to and consider the applicability of cross-industry metrics (see paragraph 29) and industry-based metrics (see paragraph 32), including those described in an applicable IFRS Sustainability Disclosure Standard, or metrics that otherwise satisfy the requirements in IFRS S1.

IFRS S2: Disclosure requirements on GHG targets

- 36 For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:
- (a) which greenhouse gases are covered by the target.
 - (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.
 - (c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).
 - (d) whether the target was derived using a sectoral decarbonisation approach.
 - (e) the entity’s planned use of *carbon credits* to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:
 - (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;
 - (ii) which third-party scheme(s) will verify or certify the carbon credits;
 - (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and
 - (iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).

ESRS 2 General Disclosure Requirement for targets (GDR-T)

50. (79 amended) The objective of this GDR is to enable an understanding of how the undertaking sets **targets**, as defined in terms of expected results for people, the environment or the undertaking itself, and of how the undertaking tracks the effectiveness of its **policies** and **actions** in relation to its material **impacts, risks and opportunities**, as well as the overall progress and effectiveness towards the adopted targets over time. This includes – where applicable – whether the progress is aligned with a related action plan or whether any significant facts and circumstances related to the action plan affect the achievement of the target.
51. (80 amended) The undertaking shall disclose the measurable, time-bound, outcome-oriented qualitative or quantitative **targets** it has set related to its material **impacts, risks and opportunities**. For each target, the undertaking shall disclose:
- (a) a description of the relationship of the target to its **policy** objectives and **actions**;
 - (b) the defined target value (or level if the target is qualitative) to be achieved, including whether the target is absolute or relative if these are defined as such and in which unit it is measured;
 - (c) the scope of the target, in terms of the undertaking’s activities within its own operations or its upstream and downstream value chain, as well as geographical boundaries;
 - (d) the baseline value (or level if the target is qualitative) and the base year from which progress is measured, if defined by the undertaking;
 - (e) the target year or period to which the target applies, and if the undertaking has set any milestones or interim targets, a description of those milestones or interim targets;
 - (f) the methodologies and significant assumptions used to define targets, whether the target is required by law, and, where applicable, the selected **scenarios** on which it is based, the key data sources and the level of compatibility with national, EU or international policy goals; and
 - (g) whether the undertaking’s targets related to environmental **topics** are based on conclusive scientific evidence.

52. (81 amended) If the undertaking has not set any measurable outcome-oriented **targets**, it shall disclose whether and, if so, how it nevertheless tracks the effectiveness of its **policies** and **actions** in relation to its material **impacts, risks and opportunities**.

APPLICATION REQUIREMENTS FOR GDR-T

AR 46 for para. 50	Information about progress and effectiveness towards the adopted targets over time is disclosed under GDR-M, paragraph 49(d).
AR 47 for para. 51	Outcome-oriented targets regarding material impacts are defined in terms of expected results for people and the environment.
AR 48 for para. 51 (g)	‘Based on conclusive scientific evidence’ shall be understood as the use of robust, peer-reviewed or otherwise authoritative biophysical information that identifies relevant ecological thresholds or that quantifies conditions, trajectories, and constraints using empirical data, modelling, or recognised scientific frameworks. Such evidence shall enable the undertaking to set ecologically grounded, context-specific and measurable targets .

ESRS E1 Disclosure Requirement E1-6 – Targets related to climate change

Disclosure Requirement E1-6 – Targets related to climate change

22. (32 amended) The undertaking shall disclose its **climate change targets** in accordance with the provisions of ESRS 2 GDR-T.
23. (34 amended) The undertaking shall disclose the **GHG emission reduction targets** it has set, including:
 - (a) absolute GHG emission reduction targets for scopes 1, 2 and 3, either separately or combined, and where relevant, in intensity value. The undertaking shall specify, in case of combined GHG emission reduction targets, which **GHG emission** scopes (1, 2 and/or 3) are covered by the target and the share related to each respective GHG emission scope;
 - (b) (AR 24 amended) if the scope (geography, GHGs covered, entities included) of the GHG emission reduction target diverges from the scope of the GHG inventory (reported under ESRS E1-8), the percentages for scopes 1, 2 and 3 covered by the target, as well as which GHGs are covered; and
 - (c) a statement on whether the GHG emission reduction targets are science-based and compatible with limiting global warming to 1.5°C. The undertaking shall state which framework and methodology has been used to determine these targets, including whether they are derived using a sectoral decarbonisation pathway, and the underlying climate and policy scenarios. As part of the critical assumptions used for setting GHG emission reduction targets, the undertaking shall briefly explain how it has considered future developments (e.g. changes in sales volumes, shifts in customer preferences and demand, regulatory factors, and new technologies) and how these will potentially impact both its GHG emissions and emissions reductions.

GRI 102-4 GHG emissions reduction targets and progress

The organization shall:

- a. report short-, medium-, and long-term gross Scope 1, Scope 2, and Scope 3 GHG emissions reduction targets in metric tons of CO₂ equivalent and as a percentage of base year emissions, where:
 - i. gross Scope 1, Scope 2, and Scope 3 GHG emissions reduction targets are reported separately or where Scope 1 and Scope 2 GHG emissions are combined;
 - ii. gross Scope 1 and Scope 2 GHG emissions reduction targets cover the total Scope 1 and Scope 2 GHG emissions reported under Disclosures 102-5 and 102-6;
 - iii. GHG removals, GHG trades, and avoided GHG emissions are excluded;
- b. for each gross GHG emissions reduction target, report whether biogenic CO₂ emissions are included in the target;
- c. for each gross Scope 2 GHG emissions reduction target, report whether the targets use the location-based or market-based method;
- d. for each gross Scope 3 GHG emissions reduction target, list the Scope 3 categories covered by the targets;
- e. for each gross GHG emissions reduction target, report the gases covered by the target;
- f. explain how the gross GHG emissions reduction targets align with the latest scientific evidence on the effort needed to limit global warming to 1.5°C;
- g. describe its gross GHG emissions reduction target revision policy;
- h. for each gross GHG emissions reduction target, report the base year, including:
 - i. the rationale for choosing it;
 - ii. base year emissions in metric tons of CO₂ equivalent;
 - iii. the context for any significant changes in emissions that triggered recalculations of base year emissions;
 - iv. the previously reported base year emissions, if base year emissions are recalculated;
- i. report the progress toward each gross GHG emissions reduction target using the inventory method, in metric tons of CO₂ equivalent, and as a percentage of a base year emissions;
- j. for each gross GHG emissions reduction target, explain how the progress toward the target was achieved and whether it is due to:
 - i. reductions as a result of the organization's initiatives; or
 - ii. other factors;
- k. report standards, methodologies, assumptions, and calculation tools used.

Appendix B

SBTi Corporate Net-Zero Standard [V2.0 draft for second consultation draft](#), Annex A, Table A.1: Scope 1 and 2 metrics, reference pathway, net-zero aligned benchmarks, and target-setting methods

Activity	Metric code	Metric	Unit	Reference pathway	Net-zero benchmark	Net-zero benchmark year	Target-setting method	Relevant Sector Standard ⁴⁹
Scope 1								
Space and water heating	1a	Emissions generated from space and water heating	t CO ₂ e	IEA NZE Scenario (2023)	0	2050	Linear contraction	N/A
Medium temperature process heating	1b	Emissions generated from process heating	t CO ₂ e	IEA NZE Scenario (2023)	5% (vs. baseline value)	2050	Linear contraction	N/A
Operation of owned or controlled transport	1c	Emissions generated from the operation of owned or controlled transport fleet (tank to wheel)	gCO ₂ /vkm	IEA NZE Scenario (2021)	Vehicle dependent	2050	Linear contraction	N/A
Non-combustion activities	1d	Fugitive fluorinated gas emissions generated from equipment operation and processes	t CO ₂ e	IPCC AR6 scenarios envelope	11% (vs. baseline value)	2050	Linear contraction	N/A
Cement production	1e	Physical emission intensity for cement production	t CO ₂ e/t cement	IEA NZE Scenario (2021)	0.033	2050	SDA	SBTi Cement Guidance (Optional)
Steel Production	1f	Physical emission intensity for steel production	t CO ₂ e/t steel	IEA NZE Scenario (2021)	0.11	2050	SDA	SBTi Steel Guidance (Optional)
Electricity generation	1g	Physical emission intensity for electricity	kg CO ₂ / kWh	SBTi power sector pathway ⁵⁰	0.001	2050	SDA	SBTi Power Sector Guidance

⁴⁹ Optional / mandatory label refers to the status of the sector document and its associated metrics, methods, and pathways, if and when the applicability thresholds included in the document are met by the company.

Activity	Metric code	Metric	Unit	Reference pathway	Net-zero benchmark	Net-zero benchmark year	Target-setting method	Relevant Sector Standard ⁴⁹
		generation						(Mandatory)
Operation of maritime transportation vehicles	1h	Emissions generated from maritime transport	Energy Efficiency Operational Index (g CO ₂ /t.nm)	SBTi Maritime pathway ⁵¹	Vessel dependent	2040	SDA	SBTi Maritime Guidance (Optional)
Operation of commercial aviation	1i	Emissions generated from aviation transport	gCO ₂ e/ RPK	SBTi Aviation pathway ⁵²	25.61	2050	SDA	SBTi Aviation Guidance (Optional)
Road vehicle manufacturing and use	1j	Emissions generated from road vehicle manufacturing (global)	g CO ₂ /v.km	SBTi Automotive pathway ⁵³	Vehicle dependent	2050	SDA	SBTi Automotive Standard (Mandatory)
Chemical production	1k	Emissions generated from chemical production	t CO ₂ e/ t	IEA NZE Scenario (2021) ¹⁴	Chemical dependent	2050	SDA	SBTi Chemical Guidance (Optional ⁵⁴)
FLAG commodity production	1l	Emissions generated from FLAG commodity production	t CO ₂ e/ t	SBTi FLAG Commodity Pathways	Commodity dependent	2050	SDA	SBTi FLAG Guidance (Mandatory)
Buildings in-use operations	1m	Emissions generated from buildings in use	kg CO ₂ e/ m ²	SBTi Buildings Pathway	Building type dependent	2050	SDA	SBTi Buildings Standard (Mandatory)
Space and water heating	1n	Share of low-carbon space and water heating	%	IEA NZE Scenario (2023)	100%	2050	Index Alignment	N/A
Medium temperature process heating	1o	Share of low-carbon process heating	%	IEA NZE Scenario (2023)	95%	2050	Index Alignment	N/A

⁵⁰ The pathway is currently under public consultation and may be subject to revision before final adoption.

⁵¹ The pathway is scheduled for revision to align with updated scientific evidence.

⁵² The pathway is scheduled for revision to align with updated scientific evidence.

^{53, 14} The pathway is currently under public consultation and may be subject to revision before final adoption.

⁵⁴ The SBTi Chemicals guidance is planned to be released at the end of Q4 2025.

Activity	Metric code	Metric	Unit	Reference pathway	Net-zero benchmark	Net-zero benchmark year	Target-setting method	Relevant Sector Standard ⁴⁹
Operation of owned transport	1p	Electric vehicle share in two/three-wheeler fleet	%	IEA NZE Scenario (2021)	100%	2050	Index Alignment	N/A
	1q	Electric vehicle share in light-duty vehicle fleet	%	IEA NZE Scenario (2021)	86%	2050	Index Alignment	N/A
	1r	Electric vehicle share in heavy-duty vehicle fleet	%	IEA NZE Scenario (2021)	79%	2050	Index Alignment	N/A
Scope 2								
Electricity purchasing	2a	Scope 2 GHG emissions, location-based	t CO ₂	SBTi Power Sector pathway	0.2% (vs. baseline value)	2040 (Cat. A) 2050 (Cat. B)	Linear contraction	N/A
Electricity purchasing	2b	Scope 2 GHG emissions, market-based	kg CO ₂ / kWh	SBTi Power Sector pathway	0.001	2040	Index alignment	N/A
Heat, steam, and cooling purchasing ⁵⁵	2c	Scope 2 GHG emissions, location-based	kg CO ₂ / kWh	IEA NZE (2023)	0	2040	Index alignment	N/A
Heat, steam, and cooling purchasing	2d	Scope 2 GHG emissions, market-based	kg CO ₂ / kWh	IEA NZE (2023)	0	2040	Index alignment	N/A
Electricity purchasing	2e	Low-carbon electricity	%	SBTi Power Sector pathway	100%	2040	Index alignment	N/A

⁵⁵ The SBTi is conducting research on future decarbonization of heat steam cooling generation to inform more accurate benchmarking, including the review of available pathways.

Appendix C

Subgroup 1 Meeting 12 poll
results

Subgroup 1 Meeting 12 poll results: Timing of base year recalculation

Poll question posed: Do you support maintaining the following Corporate Standard provisions related to the **timing of base year recalculations for structural changes**?

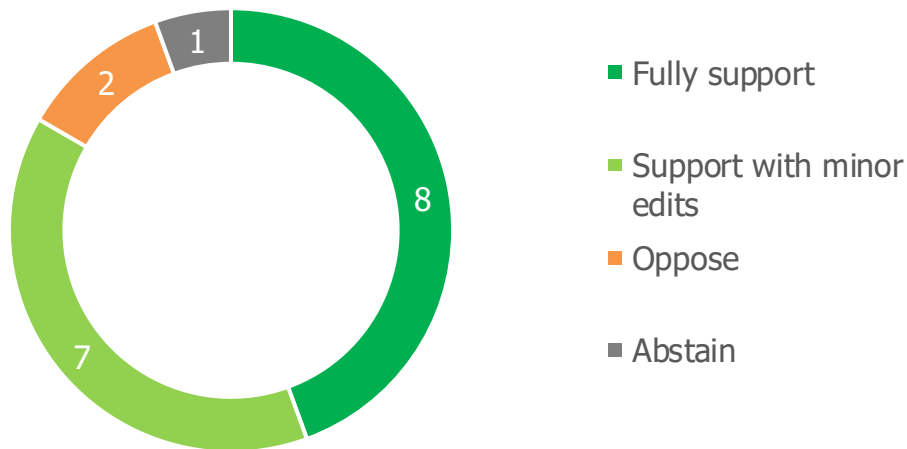
Provision	Poll Result
(1.1) Recommend recalculation be performed in the year that a structural change occurs (<i>should</i> statement)	Support: 12 of 17 (3 with minor edits) Oppose: 4 of 17 Abstain: 1 of 17
(1.2) Allow recalculation to be performed in the next year after a structural change (<i>may</i> statement)	Support: 15 of 17 (3 with minor edits) Oppose: 1 of 17 Abstain: 1 of 17
(1.3) Recommend that recalculation apply to the entire year (rather than the remainder of the year after the structural change occurred), "all-year" option (<i>should</i> statement)	Support: 14 of 17 (6 with minor edits) Oppose: 2 of 17 Abstain: 1 of 17
(1.4) Allow recalculation for only the portion of the year after a structural change in the year of the change, with the full recalculation taking place in the following year, "pro-rata" option (<i>may</i> statement)	Support: 12 of 17 (5 with minor edits) Oppose: 1 of 17 Abstain: 4 of 17

Member comments:

- Support provision 1.1, but recommend adding clarification that this is not always operationally feasible.
- Support provision 1.2, but recommend strengthening associated disclosure requirements to ensure transparency.
- Support provision 1.3, but recommend framing this preference as being subject to feasibility, with appropriate disclosure when an alternative approach is applied.
- The 'pro-rata' approach supports consistency with financial reporting, where acquisitions and divestments are recognized from the date of control. However, given practical challenges with mid-year recalculations, recalculation the following year is a pragmatic alternative. Ultimately, the priority should be clear and transparent disclosures.
- Easing the burden for reporters should be prioritized. In the long run, one year is not a critical issue. The easiest approach is to adjust after the full year following any change.
- Recommendation to add the words "corporate fiscal" before "year".
- Opposition to provision 1.2: Changes should be reflected in the year that they occurred, providing the option allows companies to delay recalculation.

Reporting requirements on base year recalculations

Poll question posed: Do you support adopting a provision requiring reporting of additional details for base year recalculations (like that in the LSR Standard)?
*Companies **shall** disclose... Any recalculations of base year/period levels, including the rationale for recalculation and which assumptions and values were changed, with a comparison of updated values to original values.*



15 of 18 members (83%) expressed support.

Member comments

- Disclosure of additional details of base year recalculations is consistent with GHG accounting and reporting principles, and specifically supports transparency and enhanced comparability of information.
- Disclosure would support user understanding of and ability to interpret reported changes of emissions over time.
- Recommendation to limit scope of provision to material/significant changes, as comprehensive disclosure for minor/routine adjustments risks creating disproportionate reporting burden compared to benefit to users of GHG information.
- Examples of the level of detail required would be helpful, as scope 3 data in particular can be complex.