Independent Standards Board – Meeting #24 Summary – Day 2

Date: 22 September 2026

Time: 09:00 – 14:00 ET / 15:00 – 20:00 CEST

Location: Moody's Office, New York (in person, with virtual participation)

Attendees

Members

Alex Bassen, Chair
Suzanne Greene, Vice-Chair
Anthony Cheung
Inhee Chung
Pieter Gagnon
Owen Hewlett
Stuart Jefford
Heather Keith
Viola Lutz
Paul Munter

Observing Entities

Bastian Buck (GRI) (Virtual)
Alberto Carrillo Pineda (SBTi) (Virtual)
Benoit Desforges (ISO)
Pedro Faria (EFRAG) (Virtual)
Amir Sokolowski (CDP) (Virtual)

GHG Protocol Secretariat

Hande Baybar (Virtual)
David Burns
Alexander Frantzen
Chelsea Gillis (Virtual)
Claire Hegemann (Virtual)
Iain Hunt
Oliver James (Virtual)
Ashley Jones (Virtual)
Luke Jones (Virtual)
Alley Leach (Virtual)
Michael Macrae (Virtual)
Ralf Pfitzner (Virtual)
Matt Ramlow
David Rich
Amir Safaei (Virtual)

Agenda and Decisions

Item	Topic and Summary	Decisions
1	***Welcome and Introduction*** The Chair welcomed all members and reviewed the updated agenda.	The ISB was not asked to make any decisions.
2	***Ways of Working*** A structured discussion on how to improve ISB ways of working was held. Members and observing entities reflected on opportunities to further strengthen meeting preparation and support effective decision-making. Discussion highlighted the value of clear prioritization of pre-	The ISB was not asked to make any decisions.

	read materials, advance briefings and learning sessions, and engagement between meetings to help members prepare for complex topics and make the best use of meeting time. The session also explored opportunities to strengthen participation and deliberation, including earlier engagement with observing entities, greater use of subcommittees to support complex decisions, and approaches to capturing the rationale behind differing viewpoints. The Secretariat will compile the feedback for further consideration.	
3	***Actions and Market Instruments [Continued from Day 1]*** The Secretariat returned to the process options from Day 1 for developing an electricity sector specific consequential accounting methodology. The Secretariat restructured the option set into three sequential questions: 1. Should GHG Protocol conduct this work? 2. Should this work be started in Q2 2027 during public consultation? 3. How should this work be done? A. In-house through a joint Scope 2 and AMI TWG subgroup B. Co-develop with partner(s) C. Third party development with guardrails and governance The Secretariat emphasized that these questions are intended to collect ISB input for the consideration of the GHG Protocol CEO and Steering Committee, as the matter concerns resources and workstream prioritization, rather than to seek a final ISB decision. Members discussed the rationale for sector-specific treatment of electricity, noting the scale of electricity-related emissions in corporate inventories and the limited comparability that a generic cross-sector consequential accounting method alone would achieve for electricity-related emissions. Members also discussed potential concerns with third-party development in a contested technical area, including the difficulty of drafting safeguards robust enough to set appropriate boundaries within which sector-specific methods can be developed. The Secretariat confirmed that revised approach already allows electricity procurement activities not reported in the scope 2 market-based inventory to be reported in the GHG impacts of actions statement (Statement 3). Pulse checks were conducted on each of the three questions. The pulse checks indicated unanimous support for undertaking the work and for starting it in Q2 2027 during the public consultation period. On how the work should be carried out (where multiple selections were permitted), development through a joint Scope 2 and AMI subgroup and co-development with partners both attracted strong support. Third-party development with guardrails attracted limited support.	The ISB was not asked to make any decisions.
4	***Scope 2 [Continued from Day 1]*** As tasked by the ISB on Day 1, the Secretariat presented draft text reflecting ISB Day 1 outcomes that would establish a transition pathway toward a new market-based method that incorporates hourly matching, deliverability and incrementality, allowing continued use of the current market-based method for a defined period, and providing alternative	The ISB was not asked to make any decisions.

	reporting pathways for electricity procurement activities that do not meet the new market-based method requirements. Members supported the draft text and discussed aspects requiring further development, including the circumstances under which reporting under the new market-based method would be required, the treatment of market and data availability constraints, whether both market-based methods should coexist during a transition period or whether there should be a single transition date, and the need for clear disclosure requirements if more than one market-based method is available. Members also discussed the treatment of power purchase agreements and agreed that a separate legacy or grandfathering provision beyond the transition period (with specific period of time still to be determined) should not be included, noting that electricity procurement activities that do not meet the future market-based method requirements can instead be reported through other elements of the multi-statement reporting framework. Members requested additional Technical Working Group input on implementation timing, regional feasibility considerations, and evidence regarding investment impacts associated with electricity procurement choices, in addition to key questions already identified. Following the discussion, a pulse check was held. The Chair noted that the poll was intended to gauge support for the substance of the approach and directed the Secretariat to circulate a final version of the proposed text that reflected the outcomes of the ISB discussion during both days. The pulse check poll indicated unanimous support for the approach. The ISB pulse check outcome will be provided to the Scope 2 TWG as an input to the October TWG workshop along with the list of key issues to resolve. The revised proposal, reflecting discussions from both days, is set out below: 1. Companies shall report scope 2 location-based method (LBM). 2. Companies [shall/should/may] report scope 2 market-based method (MBM) if data that meets the quality criteria is available. If a company reports scope 2 market-based method emissions: A. Companies may report using the 2015 Scope 2 Guidance MBM until 203X. B. Companies should report using the new MBM (Method 1) until 203X. C. Prior to 203X, companies shall disclose whether they are applying the 2015 Scope 2 Guidance or new MBM. D. After 203X, if a company reports scope 2 market-based method emissions, companies shall report using the new MBM (Method 1) if data that meets the quality criteria is available. 3. Electricity procurement activities not reported in statement 2 may be reported in statement 3 (GHG impact of actions, using consequential methods) or key indicators (e.g., % CFE matched). 4. All existing contracts may be reported in the market-based inventory using the 2015 Scope 2 Guidance MBM until 203X. After 203X, contractual instruments may be reported in the market-based inventory	

	if they meet the new scope 2 MBM requirements or may be reported in statement 3 (GHG impacts of actions, using consequential methods) and/or through key indicators (statement 4 or other approach to reporting key indicators). No legacy clause provision other than transition timeline.	
5	***Corporate Standard: Phase 2 Preliminary Outcomes*** **Verification and assurance** The Secretariat presented the Corporate Standard Technical Working Group's split opinions on whether the Corporate Standard should include a provision (may, should, or shall) on obtaining independent verification or assurance, or should be silent on the topic, and asked the ISB whether addressing the topic falls within the role of the GHG Protocol. Members expressed differing views. Support for including a provision was based on the position that it would be unusual for an accounting and reporting standard to be silent on verification or assurance, and that a recommendation would set a baseline of good practice for users whose intended use of the standard is unknown, while remaining accessible to less experienced reporters. Arguments for being silent were of the view that verification and assurance requirements are typically set by regulators and other programs rather than by voluntary reporting standards such as the GHG Protocol. One member raised that verification and assurance are distinct processes with different approaches, standards and providers, and that any provision would need to disambiguate the two terms and cross-refer to established external standards. Observing Entities provided perspectives on how the topic is treated in other standards and regulatory frameworks, on possible risks, and on the competence and infrastructure requirements that follow from introducing verification requirements into a technical standard. After the discussion, a pulse check of members indicated majority support for the position that including a provision (may, should, or shall) on verification or assurance falls within the role of the GHG Protocol. A follow-up pulse check indicated majority support for addressing the topic as a recommendation ("should") rather than as a requirement, an option or being silent. The Technical Working Group will consider this as input to finalize their recommendation, including the necessary definitions where relevant. **Tracking emissions over time** The Secretariat summarized the Technical Working Group's preliminary outcomes on tracking emissions over time, covering base year selection, base year recalculation, GHG targets and GHG intensity metrics. A pulse check was held, showing unanimous support for the Corporate Standard TWG's direction with proposed revisions on tracking emissions over time. **Data and calculation methods** The Secretariat summarized the Technical Working Group's preliminary outcomes on data and calculation methods, covering scope 1 disaggregation, required GHGs, global warming potential, indirect climate forcers, scope 1 calculation methods and scope 1 data quality.	The ISB was not asked to make any decisions.

	A pulse check was held, showing majority support for the Corporate Standard TWG's direction with the proposed revisions on data and calculation methods. Members requested a cross-topic and cross-workstream follow-up discussion to review and evaluate the totality of revisions, which the Secretariat agreed to organize ahead of the November ISB meeting.	
6	***Scope 3: Phase 2 Preliminary Outcomes*** The Secretariat presented the Scope 3 Technical Working Group's preliminary outcomes on Series D, covering scope 3 category-specific minimum boundaries and related definitions. The Secretariat explained the proposed boundary and quantification requirements for category 2 (capital goods), extending the category 4 (transport and distribution) boundary to include empty trips, extending category 7 (employee commuting) boundary to include remote worksites, extending the category 6 (business travel) boundary to include accommodation services (hotels), and extending the required boundary for franchises (category 14) to include the scope 3 emissions of franchisees. Members discussed the interaction between the amortization approach and the existing requirement to account for capital goods in full at acquisition, and the risk of double counting. The Secretariat clarified that first purchasers of capital goods would continue to report cradle-to-gate emissions in full (unamortized) at acquisition, and that only subsequent (secondary) purchasers of capital goods would report the unamortized remainder. Members raised a concern that retaining capital goods of value chain partners as optional could result in companies that outsource manufacturing reporting lower emissions than comparable companies that manufacture in house, and that different energy technologies should be treated consistently. The Secretariat explained the TWG's reasoning, including data availability constraints, and confirmed that all activities within the required scope 3 boundary remain subject to the 5% exclusion threshold, which permits exclusion of minor sources. Support was expressed for the closer alignment of the transportation categories with external standards, and Observing Entities provided perspectives from European stakeholders working to harmonize amortization treatment between product and corporate accounting. After the discussion, a pulse check poll indicated majority support for the TWG's direction on Series D. Due to time constraints, the pulse checks on Series E (processing and use of sold products) and Series F (circularity) were not held. It was agreed without objection that these pulse checks will be conducted by electronic poll following the meeting.	The ISB was not asked to make any decisions.
7	***Land Sector and Removals: ISO Feedback and Related Topics*** The Secretariat presented the areas of alignment and divergence between the Land Sector and Removals (LSR) Standard and ISO feedback and proposed a two-track approach to addressing LSR-related topics in the consolidated Corporate Standard. Under Track 1, for companies for which the LSR Standard does not apply, the Corporate Standard Technical Working Group will discuss relevant LSR-related topics and ISO feedback to determine if revisions to existing	The ISB was not asked to make any decisions.

	requirements within the corporate suite of standards are necessary. The TWG will return to the ISB with a recommendation. Under Track 2, for companies for which the LSR Standard does apply, the ISB will decide whether the existing GHG Protocol applicability requirements within the LSR Standard apply to the consolidated Corporate Standard for determining Greenhouse Gas Protocol conformance. Members discussed how the significance test that triggers application of the LSR Standard would be applied and verified in practice. The Secretariat explained that companies make their own determination of significance against the definition in the LSR Standard and that further experience with its application is expected from external programs to inform possible updates. Members also discussed whether non-biogenic CO_2 removals and fossil CO_2 capture should be within the scope of the single consolidated Corporate Standard. Observing Entities provided perspectives on the interoperability of the LSR Standard with other reporting frameworks and on the architectural case for locating generic removals and biogenic reporting provisions in the main standard. After the discussion, two pulse checks were conducted. The first, on the proposed plan for companies for which the LSR Standard does not apply, indicated majority support. The second, on including the LSR Standard applicability requirement in the consolidated Corporate Standard, indicated unanimous support.	
8	***September TWG Membership Update*** The Secretariat presented the proposed Technical Working Group membership changes set out in the September TWG Membership Update Memo. The ISB unanimously approved the changes.	**Decision:** The ISB unanimously approved the Technical Working Group membership changes, as described in the September TWG Membership Update Memo. Yes: 10 No: 0 Abstain: 0
	****Meeting adjourned at 14:00 ET / 20:00 CEST****	