

Advanced and Indirect Mitigation Platform Intervention Quality, Accounting, and Reporting

STANDARD AND GUIDANCE

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1 Section I: Introduction

2 Introduction to the Advanced and Indirect Mitigation (AIM) Platform 3 Intervention Quality, Accounting, and Reporting Standard and 4 Guidance

5 Purpose of the Intervention Quality, Accounting, and Reporting Standard and 6 Guidance

7 Corporate value chain climate reporting and targets represent a massive opportunity to catalyze
8 investment in decarbonization solutions. As of September 2025, over 8,800 companies have set
9 SBTi validated climate targets (Science Based Targets Initiative, n.d.). These targets, if realized,
10 could catalyze the needed 7.1 trillion to 9.2 trillion USD in private sector decarbonization
11 investments (Climate Policy Initiative, 2025).

12 However, nearly a decade of scope 3 reporting and target-setting experience has shown that
13 companies face significant barriers to implementing value chain interventions and claiming the
14 emissions benefits of those interventions in their climate reports towards the achievement of
15 climate targets. One of the main barriers is determining whether an intervention is considered a
16 value chain intervention eligible for inclusion in corporate value chain reporting and contribution
17 to achievement of climate targets. In addition, companies have sought guidance on any additional
18 quality criteria to apply to potential value chain interventions, as well as on how to account for and
19 report an intervention in the context of a GHG emissions report.

20 Corporate value chains are complex, with thousands of suppliers for diverse product types, fluid
21 sourcing networks, varying sourcing contract structures, and lengths. Companies operate under
22 different regulatory regimes, product quality requirements, and competitive market pressures. For
23 example, each segment of the semiconductor value chain has, on average, 25 countries involved
24 in the direct supply chain and 23 countries involved in supporting market functions (Alam, Chu,
25 Lohokare, & Saito, 2020).

26 In contrast to this complexity and fluidity, financing and implementing interventions require
27 reducing uncertainty around intervention eligibility, including whether the intervention will remain
28 eligible within a company's targets during the intervention's lifetime, as the company's value chain
29 inevitably changes. Companies need credible, transparent approaches to assessing potential
30 value chain interventions, selecting high-integrity interventions, and implementing interventions
31 with suppliers and other counterparties in complex and dynamic supply chains.

32 This standard addresses a critical need by providing requirements and guidance that allows
33 companies to confidently determine if a decarbonization intervention they want to pursue is
34 accurate and credible, and how they should account for and report it.

35

1 Relationship with the AIM Platform Association Test

2 The AIM Platform *Association Test* serves as Part 1 of the AIM Platform Standard and Guidance.
3 It provides requirements and guidance that allow companies to confidently determine if a
4 decarbonization intervention they want to pursue is *associated with the company's value chain*.

5 This document - the AIM Platform Intervention Quality, Accounting, and Reporting Standard and
6 Guidance - serves as Part 2 of the AIM Platform output. It should be used in addition to (and
7 following) the AIM Platform *Association Test* in evaluating any given value chain intervention to
8 assess intervention quality, and to guide companies through accurate intervention accounting and
9 reporting in a set of transparent separate ledgers. Using both documents in sequence can ensure
10 that claims made about value chain interventions are indeed associated with a company's value
11 chain and are accurate and credible in the context of a comprehensive GHG Emissions Report.

12 Supported Claim and Use Cases

13 This document is designed to be used by companies seeking to determine if an intervention and
14 its associated processes are accurate, credible, and, in combination with the *Association Test*,
15 the extent to which the intervention outcome¹ may be claimed towards a climate target.

16 The AIM Platform Standard was written for interventions targeting company scope 3 emissions.
17 However, the key concepts described here may be applicable to interventions targeting non-scope
18 3 emission sources. Companies using this Standard and Guidance for non-scope 3 interventions
19 should carefully consider how to communicate the results for those applications.

20

21 The Advanced and Indirect Mitigation Platform

22 Mission

23 The Advanced and Indirect Mitigation (AIM) Platform is a cross-sectoral, multi-stakeholder
24 initiative that was established in early 2023. The AIM Platform's mission is to unlock vast new
25 sums of private climate finance by bringing civil society and the private sector together to remove
26 roadblocks to value chain mitigation and ignite sectoral transition.

27 Vision and Objectives

28 The AIM Platform's vision is a world where businesses can easily account for and claim value
29 chain emissions interventions, driving the deployment of advanced, low-carbon technologies, and
30 enabling the transition to a sustainable economy.

31 To that end, AIM Platform objectives are to:

¹ An intervention outcome is the emissions (also known as "emissions profile") and/or emissions reduction or removal benefit of an intervention.

- 1 • *Enable credible decarbonization pathways:* Harness the significant mitigation potential of
2 corporate climate targets to facilitate the decarbonization of value chains, while managing
3 the risks associated with broadening the scope of eligible interventions.
- 4 • *Provide clarity and confidence for companies:* Offer clear guidance on whether specific
5 interventions may be applied towards meeting value chain emission reduction targets.²
- 6 • *Unlock near-term, outcome-focused climate investments:* Enable companies to make
7 impactful climate investments today that support near-term, tangible outcomes and pave
8 the way for long-term value chain transformation.
- 9 • *Ensure verified and qualified interventions:* Establish a framework that ensures all
10 interventions are verified and meet standards for effectiveness and contribution to climate
11 goals.

12 **AIM Platform Governance**

13 Additional information about the AIM Platform’s governance structure and Governing Committee
14 members is available on the AIM Platform [website](#).

15 **AIM Platform Organizers**

16 The Organizers are the AIM Platform’s three convening organizations: Center for Green Market
17 Activation (GMA), Gold Standard, and Center for Climate and Energy Solutions (C2ES). The
18 Organizers ensure the AIM Platform operates in alignment with its [Guiding Principles](#) and interacts
19 appropriately with existing accounting and reporting standards. They are also responsible for
20 establishing representative and inclusive governance and supporting robust consultation
21 processes.

22 **AIM Platform Governing Committee**

23 The AIM Platform Governing Committee is the key decision-making body for the AIM Platform. It
24 is comprised of up to 15 independent members selected for their expertise and representation
25 across sectors. Governing Committee members represent one of three groups: environmental
26 non-profits, standard-setting bodies and academia, and private sector experts.

27 The Governing Committee oversees the AIM Platform and approves all Standards and Guidance
28 outputs. Members review draft publications produced by the AIM Platform Secretariat, considering
29 stakeholder and expert input, to ensure outputs are high integrity, comprehensive, and aligned
30 with the AIM Platform’s *Guiding Principles*.

31 **AIM Platform Secretariat**

32 The AIM Platform Secretariat is composed of staff from Center for Green Market Activation (GMA),
33 Gold Standard, and Center for Climate and Energy Solutions (C2ES). The Secretariat authors
34 papers and drafts of the AIM Platform Standard and Guidance for review by the Governing

² AIM Platform does not develop target setting standards and cannot make definitive determinations as to eligibility of interventions towards standards established by target setting bodies.

1 Committee and facilitates broad stakeholder participation through consultations and engagement
2 activities.

3

4 AIM Platform Standard and Guidance Development Process

5 Since the AIM Platform launched in 2023 it has published the following documents:

6 • **Guiding Principles:** These principles outline the fundamental principles underlying the AIM
7 Platform’s work in developing the AIM Platform Standard and Guidance. The AIM Platform
8 conducted a public stakeholder consultation from November to December of 2023 on draft
9 guiding principles, after which the Governing Committee revised and adopted the final
10 principles.

11 • **Draft AIM Platform Criteria:** The draft AIM Platform Criteria were intended to set high-level
12 expectations for value chain interventions with respect to association with value chain,
13 environmental integrity, and appropriate accounting, reporting and claiming of intervention
14 outcomes towards a climate target. The AIM Platform conducted a stakeholder consultation
15 from May to June 2024 on the draft criteria. A summary of stakeholder feedback on the draft
16 criteria is available on the AIM Platform website. This stakeholder feedback highlighted areas
17 that required further development, clearer definitions, and more detailed examples.

18 • **Draft AIM Platform Association Test for Pilot Testing:** The *Association Test*, which covers
19 content from draft AIM Platform Criterion 1 and 2, includes requirements and guidance for
20 determining whether an intervention is *associated with a company’s value chain*. The version
21 released for pilot testing built on stakeholder feedback on Criterion 1 from the draft AIM
22 Platform Criteria. A summary of stakeholder feedback on the V1 draft of the *Association Test*
23 is available on the AIM Platform website and was used to inform the revision process for the
24 V2 draft of the *Association Test*, which will be released late 2025.

25 • **Draft Quality, Accounting, and Reporting (QAR) Standard (this document):** The QAR Standard
26 builds directly on feedback received for Criterion 3 - 11 from the draft AIM Platform Criteria. It
27 includes requirements and guidance that allows companies to confidently determine if a
28 decarbonization intervention they want to pursue is accurate and credible, and how they
29 should account for and report it across multiple ledgers.

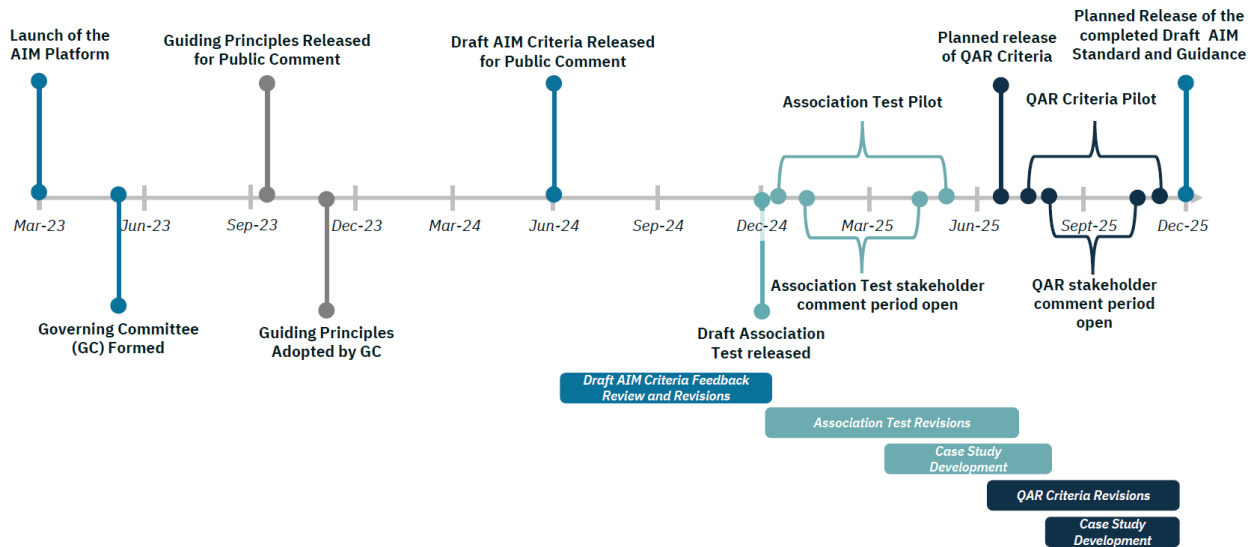
30 The AIM Platform Secretariat is piloting the draft QAR Standard in late 2025 to evaluate the
31 practicability and applicability of the Standard across a wide range of sectors. The pilot results will
32 be used by the AIM Platform Governing Committee and Secretariat in refining the final QAR
33 Standard, ensuring that it is understandable, actionable, and can serve as a tool for third party
34 assurance of interventions. Publication of the final AIM Platform Standard and Guidance,
35 comprised of this document and the *Association Test*, is targeted for late 2025 or early 2026.

36 See **Figure 1** for an overview of the AIM Platform Standard and Guidance Development Process
37 to date.

38

1

FIGURE 1: AIM PLATFORM STANDARD AND GUIDANCE DEVELOPMENT PROCESS



2

3

4 Key Intervention Quality, Accounting, and Reporting Concepts

5 Terminology and References

6 This document differentiates between requirements, recommendations, and permissible options:

- 7 • The word “shall” refers to requirements that companies must follow to conform to the
- 8 standard.
- 9 • The word “should” refers to recommendations that companies are advised to follow but
- 10 not required to follow for conformance.
- 11 • The word “may” refers to options that companies are permitted to follow.

12 The glossary includes a comprehensive list of definitions for terms that have specific meaning
 13 within the context of this document. For example, terms such as “intervention outcome” and
 14 “system of record” are defined in the glossary. Terms are also defined throughout this document
 15 to clarify the meaning of their first usage in the text. Readers are encouraged to consult the
 16 glossary for detailed definitions of important terms. Where possible, terms in this document are
 17 consistent with their use and definitions in other key standards and guidance.

18 Additionally, this document uses the term “(sub)components” throughout this document to
 19 collectively refer to both components and subcomponents when a step, requirement, or
 20 recommendation applies to both.³ When guidance is specific to either components or
 21 subcomponents alone, the appropriate term will be used explicitly.

³ A component is a product that a company directly purchases or sells across its value chain. A subcomponent is an intermediate product that is an input to a component.

1 Many of the requirements and recommendations in this document are largely informed by and to
2 some degree rely on external programs to support implementation. [Appendix H, References](#),
3 summarizes all references made to external programs, standards, or resources. Those references
4 are also noted throughout this document where pertinent.

5 **Organizing concepts**

6 When deciding to support an intervention, in addition to establishing its association with its value
7 chain following the *Association Test*, companies should specify certain criteria for intervention
8 quality, and follow certain criteria for accounting and reporting, to ensure that their resulting
9 intervention claims are accurate and credible.

10 While not detailed in this document, as the AIM Platform Standard and Guidance focuses on
11 requirements and recommendations for assessing decarbonization opportunities at the
12 granularity of a given intervention, companies are encouraged to further validate the credibility of
13 an intervention host at the entity level.⁴ For example, a company may choose to evaluate whether
14 a potential intervention host has a public climate target, demonstrating that it is committed to
15 continuous emissions mitigation across its portfolio and not simply limited to the scope of the
16 intervention it may implement.

17 This standard and guidance covers requirements and recommendations for the following:

18 **Intervention Quality -**

- 19 • Which intervention criteria should be assessed and how (Chapters 1-4)
 - 20 1: Assure Outcomes and Other Impacts
 - 21 2: Accurate Emissions Outcome
 - 22 3: Stakeholder Engagement and Social and Environmental Safeguards
 - 23 4: Regulatory Surplus
- 24 • How and when records of interventions should be created (Chapters 5-7)
 - 25 5: System of Record
 - 26 6: Intervention Record Information
 - 27 7: Record Creation Timing

28 **Accounting and Reporting Interventions -**

- 29 • How companies should account for intervention outcomes (Chapters 8-12)
 - 30 8: Value Chain Association Limit

⁴ An intervention host is an entity that implements the intervention, or owns or control the site where the intervention is implemented or occurs.

- 1 9: Removals Accounting
- 2 10: Use the Appropriate Accounting Method
- 3 11: Unique Right to Report
- 4 12: Appropriate Co-claiming
- 5 • How companies should reflect those intervention outcomes in GHG Emissions Reporting
- 6 (Chapters 13-16)
- 7 13: Record Claim Timing
- 8 14: Separate Reporting
- 9 15: Transparent Disclosure (for Intervention Hosts and for Companies)
- 10 16: Assurance to AIM Platform Standard and Guidance

11 **Audience**

12 As this document is written to inform companies investing in value chain interventions, the
13 requirements and recommendations listed in each chapter are largely directed at reporting
14 companies (referred to as Companies throughout). Where other actors are specified as the entity
15 subject to a requirement or recommendation, it is assumed that the company is responsible for
16 ensuring these requirements are followed, for example, by specifying these criteria in agreements
17 with its intervention host.

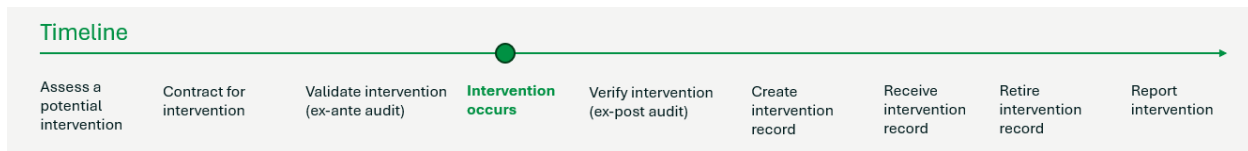
18 In some cases, a company may be working with a supplier that is not the intervention host, but
19 rather an intermediary or downstream actor (e.g. a fuel supplier that is distributing but not
20 producing the fuel, where the fuel is a product intervention). For simplicity throughout this
21 document, we only use the term intervention host, as in most cases requirements and
22 recommendations are specific to the host, and not the supplier intermediary. Where a company
23 works with an intervention supplier who is not the intervention host, the company should ensure
24 that the supplier has the ability to ensure that the intervention host meets the requirements and
25 recommendations specified throughout this document for intervention hosts.

26 **Timeline**

27 The recommendations and requirements described in this document come into effect at various
28 points along the life of an intervention - from assessment of a potential intervention to intervention
29 reporting. **Figure 2** illustrates the key points along this illustrative timeline at which these various
30 requirements and recommendations come into effect.

31

1 **FIGURE 2: INTERVENTION TIMELINE**



4 **Technical concepts**

5 Each chapter introduces new terminology and concepts, which are defined in the explanation
6 section. However, several concepts are core to understanding this document as a whole, and are
7 used as recurring concepts throughout. Those core concepts that apply to multiple chapters are
8 described here.

9 **Product versus Project Interventions**

10 Interventions are typically either structured as products (a physical good or service that has a
11 lower emission profile) or projects (a process change that is discretely defined and yields
12 emissions reductions, avoided emissions, and/or removals that are not communicated in
13 association with an amount of product output). Requirements and recommendations throughout
14 the following chapters are often distinguished by relevance for each of these types of
15 interventions. In particular, as norms for emissions outcome calculations and associated
16 assessments, as well as timing of record generation, typically differ, the resulting distinctions in
17 requirements or recommendations are clarified case-by-case in each of the following chapters as
18 these distinctions are relevant.

19 **Intervention Procurement Mechanisms and Records**

20 In some cases, companies supporting value chain interventions may be seeking to purchase a
21 physical product or service with associated attributes. In other cases, a company may be
22 purchasing intervention attributes that are conveyed separately from a physical product or service
23 through a book and claim system, or an environmental attribute certificate (EAC). Other times, a
24 company may be seeking to support and purchase the attributes of a process change as a project
25 intervention.

26 In all of these cases, even though the details may differ, companies should rely on intervention
27 records (outputs from a system of record) as the definitive record for use in emissions accounting
28 and reporting (see [Chapter 5, System of Record](#) for details). These systems largely refer to the
29 infrastructure already in use within sectors and intervention use cases for product chain of
30 custody, establishing and sharing product carbon footprints (described in this standard as
31 emissions outcomes) via environmental product declarations or certification systems, and
32 registries where they exist. For intervention types that are not yet well-established, these systems
33 can be simple and must only adhere to basic principles until a more sophisticated system exists.

1 **Double Counting**

2 Double counting - defined in this context as the risk that an intervention outcome is erroneously
3 accounted for more than once - is a key consideration informing many of the requirements and
4 recommendations in this document, as it is a key credibility risk for interventions sold separately
5 from a physical product.

6 Double counting can occur and therefore steps must be taken to prevent it in the following
7 scenarios:

- 8 • Double selling, in which an intervention host sells the intervention outcomes to another
9 buyer in addition to the company,
- 10 • Double issuance, in which an intervention record representing the exact same intervention
11 is created more than once with the same or between distinct systems of record (including
12 as both products and projects), and
- 13 • Double claiming, in which the same intervention outcomes are claimed by more than one
14 company within a discrete claim category (e.g. two companies claimed the same
15 intervention outcomes to address the same types of emissions in comparable value
16 chains, where co-claiming between these companies is not valid).

17 In particular, [Chapter 5, System of Record](#) ; [11, Unique Right to Report](#); [12, Appropriate Co-](#)
18 [claiming](#); and [15, Transparent Disclosure](#) are meant to address double counting risk.

Section II: Summary of Requirements and Recommendations

INTERVENTION QUALITY

1. **Assure outcomes and other impacts:** Interventions shall undergo regular third-party assessment to appropriate standards or methodologies by an auditor to independently verify their emissions outcomes and other impacts.
2. **Accurate emissions outcome:** The outcomes of interventions shall be calculated correctly and shall be found to result from the specific implemented technology and/or process change according to an appropriate standard or methodology.
3. **Stakeholder engagement and social and environmental safeguards:** Intervention hosts shall apply sound stakeholder engagement practices and social and environmental safeguards to mitigate harmful effects and maximize intervention outcomes, according to an appropriate standard or methodology.
4. **Regulatory surplus:** Intervention outcomes, when communicated separately from a physical product, shall represent emissions benefits beyond those required by laws meeting certain conditions.
5. **System of record:** Intervention outcomes shall be conveyed to the buyer using a system of record that meets basic requirements. When intervention outcomes are communicated separately from a physical product, and when such a system is available, that system of record shall be a registry meeting additional requirements.
6. **Intervention record information:** Accurate, verified information about the details of the intervention shall be conveyed transparently in an intervention record.
7. **Record creation timing:** Intervention outcomes shall occur prior to the creation of their record in the system of record.

Intervention outcomes should be recorded in a system of record within 24 months of the first intervention outcome occurrence. Where specific intervention outcome timing is not recorded or known, intervention outcomes should be recorded in a system of record within 24 months of the intervention's occurrence. If doing so is not possible, the circumstances that prevent adherence to this recommendation shall be transparently disclosed in a public emissions report.

Product intervention records may be issued prior to the ex-post audit if certain conditions are met. Project intervention records shall only be issued after an ex-post audit is completed.

For interventions that are one-time actions that generate ongoing outcomes, companies shall establish a crediting period.

1 ACCOUNTING AND REPORTING

2 8. **Value chain association limit:** When reporting intervention outcomes, companies shall ensure
3 that the volume of outcomes applied to their respective (sub)components does not exceed the
4 size of those (sub)components within their current value chain.

5 Companies should ensure the volumes applied to their respective (sub)components are
6 reflective of decarbonization levels that are technologically implemented in the intervention.

7 Companies shall account for interventions using the intervention record.

8 9. **Removals and avoided emissions accounting:**

9 For product-based interventions: With the exception of removals accounted for separately, a
10 company shall not account for an intervention emissions profile below an emissions intensity
11 of 0 units of CO₂e per unit.

12 For project-based interventions: With the exception of removals accounted for separately, a
13 company shall not account for an amount of intervention emission reductions greater than the
14 project baseline emissions.

15 Removals and avoided emissions shall only be accounted for as part of an intervention
16 outcome if certain conditions are met.

17 10. **Use the appropriate accounting method:** Companies shall implement one of the following
18 approaches to calculating the footprint of each intervention for use in GHG emissions
19 reporting:

- 20 1. Substitution
- 21 2. Enhanced Substitution
- 22 3. Activity Estimation
- 23 4. Project
- 24 5. Program-Specific

25 11. **Unique right to report:** In order to make an associated claim, a company shall demonstrate a
26 unique right to report the intervention record and its outcomes through its possession of an
27 appropriate intervention record and a legally binding agreement with the intervention host.

28 12. **Appropriate co-claiming:** Companies operating in different value chain layers (one company
29 per layer) may co-claim intervention outcomes in cases where emissions from the related
30 (sub)component would typically be reported in each of the value chain layers.

31 When intervention outcomes are communicated separately from a physical product, a
32 reporting entity other than an intervention host shall not pass on the right to report an
33 intervention outcome to a company in another value chain layer unless explicitly permitted to
34 do so by the intervention host.
35

36 13. **Record claim timing:** Intervention outcomes should be claimed as soon as possible after
37 record creation.

38 14. **Separate reporting:** Companies shall report a complete physical inventory separately from any
39 reporting of intervention outcomes.

40 Companies shall report value chain intervention outcomes in reference to specific emissions
41 scopes and categories, segmented by accounting approach, and in mutually exclusive

1 ledgers⁸. Interventions that exceed value chain activity or that do not target value chain
2 emissions shall be reported as beyond value chain mitigation separately.

3 **15. 15-1: Transparent disclosure for scope 3 claimant:** Companies shall supplement their
4 comprehensive scope 3 GHG emissions inventory with:

- 5 • A list of interventions accounted for in the inventory.
- 6 • The GHG inventory (sub)component associated with each intervention.
- 7 • The accounting approach applied in calculating the emission profile of the
8 intervention.

9 Companies should also report supplemental intervention details, where relevant.

10 **15-2: Transparent disclosure for host:** Companies shall contractually require intervention
11 hosts to disclose emissions information according to the stated conditions in order to avoid
12 erroneous double claiming of intervention outcomes.

13 **16. Assurance to AIM Platform Standard and Guidance:** Companies should secure third party
14 assurance that they meet the requirements in this document as well as the *Association Test*
15 in order to claim intervention outcomes in their GHG emissions reporting. Assurance should
16 be at least to a limited level, but reasonable assurance is encouraged.

17

18

Section III: Intervention Quality

Chapter 1: Assure Outcomes and Other Impacts

Requirements

Interventions shall undergo regular third-party assessment to appropriate standards or methodologies by an auditor to independently verify their emissions outcomes and other impacts.

Explanation

In order to ensure that the information companies receive about interventions they support is accurate, the impacts of the intervention must be independently assessed and appropriately assured by auditors against relevant standards or methodologies.

For the purposes of this document:

- **Assessment** means a process of evaluating whether a product, process, or claim meets relevant requirements.
- **Assurance** means a process of determining how and to what level of confidence an assessment object meets criteria in an audit process.
- A **standard** is an auditable procedure that details a robust approach for evaluating and confirming the characteristics, outcomes, and/or other impacts of a product or project. A standard describes a formal assurance process that includes a detailed auditing procedure. Some standards include and require use of specific methodologies in addition to the high-level standard.
- A **methodology** is an auditable set of requirements for project or product outcomes and/or other impacts.
- An **outcome** is the emissions (also known as “emissions profile”) and/or emissions reduction or removal benefit of an intervention.
- **Other impacts** refer to the broader set of effects of the intervention (beyond emissions outcomes).
- A **product** is a unit of material (also known as a “good”) or activity (also known as a “service”).
- A **project** is a discrete process change.
- **Validated** means assessed to establish that characteristics can meet criteria.
- **Verified** means assessed to confirm that implemented characteristics did meet criteria.

Further Details on Requirements & Recommendations

1.1 Standards & Methodologies

Companies should ensure that the intervention host is using a relevant standard or methodology to evaluate the intervention’s technology and process characteristics, emissions calculations, and broader social, environmental, and stakeholder engagement impact (see [Chapters 2, Accurate](#)

1 [Emissions Outcome](#), and [3, Stakeholder Engagement and Social and Environmental Safeguards](#),
2 respectively, for detailed criteria). Some sector-specific standards and methodologies encompass
3 all these criteria, whereas others may focus exclusively on emissions or broader sustainability and
4 stakeholder engagement criteria. Intervention hosts may use a standard or methodology with
5 partial criteria coverage, and demonstrate coverage of the remaining criteria with another
6 standard, methodology, or supplemental verification process.

7 For any standards or methodologies used by an intervention host, the following hierarchy can be
8 used to determine if it is appropriate for the intervention.

- 9 1. If available, the intervention host should use broadly accepted, up-to-date, publicly
10 available⁵ standards that apply to the host's specific intervention type.
- 11 2. When such a standard is not available, intervention hosts should use the best available
12 alternative. The order of preference is as follows:
 - 13 a. a publicly available, intervention-specific methodology developed by a third party
14 (e.g. the FAO Sustainability Assessment of Food and Agriculture System (SAFA)
15 Guidelines)
 - 16 b. a broadly applicable standard (e.g. ISO 14067)
 - 17 c. an intervention-specific methodology under development within an existing
18 standard or in process of becoming an independent standard (e.g. Verra program
19 methodologies under development)
 - 20 d. a proprietary methodology (e.g. Dow Product Carbon Footprint Calculation
21 Methodology)

22 If an intervention host uses a proprietary methodology, that methodology should be made publicly
23 available, and its use should be justified against available alternatives.

24 Standards or methodologies that apply at the product or project levels can be used to demonstrate
25 conformance with criteria about intervention outcomes and other impacts. For product
26 interventions, many sector-specific standards and methodologies that enable product-specific
27 claims define requirements and procedures at the site level, not at the product-specific level. Here,
28 the site-level assessment conveys appropriate product claims for covered products. A project-
29 level assessment, in contrast, typically evaluates only the specific intervention as a discrete set of
30 activities and outcomes and other impacts.

31 See [Appendix B](#) for a reference list of standards that may be well-suited for use for particular
32 intervention types and more broadly, organized by criteria coverage.

33 **1.2 Auditing**

34 Standards typically define an audit procedure, independence requirements, accreditation
35 process, cadence, and level of assurance. Methodologies may not specify these details.

36 When sector- or use case-specific standards include specific auditing requirements and cadence,
37 those specific procedures take precedence. In instances where standards or methodologies do
38 not specify granular auditing procedures, companies should ensure that intervention hosts - in

⁵ Publicly available means accessible for use - either for free or at a cost - by any pertinent entity.

1 order to assess the intervention against criteria - are audited in such a way that at least meets the
2 following minimum specifications and levels of granularity.

3

4

TABLE 1: MINIMUM AUDITING SPECIFICATIONS AND LEVELS

Auditing procedure component	Minimum level
1. Auditor accreditation	Auditors should be accredited to audit to the standard or methodology by a third party, demonstrating that they have the qualifications to assess against the standard or methodology's specifications.
2. Auditor independence	Auditors shall be independent (i.e. a third party) from the standard or methodology holder and the intervention host and have robust conflict of interest safeguards in place.
3. Auditing cadence	<ul style="list-style-type: none">• Audits shall occur every 5 years if an existing product or project with no major changes.• Audits shall occur every 2 years if a new product or project, or in the event of a material change.
4. Level of assurance	<ul style="list-style-type: none">• Audits should be conducted to a reasonable assurance level for inputs to emissions outcome assessments.• Audits should be conducted to a limited assurance level for standalone stakeholder engagement and environmental safeguards (other impacts) assessments.
5. Onsite audits	<ul style="list-style-type: none">• Audits should include one site visit every 5 years if there have been no material changes, or every 2 years if a new product or project or in the event of a material change.• If multisite, auditors should visit and evaluate a representative sample among all sites during each visit.
6. Validation and verification	<ul style="list-style-type: none">• Audits should include an ex-ante assessment• Audits shall include an ex-post assessment

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1.2.1 Auditor Accreditation

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Standards should define or reference a robust accreditation process for auditors (also known as certification bodies), ensuring that auditors that certify against a standard have the qualifications to make an accurate assessment.

8

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Accreditation processes should:

11

a) be consistent with ISO 17011 (Conformity assessment - Requirements for accreditation parties) or a comparable standard,

12

13

b) ensure that certification bodies demonstrate conformance with ISO 17065 (Conformity Assessment - Requirements for certification bodies) or a comparable standard to evaluate holistic competency,

14

15

16

c) leverage accreditation by a national accreditation body as an additional means to help assess the competence of a certification body and their ability to audit in a specific jurisdiction, and

17

18

19

d) identify and ensure that certification bodies demonstrate competence in specific skills and sectors in order to effectively audit to a specific standard. Accreditation processes commonly require conformance with ISO 14065 (General principles and

20

21

1 requirements for bodies validation and verifying environmental information), for
2 instance.

3 If an intervention host is using a methodology that does not have a defined auditing
4 procedure, and therefore does not have an accreditation process, the intervention host
5 should engage an auditor that, at minimum, is accredited by a national accreditation body
6 in the country that they operate (audit) to a general conformity assessment standard (e.g.
7 ISO 17065).

8 *1.2.2 Auditor Independence*

9 Audits shall be undertaken by an independent third party (e.g. a distinct organization from
10 the standard or methodology holder and the intervention host) that has no other interest in
11 either the intervention, or the intervention host or reporting organization (excluding other
12 audit contracts with the intervention host or reporting organization that do not present a
13 conflict of interest).

14 *1.2.3 Auditing Cadence*

15 Audits should occur at a regular cadence, ideally on an annual cadence.

16 At minimum, audits shall occur every 5 years for an existing product or project with no
17 material changes. Audits shall occur within two years of the project or product start date,
18 and within 2 years of any major upgrades that have a material impact on the estimated
19 intervention outcomes and other impacts.

20 *1.2.4 Level of Assurance*

21 Audits are structured to provide a level of assurance, which reflects the level of certainty
22 of an auditor's conclusions.

23 For the intervention outcomes assessment, or if all criteria can be assessed under one
24 standard, audits should be conducted to provide reasonable assurance, meaning that the
25 auditor is confident that their audit was thorough enough to form a conclusion with a high
26 level of certainty. Noting that emissions outcomes are estimated, this is considered to
27 mean that the input data used to form the estimate are audited to a reasonable level of
28 assurance of conformance, such that the estimate itself represents the output of a
29 reasonably assured process of estimation.

30 For the stakeholder engagement and broader environmental safeguards (other impacts)
31 assessment, if done separately (e.g. to a distinct standard or methodology) from the
32 emissions assessment, audits should be conducted to provide at least limited assurance,
33 meaning that the auditor has not identified any evidence in the assessment that would
34 indicate that the criteria are not met. However, companies should strive to implement these
35 safeguards assessments at a level of reasonable assurance, and in particular assess the
36 inputs to the audit at a reasonable assurance level, where possible.

37

1.2.5 Onsite Audits

Onsite audits should be conducted for each audit cycle.

However, at minimum, one onsite audit should occur every 5 years for an existing project or product with no material changes, and within 2 years of new project completion or any major upgrades.

If the scope of the audit covers multiple sites, auditors should at minimum visit and evaluate a representative sample among all covered sites during each visit.

1.2.6 Validation and Verification

Interventions should be validated (audited ex-ante) before the occurrence of the intervention and shall be verified (audited ex-post) after the occurrence of the intervention.

A validation (ex-ante) audit establishes the planned outcomes. It involves confirming the planned boundary, scope, and activities for the assessment period, estimating the attributes of the product or process based on those parameters, and assessing prior data from the intervention host to assess the ability to meet specified outcomes. This process enables audited companies to provide third-party assured provisional information about what the outcomes of an intervention should be before it occurs.⁶

A verification (ex-post) audit confirms that those outcomes occurred, and if they do not occur exactly as planned, accurately conveys the outcomes of an intervention. This audit involves reviewing data from the assessment period to confirm the specific outcomes. This process enables intervention hosts to definitively communicate final outcomes to buyers, and to update records for accuracy if the implementation of an intervention deviates from the initial plan.

The results of both audits together create a comprehensive intervention record.

The standard or methodology type (i.e. whether for a product or a project) that an intervention host applies should also inform the timing and mechanism by which an ex-post audit is reflected in the intervention record (see [Chapter 7, Record Creation Timing](#)).

Example

A reporting company needs to address Scope 3 emissions associated with aviation business travel. It purchases SAF certificates (units that represent the environmental attributes of sustainable aviation fuel) from a fuel supplier (the intervention host). The reporting company requires the fuel supplier to demonstrate that the SAF underlying the SAF certificates it purchases are independently audited to one or more relevant standards to confirm their impact.

⁶ Ex-ante or validation audits are particularly important in cases where they are used to provide pre-feasibility assurance in order to secure intervention funding, to establish a credible basis to evaluate land use risks for project interventions that occur in the forestry, land, and agricultural (FLAG) sectors, and to enable timely and practical assessment processes for recurring product intervention outputs.

1 The reporting company confirms with the fuel supplier that the SAF will be certified to the
2 Roundtable on Sustainable Biomaterials (RSB) CORSIA standard, which is:

- 3 • One of the best practice, internationally recognized standards for SAF
- 4 • Covers all key criteria (technology and process, emissions calculation, stakeholder
5 engagement, and broader sustainability safeguards) in Chapter 6, Intervention Record
6 Information; 7, Record Creation Timing, and 8, Value Chain Association Limit.
- 7 • Evaluates SAF on a product (site) level using a mass balance chain of custody model,
8 where each supply chain entity is audited annually
- 9 • Is held and administered by the RSB
- 10 • Has a robust auditing procedure, which includes:
 - 11 ○ Auditor accreditation - requires that auditors are accredited to ISO 17011 and ISO
12 14065, and accredited by a relevant national accreditation body, in addition to other
13 evaluation measures
 - 14 ○ Auditor independence - audits are performed by an entity that is functionally
15 independent from (1) the intervention host being certified and (2) the standard
16 holder
 - 17 ○ Auditing cadence - audits are required annually
 - 18 ○ Level of assurance - audits are performed to a reasonable assurance level
 - 19 ○ Onsite audits - onsite audits are required as part of the annual cycle
 - 20 ○ Validation and verification - as part of the annual audit process, interventions are
21 de facto evaluated ex-ante and ex-post

22 The intervention record, when delivered to the reporting company, confirms that the SAF
23 production facilities that produced the SAF to generate the SAF certificates are RSB CORSIA
24 certified.

25

26

1 Chapter 2: Accurate Emissions Outcome

2 Requirements

3 The outcomes of interventions shall be calculated correctly, and shall be found to result from the
4 specific implemented technology and/or process change according to an appropriate standard or
5 methodology.

6 Explanation

7 In order to enable accurate emissions accounting and reporting of value chain interventions
8 consistent with inventory and/or project-based accounting norms, intervention hosts must
9 calculate intervention outcomes in line with a standard or methodology that details comprehensive
10 emissions accounting practices, and be verified to those standards.

11 Further, since it is common for changes in an accounting approach to lead to increases or
12 decreases of emissions in a GHG inventory, it is necessary to demonstrate that the intervention -
13 the specific technology and/or process changes - resulted in the associated intervention
14 outcomes.

15 Two related topics are not covered in this chapter but are elaborated elsewhere:

- 16 ○ The degree to which removals and avoided emissions can be accounted in association
17 with a company's value chain is covered in [Chapter 9, Removals and Avoided Emissions](#)
18 [Accounting](#).
- 19 ○ An overview of accounting methods companies can use to reflect intervention outcomes
20 accurately in their GHG reporting - including with respect to a baseline where relevant - is
21 covered in [Chapter 10, Use the Appropriate Accounting Method](#).

22 Further Details on Requirements & Recommendations

23 Establishing an accurate emissions outcome largely relies on independent audits to a standard
24 or methodology to confirm that an intervention host meets each requirement.

25 In many cases, the chosen standard or methodology may fully incorporate these criteria, and so
26 conformance with the standard or methodology constitutes conformance with these criteria.
27 However, it is not necessary for a chosen standard to fully cover all of these criteria alone. In
28 instances where a standard or methodology alone does not provide full coverage, intervention
29 hosts may demonstrate alignment with more than one standard or methodology or seek
30 independent assessment for the additional elements that are not fully covered in the primary
31 standard or methodology used.

32 Further specifications for independent assessment are defined in [Chapter 1, Assure Outcomes](#)
33 [and Other Impacts](#).

34

1 2.1 Calculation

2 In order to ensure that the intervention outcome is appropriately and accurately quantified, the
3 intervention must be independently assessed against and found to be in conformance with the
4 criteria listed below.

5 2.1.1. Lifecycle Emissions:

- 6 ○ Intervention outcomes shall be calculated on a lifecycle basis, at minimum on a
7 well-to-gate basis, covering all emissions controlled by and upstream of the
8 intervention host, and covering all of the elements of the lifecycle that are identified
9 to contribute to the intervention emissions outcome.

10 2.1.2. System Boundary:

- 11 ○ At minimum, all facilities and processes that are defined as contributing to realizing
12 the intervention emissions profile or reduction shall be covered in the system
13 boundary.
- 14 ○ If an intervention outcome includes removals, those removals shall be assessed
15 for permanence, and intervention hosts shall have a system in place to manage
16 any reversals.

17 2.1.3. All Relevant GHG Emissions:

- 18 ○ Calculation of intervention outcomes shall include coverage of all relevant Kyoto
19 Protocol GHGs, where relevance is defined as representing greater than 1% of
20 total CO₂e emissions per unit of product or across the project in a given year.
- 21 ○ Calculation of CO₂e emissions should be undertaken using up-to-date GWP
22 factors. If pertinent to an intervention, non-CO₂ impacts may be considered
23 separately for supplemental disclosure.
- 24 ○ If a baseline is used for comparison against an intervention emissions profile, the
25 baseline should consider the same relevant GHG emissions and use the same
26 approach as the intervention emissions calculation.⁷

27 2.1.4. Distribution and Attribution Method (for product interventions only):

- 28 ○ If the intervention results as a co-product of one or more processes, distribution of
29 outcomes shall be conducted proportionally on an energy or otherwise physically-
30 determined basis, and factor in any conversion losses.⁸

⁷ See [Appendix D](#) for further guidance on baseline selection when a standard or methodology does not specify a baseline selection and calculation approach, for use in accounting and reporting.

⁸ Distribution is the process of assigning specified characteristics between co-products of the same process (ISEAL 2025).

- If attribution of outcomes within product groups is done freely (as opposed to proportionally),⁹ the resulting emissions outcome attributed to any given product shall not be lower than what can technically be achieved at a product-level within the system boundary from the technology or process change that was implemented. For example, an output of a product intervention that improves plant emissions by 50% cannot be labeled a zero emissions output through free attribution. At best, the product can reflect a 50% lower emissions profile.
- See [Chapter 5: System of Record](#) for requirements for treatment of distribution and attribution within systems of record and specific intervention records.

2.2 Cause

2.2.1. Implementation

In order to adequately assess that the intervention caused an emissions outcome, the intervention shall be independently assessed to confirm that the specified intervention technology or process change was implemented.

This can be established through independent assessment of intervention documentation and onsite audits (see [Chapter 1, Assure Outcomes and Other Impacts](#) for details on audits), and may be assessed in the course of an assessment to a standard or methodology, or separately.

2.2.2. Representative Emissions Factors:

In order to ensure that a quantified emissions outcome is a result of an intervention, the intervention shall be independently assessed to confirm that the intervention emissions outcome was able to be realized through that technology or process change and that no other change could be considered to have caused the outcomes.

Such an assessment could include evaluating whether the emissions factors used to substantiate the emissions outcome adequately reflect the physical processes and technologies implemented.

Standards or methodologies may identify a hierarchy for data types that can substantiate emissions estimates, where primary data or secondary emissions factors that closely match technology type or process type in a particular operating context such as geography should be prioritized over generic emissions factors that may not closely match technology or process type. Audits to the standard or methodology should be able to evaluate the appropriateness of the choice of emissions factors to estimate components of the emissions profile for the product or project.

⁹ Attribution is the process of assigning specified characteristics to outputs within a chain of custody system boundary. Proportional attribution is the assignment of specified characteristics to outputs that mirrors the physical blending of materials with a manufacturing process. Free attribution (also known as non-proportional attribution) is the assignment of specified characteristics in a way that does not mirror the physical process (ISEAL 2025).

1 **Example**

2 An intervention host that produces bio-based ethylene successfully undergoes independent
3 certification to the SCS-115 standard for its calculation of emissions outcomes, which:

- 4 • Requires emissions calculations on a cradle-to-gate basis.
- 5 • Includes and evaluates all facilities and processes contributing to the emissions outcome
6 in the system boundary.
- 7 • Includes all Kyoto Protocol GHG emissions in line with ISO 14067 for both the emissions
8 profile and in calculation of a baseline.
- 9 • Requires proportional distribution and attribution (defined in the standard as 'allocation')
10 as defined in Product Category Rules (PCRs), or where there is no PCR, by economic
11 value, mass, or energy content.
- 12 • Requires an audit of the system boundary for conformance, which can confirm
13 implementation.
- 14 • Specifies a hierarchy for emissions factors for inputs to the emissions calculations to
15 ensure they are representative (prioritizing primary data and regional specificity).

16

17

1 **Chapter 3: Stakeholder Engagement and Social and Environmental**
2 **Safeguards**

3 **Requirements**

4 Intervention hosts shall apply sound stakeholder engagement practices and social and
5 environmental safeguards to mitigate harmful effects and maximize intervention outcomes,
6 according to an appropriate standard or methodology.

7 **Explanation**

8 Companies funding interventions have an obligation to minimize the harmful by-products of those
9 actions and to work in the interest of interested and affected stakeholders, where relevant.

10 Companies can rely on an independent audit to a standard or methodology to confirm that their
11 intervention host has adopted adequate practices to mitigate risks of adverse social and
12 environmental impacts.

13 **Further Details on Requirements & Recommendations**

14 In order to assess other impacts beyond emissions outcomes, a standard or methodology that
15 assesses an intervention against the following criteria, as determined relevant, shall be
16 implemented fully by the intervention host, and independently assessed to conform to these
17 requirements by an independent auditor to the specifications defined in [Chapter 1, Assure](#)
18 [Outcomes and Other Impacts](#).

19 Standards and methodologies should provide a framework to evaluate interventions against the
20 safeguarding criteria listed in **Table 2** at minimum. Against a chosen framework, auditors should
21 assess interventions against these listed criteria on a risk basis against the specified list of
22 considerations as applicable by intervention type, evaluating that the intervention host has
23 implemented a process to manage and mitigate each applicable criterion and its associated
24 considerations.

25 In many cases, the chosen standard or methodology may fully incorporate these criteria, and so
26 conformance with the standard or methodology constitutes conformance with these criteria.
27 However, it is not necessary for a chosen standard to fully cover all of these criteria alone. In
28 instances where a standard or methodology alone does not provide full coverage, intervention
29 hosts may demonstrate alignment with more than one standard or methodology or seek
30 independent assessment for the additional elements that are not fully covered in the primary
31 standard or methodology used.

32

33

TABLE 2: SAFEGUARDING CRITERIA AND ASSOCIATED CONSIDERATIONS

Criteria	Considerations
Legality	The intervention is in line with relevant laws and regulations within its jurisdiction(s).
Human and Labor Rights	<ul style="list-style-type: none"> No forced labor is employed. Employees are paid fairly and equally, with gender equity. The health, safety and welfare of those employed is safeguarded. Interventions avoid any use of child labor (noting that in some settings the role of children in family-owned facilities takes place, the intervention does not cause any increase in child labor in such cases).
Land Rights	<ul style="list-style-type: none"> Existing access to land and land title/rights are protected by the intervention host. Any change to land access or title is given through free, prior and informed consent and independently monitored. Interventions avoid the displacement of people.
Rural and Social Development	<ul style="list-style-type: none"> Stakeholders participating in the intervention give free, prior and informed consent to do so. Community access to resources, safety and welfare are considered in intervention design and safeguarded. The intervention does not hinder or prohibit the normal economic and social development of the community.
Water	<ul style="list-style-type: none"> Water quality, access, quantity and recharge are considered in intervention design and are not negatively impacted by the intervention (interventions should consider opportunities to improve water-related matters relevant to context). Pollution of water sources is strictly avoided (interventions should consider opportunities to mitigate water source pollution in targeted facilities).
Air Quality	<ul style="list-style-type: none"> Ambient air quality is not negatively impacted by the intervention, for example through short-lived climate pollutant emissions from vehicles production (interventions should consider opportunities to improve air quality relevant to context).
Waste Management	<ul style="list-style-type: none"> Waste products are minimized by the intervention. Waste associated with the intervention is optimized for reuse or recycling (interventions should consider opportunities to support the minimization of waste produced by facilities targeted by interventions). Waste that cannot be reused or recycled is managed so as to not pollute water sources or soil.
Planning, Monitoring, and Improvement	<ul style="list-style-type: none"> Safeguarding areas are identified, assessed and monitorable mitigation plans are put in place and reported upon.
<i>Any intervention in the forestry, land use, or agricultural (FLAG) sectors should also be assessed on the following criteria and associated considerations:</i>	
Local food security	<ul style="list-style-type: none"> Interventions avoid negative impact on food access and security, particularly to communities that rely upon them.
Conservation	<ul style="list-style-type: none"> Interventions maximize the opportunity to conserve and/or enhance natural resources, for example through riparian zone protection and enhancement, buffer zones, or nature zones. Biodiversity is protected (interventions should seek opportunities to enhance natural biodiversity).
Soil	<ul style="list-style-type: none"> Soil health enhancement is considered as part of intervention design. Causes or enhancement of soil erosion avoided (interventions should consider opportunities to improve soil stability and mitigate other sources of soil erosion).
Animal Welfare	<ul style="list-style-type: none"> Animal cruelty is avoided. Animal hygiene, safety and comfort is incorporated into intervention design.

1 Note that these minimum criteria will be grouped and described differently between standards and
2 methodologies, and critical areas for assessment will vary between types of interventions.

3 With respect to these criteria, standards or methodologies shall provide an auditable framework
4 to evaluate that:

5 **3.1 Stakeholder Consultation**

6 Intervention hosts conduct a suitable stakeholder consultation with relevant and affected
7 stakeholders to identify opportunities to maximize and optimize the intervention design and to
8 identify safeguarding risks (see 3.2). The stakeholder consultation should be contextually
9 appropriate and provide adequate opportunities to participate.

10 **3.2 Safeguarding Assessment**

11 Intervention hosts conduct a safeguarding assessment of the intervention that at minimum
12 includes all criteria covered in Table 1, above any further matters identified in a stakeholder
13 consultation. Based on the risk assessment, mitigation shall be implemented, monitored, and
14 adjusted throughout the intervention as needed.

15 **3.3 Stakeholder Feedback**

16 Ongoing stakeholder feedback and grievance mechanisms are implemented, and intervention
17 hosts take care to ensure that feedback is free and fairly acted upon, avoiding harassment,
18 bullying, or intimidation of stakeholders.

19 **Example**

20 A reporting company that buys timber products works with forest managers (the intervention host)
21 in a least developed country to fund an intervention project. Land title is somewhat unclear, and
22 the ecosystem is fragile, so the organization carefully designs a stakeholder engagement strategy
23 to identify and work with local actors, including the forest managers and local communities, to
24 identify practices that can bring mutual benefits and deliver efficient production.

25 The reporting company works with the intervention host to follow UNDP safeguarding principles,
26 which cover all the criteria in Table 2 including the land-based criteria and considerations which
27 are applicable in this case. Based on the UNDP safeguarding principles, they identify potentially
28 harmful practices relevant to the intervention on a risk basis, such as inadvertent water course
29 erosion and pollution and child or forced labor (UNDP, 2021). The intervention host works with
30 local government and NGOs to put in place mitigation, monitoring, and stakeholder engagement
31 plans to safeguard against these potentially harmful effects, and any additional concerns identified
32 through the stakeholder consultation process, on an ongoing basis.

33 The intervention host's auditor provides limited assurance that its implementation plans cover all
34 the relevant project requirements in line with the UNDP Social and Environmental Standards,
35 demonstrating that non-emissions social and environmental impacts are sufficiently mitigated.

1 Because the UNDP Social and Environmental Standards do not provide full coverage for the
2 emissions outcome criteria detailed in [Chapter 2](#), the intervention host uses a different standard
3 to assess its conformance with those criteria.

4

5

1 Chapter 4: Regulatory Surplus

2 Requirements

3 Intervention outcomes, when communicated separately from a physical product, shall represent
4 emissions benefits beyond those required by laws meeting certain conditions. The relevant
5 conditions are elaborated below.

6 Explanation

7 Increasingly, many laws in effect require certain emissions outcomes in certain sectors and
8 jurisdictions. These laws are a critical driver for climate progress, by requiring supply chains to
9 implement changes that result in lower emissions products and services. When these laws require
10 an emissions outcome, any intervention that is implemented towards that requirement no longer
11 represents a regulatory surplus, or an additional atmospheric benefit. This requirement, therefore,
12 is intended to ensure that companies are supporting interventions that generate an atmospheric
13 benefit above regulatory requirements.

14 However, the abatement impacts of a law or regulation are shared upstream and downstream in
15 a physical supply chain, so this requirement does not apply when intervention outcomes are
16 bundled with the physical product.

17 The requirement for interventions purchased separately from a physical good or service to
18 demonstrate regulatory surplus ensures that the emissions benefits of a regulation intended for
19 the greater good are not exclusively captured by one or a handful of companies.

20 As laws vary by jurisdiction and change frequently, the AIM Platform has provided a tool below to
21 ease the process of determining whether intervention outcomes reflect regulatory surplus with
22 respect to a particular law, if sold separately from the physical product or service. It lays out a set
23 of conditions that determine which laws are compatible or incompatible with this requirement.

24 Further Details on Requirements & Recommendations

25 Intervention outcomes sold separately from physical products (e.g. a certificate representing
26 intervention emissions outcomes is unbundled and sold separately from the physical product
27 output of that intervention) do not represent regulatory surplus if they are used in compliance with
28 a law that includes a binding requirement to achieve a specific level of emissions or emission
29 reductions.

30 This requirement may be nullified in cases where evidence from a public and credible source
31 demonstrates that the law is not being implemented.

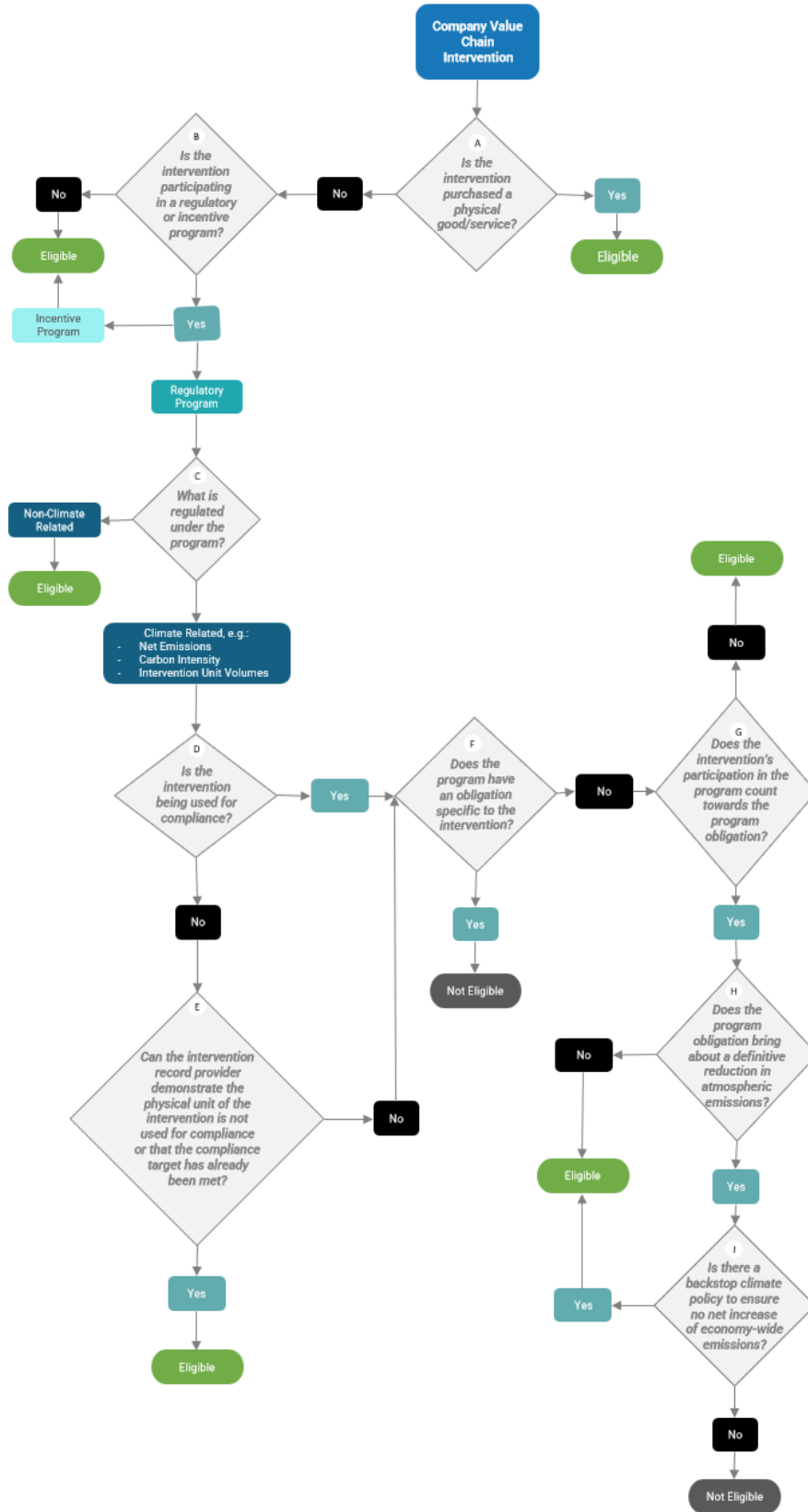
32 Assessment and determination of the emissions or emission reductions that go “beyond those
33 required by law” may be influenced by cases of strategic non-compliance due to cost differentials
34 between compliance and non-compliance. In cases of likely strategic non-compliance, emissions
35 or emission reductions that go “beyond those required by law” should be assumed to be set at the

1 level where compliance is likely. This assumption must be based on publicly available
2 documentation.

3 Companies should use the following decision tree and guidance to assess whether a law requires
4 achievement of a specific level of emission reductions or emissions intensity. If a law does not
5 require achievement of a specific level of emission reductions or emission intensity as per the
6 decision tree, it can be considered eligible as a voluntary intervention. Additional details on the
7 decision tree can be found in [Appendix C](#).

8

FIGURE 3: REGULATORY SURPLUS DECISION TREE



1 The decision tree above is a general framework for assessing atmospheric benefit. Where
2 available, use existing sector specific guidance and requirements regarding regulatory surplus.

3 **Example**

4 A company with heavy-duty trucking emissions in their GHG inventory wants to fund the
5 deployment of zero-emission heavy-duty trucks to support its climate goals. The company is
6 unable to purchase sustainable freight services directly and so procures zero-emission trucking
7 certificates from a carrier operating in California using a book and claim system. To assess
8 regulatory surplus, the company applies AIM Platform's Regulatory Surplus Decision Tree,
9 evaluating the intervention against each decision point.

10 Because the intervention does not involve a direct purchase of freight services (i.e., no physical
11 product) (Decision Point A), it must meet the requirements for regulatory surplus.

12 The company identifies that the intervention operates under California's Low Carbon Fuel
13 Standard (LCFS), a regulatory program (Decision Point B), that regulates carbon intensity of fuels
14 (Decision Point C). Under the program, electricity used to charge zero-emission trucks is eligible
15 to generate compliance credits, which regulated fuel providers can purchase to meet their legal
16 obligations.

17 The company then considers whether the intervention is being used for compliance (Decision
18 Point D). While the intervention itself is not directly used for compliance, it could be used, if credits
19 are sold into the LCFS market. Therefore, the company works with the carrier to withhold from the
20 LCFS credit market an equivalent number of credits, thereby preventing them from being used for
21 compliance.

22 This brings the assessment to Decision Point E. The company demonstrates that the carrier has
23 withheld credits from the LCFS market, confirming that the intervention's emissions benefits are
24 not counted toward any regulatory obligation. As a result, the intervention is considered eligible
25 under the decision tree.

26 Alternatively, if the company were unable to ensure that credits are withheld—and the carrier sells
27 LCFS credits associated with the intervention—the activity would be considered used for
28 compliance (Decision Point D). Since LCFS creates obligations tied directly to the intervention
29 (Decision Point F), the intervention would in that case be not eligible.

30 By ensuring that the intervention's emissions benefits are not counted toward a regulated entity's
31 legal obligations, the company demonstrates that the outcome satisfies the regulatory surplus
32 requirement and represents an atmospheric benefit beyond regulatory compliance requirements.

33 See [Appendix C](#) for more examples.

34

35

1 Chapter 5: System of Record

2 Requirements

3 Intervention outcomes shall be conveyed to the reporting company using a system of record that
4 meets basic requirements. When intervention outcomes are communicated separately from a
5 physical product, and when such a system is available, that system of record shall be a registry
6 meeting additional requirements.

7 Explanation

8 Reporting companies should receive information about intervention outcomes in a system of
9 record mutually agreed with their intervention host. Buyers should use the best available system
10 of record for their intervention use case to ensure that information about the interventions they
11 support is as comprehensive and robust as possible, in support of credible claims.

12 Ideally, this system of record is a registry (sometimes also known as a 'platform'), that is
13 independently managed, transparently operated, and multilaterally governed. A registry can
14 provide buyers additional assurance that the intervention they supported is unique, not double
15 counted, and that the information they receive is complete and accurate according to best
16 practices.

17 However, many interventions may not be able to make use of a registry, let alone an optimal
18 registry, particularly if an intervention type is first-of-kind and no registry has yet been developed
19 for that specific use case. In many cases, intervention hosts will use internal recordkeeping
20 systems, especially for first-of-kind interventions. As such, the following requirements and
21 guidance establish a basic set of requirements for all systems, and further require the use of a
22 registry meeting additional requirements when such a system is available.

23 In this chapter and throughout this standard:

- 24 • A **system of record** refers to the process and tools through which **intervention records** that
25 detail intervention outcomes are created and transferred to one or more reporting
26 companies to enable claims.
- 27 • Across all types of system of record, **issuance** is the process of intervention record
28 creation. **Transfer** is the process by which an intervention host shares the intervention
29 record with a buyer. **Retirement** is the process that confirms the assignment of an
30 intervention record to a specific beneficiary, conveying the right to claim the specified
31 intervention's outcomes.
- 32 • A **registry** refers to a digital platform that enables consistent issuance, transfer, and
33 retirement of intervention records according to a specified set of procedures.

34

1 Further Details on Requirements & Recommendations

2 5.1 Basic System of Record Requirements

3 All systems of record for intervention outcomes must meet the following basic requirements, as
4 applicable:

5 *5.1.1 For product interventions, appropriately utilize a chain of custody model*

6 Chain of custody models are means by which inputs, outputs, and associated attributes
7 are transferred, monitored, and controlled as they move forward through each step in the
8 supply chain (ISEAL, 2025). These models are commonly utilized by sustainability
9 certification systems to organize and clarify how attributes need to flow and be tracked in
10 reference to physical product flows, where they are formalized as chain of custody
11 systems.

12 For product interventions, attributes conveyed by an intervention record shall be consistent
13 with the use of a specified chain of custody model, as defined by the ISEAL Chain of
14 Custody Models and Definitions Guidance or an equivalent standard or guidance for chain
15 of custody models (ISEAL, 2025).

16 Where an intervention cannot make use of a standard or methodology that formally
17 implements a chain of custody model, intervention hosts should align in practice with as
18 many of the core tenets of the most relevant model as possible, and when possible, seek
19 independent assessment of those practices alongside further independent assessment to
20 a standard or methodology that covers other required criteria.

21 A system of record conveying information about intervention outcomes utilizing a mass
22 balance chain of custody model¹⁰ shall demonstrate and transparently indicate the level of
23 connectivity of physical processes by:

- 24 • Clearly defining and transparently indicating its system boundary (batch, site,
25 multi-site, or group level),
- 26 • Clearly defining and transparently indicating distribution and attribution
27 approaches for attributes (i.e. proportional or free) between co-products and within
28 product groups.
- 29 • Defining a volume reconciliation period of up to 2 years.

30 A system of record conveying information about intervention outcomes utilizing a book and
31 claim chain of custody model shall demonstrate and transparently indicate the level of
32 connectivity of physical processes as defined above up until the point of intervention
33 record issuance in a book and claim system. If a mass balance model is used up to the

¹⁰ Mass balance is a chain of custody model in which certified input materials are mixed according to defined criteria with non-certified materials, and where there is no guarantee of physical presence of specified characteristics in a material (ISEAL 2025).

1 point of issuance in a book and claim system, the mass balance model shall follow the
2 above requirements.

3 *5.1.2 Define and transparently disclose key data and assumptions*

4 Systems of record shall:

- 5 a. convey key data in each intervention record to enable accurate reporting,
- 6 b. define all relevant assumptions, methodologies and data sources, and
- 7 c. disclose all of the above information to system users at minimum

8 Key data to enable accurate reporting should include at minimum the information specified
9 in [Chapter 6, Intervention Record Information](#).

10 Relevant assumptions, methodologies, and data sources shall contain at minimum the
11 following information:

- 12 ○ Any standards or methodologies that the system of record is designed to follow or
13 be consistent with, and any record of independent assessment to those standards
14 or methodologies if applicable.
- 15 ○ If applicable, the list of applicable standards or methodologies that the system of
16 record can validate as inputs to the record issuance process, and documentation
17 for how the system of record validates the conformance of an intervention host
18 and/or intervention to those standards or methodologies.
- 19 ○ Details of any calculation methods that the system of record applies at or following
20 the issuance process that serve as input to data viewed by system of record users,
21 including data sources for any conversion factors applied.

22 *5.1.3 Leverage independent assessment(s) to validate the accuracy of the information* 23 *in the intervention record*

24 The information contained in the intervention record shall be independently audited
25 (Consistent with [Chapter 1, Assure Outcomes and Other Impacts](#)). Systems of record shall
26 ensure that each intervention record contains information to confirm that the assessments
27 required in Chapters [1, Assure Outcomes and Other Impacts](#); [2, Accurate Emissions](#)
28 [Outcome](#); and [3, Stakeholder Engagement and Social and Environmental Safeguards](#)
29 have been completed and that assessment is within its specified validity.

30 Systems of record should confirm if and when ex-ante and ex-post audits occur. For some
31 product interventions, ex-post audits may occur after intervention record issuance, but
32 even in this case, the system of record should confirm that the ex-ante audit occurred at
33 issuance, and after the ex-post verification occurs, modify the intervention record to reflect
34 the completion of that ex-post audit and its findings (see [Chapter 7, Record Creation](#)
35 [Timing](#) for detail).

36 *5.1.4 Ensure that all created records are unique*

1 To prevent double issuance within the system, the system of record shall implement
2 checks to ensure that each issued record (or set of records in the event of co-claiming)
3 represents a unique intervention.

4 **5.2 Registry requirements**

5 When available, intervention records shall be created using a publicly available registry that meets
6 the following conditions:

7 *5.2.1 Is independently governed*

8 Registries must be managed by an independent entity that is impartial to any intervention
9 host's product, and/or via a multilateral governance process to mitigate conflicts of interest
10 in decision-making and operations.

11 *5.2.2 Validates key information for additional accuracy and uniqueness at issuance*

12 Specifically, registries shall:

- 13 a) Check that the intervention hosts and/or outcomes are independently assessed to an
14 appropriate standard or methodology (see Chapters [1, Assure Outcomes and Other](#)
15 [Impacts](#); [2, Accurate Emissions Outcome](#); and [3, Stakeholder Engagement and Social](#)
16 [and Environmental Safeguards](#)) prior to issuance on the platform.

17 Registries shall validate that necessary third-party assessment(s) to assess
18 intervention outcomes and other impacts (see [Chapter 1, Assure Outcomes and Other](#)
19 [Impacts](#)) have been completed and that assessment is within its specified validity.

20 **Example**

For instance, a SAF certificate registry could cross-reference a certification database to validate that the entity and/or facility that produced the SAF underlying the issuance has an active certification to the scheme(s) specified in the issuance.

- 21 b) Ensure that only appropriate co-claiming can occur for the same intervention
22 outcomes, preventing erroneous double claiming within the platform.

23 If co-claiming is enabled, the registry shall ensure that any co-claiming enabled
24 adheres to the limitations outlined in [Chapter 12, Appropriate Co-claiming](#).

- 25 c) Require that intervention hosts adopt procedures to prevent double selling of
26 intervention attributes.

27
28 An intervention host can demonstrate that they have adopted procedures to prevent
29 double selling of intervention attributes by undergoing an independent bookkeeping
30 audit that checks for any instances where intervention outcomes are doubly sold.
31 Formal certification programs with this scope may be referred to as a “book and claim
32 trader certifications” or similar, though this formal program audit is not required.

1
2 A registry, then, shall check that the intervention host requesting issuance has
3 undergone this independent audit and has been found to be in conformance.

4 *5.2.3 Functions transparently*

5 The registry shall publicly disclose:

- 6 • Procedures for how the system assesses, issues, transfers, and retires intervention
7 records.
- 8 • Retirements, including all entities with a right to report intervention outcomes,¹¹
9 associated outcome quantities and key information required to evaluate intervention
10 and outcome quality.

11 **Examples**

12 A concrete producer (the intervention host) implements the use of supplementary cementitious
13 materials (SCMs), reducing the amount of traditional cement in its mix, thereby lowering the
14 emissions associated with its product. As a registry does not yet exist for concrete interventions,
15 the intervention host implements the basic requirements for a system of record internally in order
16 to create and convey intervention records to its buyers. Specifically, the concrete supplier's
17 internal system of record:

- 18 • Implements a mass balance chain of custody approach at the site level (inclusive of its
19 upstream SCM and traditional cement suppliers) up through the point of intervention
20 record issuance. It uses proportional attribution, and implements a volume reconciliation
21 period of 2 months. Certificates are then decoupled from the physical product following a
22 book and claim model.
- 23 • Conveys key data in each intervention record to enable accurate reporting by customers
24 (consistent with [Chapter 6. Intervention Record Information](#)), and defines all relevant
25 assumptions, methodologies and data sources. The producer discloses all key data and
26 assumptions to its customers in the intervention record and supplementary
27 documentation.
- 28 • Reflects that audits occur to two separate standards that collectively cover all accurate
29 emissions outcome, stakeholder engagement, and social and environmental safeguards
30 criteria as described in [Chapters 1, Assure Outcomes and Other Impacts](#); [2, Accurate](#)
31 [Emissions Outcome](#); and [3, Stakeholder Engagement and Social and Environmental](#)
32 [Safeguards](#). Specifically, the system of record checks that each intervention record
33 reflects the fact that the intervention host, and by extension the intervention, was audited
34 to both standards.
- 35 • Implements internal checks that intervention records are not duplicated (e.g. each
36 intervention record is only created and distributed once).

¹¹ Note that beneficiaries may be anonymized if they choose to remain confidential.

1 Chapter 6: Intervention Record Information

2 Requirements

3 Accurate, verified information about the details of the intervention shall be conveyed transparently
4 in an intervention record.

5 Explanation

6 In order to enable companies to claim intervention outcomes, an intervention record must convey
7 sufficient information to enable evaluation of its credibility and understand its methodological
8 approach. Such evaluation requires quantitative and qualitative information, as well as context for
9 how that information was produced, such as key calculation assumptions.

10 Further Details on Requirements & Recommendations

11 Intervention records transferred to a company through a system of record (as detailed in [Chapter](#)
12 [5, System of Record](#)) shall include all information about the intervention that is necessary for the
13 company to assess its conformance with the relevant standard(s), regulatory surplus, any other
14 criteria agreed contractually, and information needed to accurately account for and report the
15 intervention in alignment with [Chapter 15, Transparent Disclosure](#). This information includes, but
16 may not be limited to:

- 17 • Emissions outcome quantity and units
- 18 • Product or activity type (e.g. component or subcomponent)
- 19 • Product or service quantity if applicable (for product interventions)
- 20 • Date(s) of intervention (relevant production, activity, or implementation dates or date
21 ranges), including:
 - 22 ○ Intervention date or date range (e.g. production date of good or service, or start
23 and end dates of a project)
 - 24 ○ Intervention commercial operation year
- 25 • Intervention host name (company and facility) and location
- 26 • Intervention type and relevant technical details (e.g. feedstock, process, relevant
27 technologies)
- 28 • Standards or methodologies that the intervention host is certified to that overlap with the
29 intervention scope and timeline, and their details (validity period, certification number,
30 auditor)
- 31 • If the record conveys an emissions reduction, reference baseline emissions intensity
- 32 • Disaggregated emissions data by process step or type, as available. Specifically,
33 emissions, removals, and avoided emissions elements should be disaggregated to enable
34 accurate accounting and reporting.¹²

¹² Companies may wish to consider additional emissions disaggregation specifications to enable reporting in line with specific emissions accounting, reporting, and target setting frameworks. See [Chapter 14, Separate Reporting](#), for more details.

- 1 • Declaration of any regulatory requirements that relate to the intervention (e.g. for which
- 2 the intervention host is an obligated party and the intervention itself is used towards the
- 3 obligation)
- 4 • Date of intervention record creation

5 Further, any key assumptions - for instance, conversion factors - that serve as an input to the
6 information shared in an intervention record should be made available to the company (see
7 [Chapter 5, System of Record](#), for details).

8 **Example**

9 The concrete producer that implemented a system of record (consistent with [Chapter 5, System](#)
10 [of Record](#) requirements) shares intervention records with the reporting company that include the
11 following details:

- 12 • Emissions profile of the concrete (metric tons of CO₂e per metric ton of concrete)
- 13 • Amount of concrete (tons)
- 14 • Date(s) of concrete production
- 15 • Concrete company and facility name and location
- 16 • Intervention type and relevant technical details (concrete produced with supplementary
- 17 cementitious materials of X type with Y technology)
- 18 • Relevant product category rules (PCRs) that concrete producer follows to generate EPDs,
- 19 EPD validity period, and auditor
- 20 • Reference baseline emissions intensity if applicable
- 21 • Disaggregated emissions data by process step or type, as available. Specifically,
- 22 removals and avoided emissions are disaggregated.
- 23 • Declaration of any regulatory requirements that relate to the intervention (e.g. EU ETS)
- 24 • Date of intervention record creation

25 The concrete producer also shares key assumptions like conversion factors with the Company as
26 supplementary information.

27

28

1 Chapter 7: Record Creation Timing

2 Requirements & Recommendations

3 Intervention outcomes shall occur prior to the creation of their record in the system of record.

4 Intervention outcomes should be recorded in a system of record within 24 months of the first
5 intervention outcome occurrence. Where specific intervention outcome timing is not recorded or
6 known, intervention outcomes should be recorded in a system of record within 24 months of the
7 intervention's occurrence. If doing so is not possible, the circumstances that prevent adherence
8 to this recommendation shall be transparently disclosed in a public emissions report.

9 Product intervention records may be issued prior to the ex-post audit if certain conditions are met.
10 Project intervention records shall only be issued after an ex-post audit is completed.

11 For interventions that are one-time actions that generate ongoing outcomes, companies shall
12 establish a crediting period according to the following requirements.

13 Explanation

14 As interventions are time-bound activities that represent an impactful change or net new activity,
15 and are used towards time-bound climate disclosure, certain processes within their lifecycle need
16 to be carefully sequenced and time-bound.

17 First and foremost, companies cannot report an intervention outcome on speculation, when an
18 intervention has not yet been implemented.

19 In addition, ambiguity regarding when solutions were implemented and generated emissions
20 outcomes, or long delays from when the action and resulting outcomes happened and when the
21 record is generated for claiming, makes it harder to prove the effectiveness of value chain
22 interventions, especially those utilizing market-based methods. Long delays between
23 implementation and verification also make it harder for auditors to accurately verify outcomes. A
24 recordation constraint can help address these potential challenges but must also respect the
25 challenges of scheduling verification, the costs of conducting verification frequently, and potential
26 mismatches between reporting timelines of intervention hosts and end users.

27 Further Details on Requirements & Recommendations

28 7.1 Timelines

29 In order to ensure that interventions occur prior to the creation of their record in the system,
30 companies should:

- 31 • Ensure that the intervention record they receive includes relevant production, activity,
32 outcome, or implementation dates, and that those dates predate their receipt of the record
33 and the date the record was created if specified.

- When available, use a registry that actively checks that the intervention or intervention outcomes occurred before issuance by referencing relevant documentation submitted by the intervention host.
- Ensure that the intervention host has undergone at least one recent audit for the intervention scope (see [Chapter 1, Assure Outcomes and Other Impacts](#), for details), which should be specified in the intervention record.

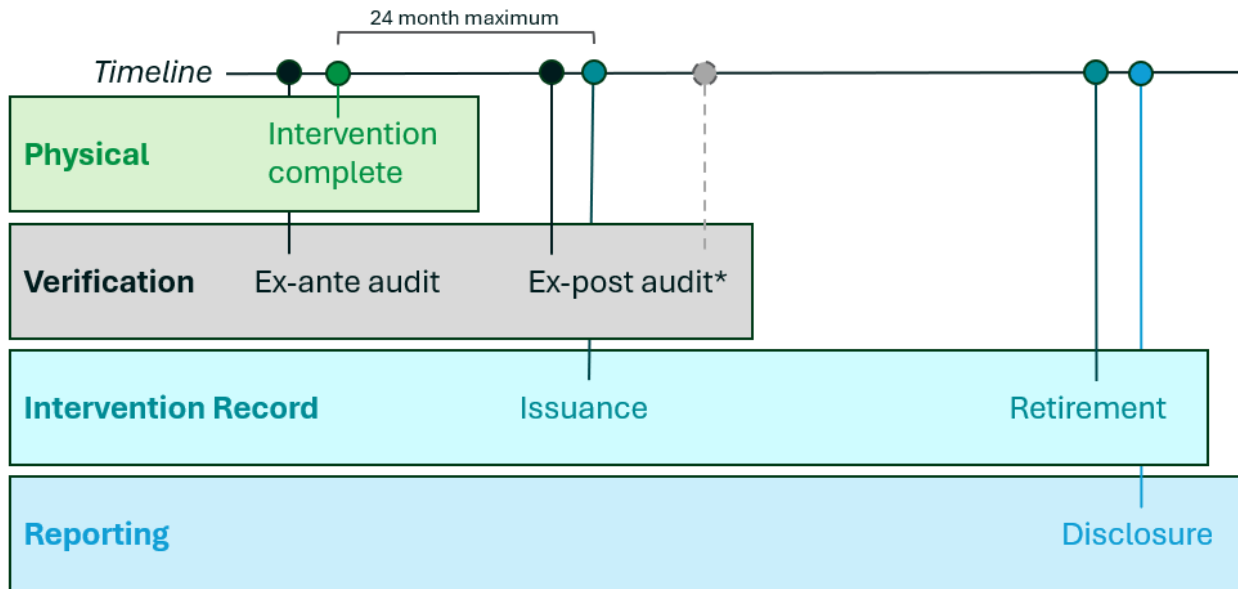
In order to ensure that the record of an intervention is created within 24 months of the intervention’s first outcome generation or intervention occurrence, companies should:

- Ensure that the intervention host creates and transfers the intervention record via a mutually agreed system of record within 24 months of the intervention’s first outcome generation or intervention occurrence.

7.2 Audits

As described in [Chapter 1, Assure Outcomes and Other Impacts](#), interventions should be audited ex-ante, and shall be audited ex-post. For most interventions, the ex-post audit (as well as the ex-ante audit when applicable) shall be completed prior to the creation of the intervention record.

FIGURE 4: RECORD CREATION TIMING IN CONTEXT



*In some instances, the ex-post audit happens after the intervention record is issued

Product intervention records may be issued prior to the ex-post audit in some cases, however, project intervention records shall only be issued after an ex-post audit is completed.

1 *7.2.1 Product Intervention Records*

2 Intervention outcomes accounted for on a product basis - and where they take the form of
3 a discrete output of a recurring process - are often audited at a site or broader system
4 boundary level, not on a product-by-product basis. An example is fuel production via a
5 consistent, recurring process at a batch level, for which audits occur at a site level on an
6 annual cycle.

7
8 For some products, therefore, audits are not necessarily structured as ex-ante and ex-
9 post, but do reflect pre-intervention and post-intervention assessments by virtue of the
10 annual audit cadence. Each recurring audit includes ex-ante components for outputs
11 looking forward, and ex-post components for outputs looking back. These audits are
12 typically used to convey appropriate claims (e.g., emissions intensity and otherwise) that
13 can be used for any output product from the time of the first audit through to the next audit.

14
15 In these cases, intervention records can be created after the ex-ante audit and the
16 intervention occurs, but prior to an ex-post audit. Systems of record should confirm that
17 the ex-post verification audit occurs and, after it occurs, should enable modification of the
18 record to reflect the completion of that ex-post audit and its findings (See [Chapter 5,](#)
19 [System of Record](#) for details).

20
21 For products that do not undergo an ex-ante audit (e.g. the audit scope does not include
22 pre-intervention assessment against criteria), intervention records may only be issued
23 after the ex-post audit occurs.

24 *7.2.2 Project Intervention Records*

25 Interventions that represent one or multiple related process changes (i.e. a project) are
26 commonly audited via ex-ante and ex-post audits structured intentionally prior to and after
27 the occurrence of the intervention to validate and verify its outcomes. In particular, an ex-
28 ante audit can be used to establish a baseline, in addition to an estimate of the intervention
29 outcomes, and the ex-post audit is used to confirm those outcomes and the impact relative
30 to the established baseline.

31
32 In the case of a project, intervention records should be created after the ex-post audit
33 occurs, and the system of record should - at issuance - reflect the results of both the ex-
34 ante and ex-post audits when applicable.

35 **7.3 Crediting Periods**

36 Some interventions are a one-time action that generates emission benefits for the duration of the
37 asset or process. In these cases, the intervention host and buyer shall apply one of the following
38 options, as relevant:

- 39 1. If a crediting period is set forth in a sector specific guidance, intervention program, or
40 registry, the intervention host may generate intervention records for that specified period

- 1 or for 10 years from the intervention occurrence that generates the first intervention
2 outcome, whichever is shorter.
- 3 2. If the intervention type can be found on the IRS 946 Appendix B2 list, use the
4 corresponding class life as the crediting period, starting from when the intervention
5 occurred and generated the first intervention outcome. Companies should use the most
6 recently published version of the Appendix B2 list to determine the appropriate class life.
- 7 3. If the intervention does not fall into any of the above, the intervention may generate
8 emission outcomes for up to 5 years from when the intervention occurred and generated
9 the first intervention outcome.

10 **Example**

11 A company purchases a maritime shipping certificate on a registry that requires that low emission
12 maritime fuel was produced and used on a voyage prior to record creation.

13 The date of fuel production was January 2024, the fuel was bunkered in the port in February 2024,
14 and the voyage that used the fuel volume concluded in March 2024 (meaning that intervention
15 occurrence and outcomes are co-timed). The intervention record was created in August 2024 after
16 the verification audits were completed, well within a year of intervention occurrence and outcome
17 generation.

18 Crediting periods are not relevant for this maritime shipping intervention because the intervention
19 is the production of fuel that is used once and yields a discrete one-time emissions outcome. It is
20 not a one-time action that yields ongoing emissions outcomes. An intervention focused on the
21 retrofitting of a ship, for instance, could follow these crediting period recommendations.

22

23

1 Section IV: Accounting and Reporting for 2 Interventions

3 Chapter 8: Value Chain Association Limit

4 Requirements & Recommendations

5 When reporting intervention outcomes, companies shall ensure that the volume of outcomes
6 applied to their respective (sub)components does not exceed the size of those (sub)components
7 within their current value chain.

8 Companies should ensure the volumes applied to their respective (sub)components are reflective
9 of the decarbonization levels that are technologically implemented in the intervention.

10 Companies shall account for interventions using the intervention record.

11 Explanation

12 To maintain the integrity of value chain interventions, the AIM Platform *Association Test* has
13 established a set of guidelines to ensure that the volume of intervention outcomes applied to the
14 (sub)components does not exceed the size of those (sub)components within the company's value
15 chain. In this chapter the term 'volume' is used to refer to the amount of a good or service (i.e.,
16 units) or the amount of emissions, depending on if the company uses the Product Matching or
17 Emissions Matching approach in the Basic Association Test.

18 This chapter clarifies how this *Association Test* guidance translates into intervention accounting
19 and reporting in the context of a GHG emissions report. It also recommends that companies
20 further ensure that intervention outcomes accounted in any given year are reflective of
21 decarbonization levels achieved by the intervention on a per product basis, in order to maintain
22 the incentive to pursue interventions that achieve net zero. While this additional recommendation
23 may limit companies' ability to account for the whole of an intervention's outcomes in any given
24 reporting year, companies are not limited in their ability to apply those surplus intervention
25 outcomes to a different reporting year (see [Chapter 13, Record Claim Timing](#), for details).

26 More details about the reporting structure for intervention outcomes in the context of a company's
27 GHG emissions reporting are covered in [Chapter 14, Separate Reporting](#).

28 Further Details on Requirements & Recommendations

29 For additional details on how to determine the appropriate volumes of intervention outcomes that
30 should be applied to their respective (sub)components, see Chapter 4 of the *Association Test*
31 (*Basic Association Test Part 2*).

32 Companies shall use the information they receive in the intervention record (see [Chapter 6,](#)
33 [Intervention Record Information](#)) as the definitive data inputs to their accounting and reporting

1 calculations. In particular, for any given product intervention, companies shall ensure that the sum
2 of product volume specified on all relevant intervention records received does not exceed the
3 volume limit as described by the *Association Test* to determine how much of an intervention they
4 can apply to their GHG Inventory in any given year.

5 Companies should further ensure that, for the intervention volume applied in any given year's
6 GHG emissions report, the intervention outcomes reported represent the intervention emissions
7 profile (emissions per unit of (sub)component). Specifically:

- 8 • If the company used the Product Matching method for *Basic Association* (volume of the
9 inventory (sub)component is known), companies should report the sum of intervention
10 outcomes up to

$$11 \quad \textit{intervention emissions profile} \times \textit{volume of inventory (sub)component}$$

- 12 • If the company used the Emissions Matching method for *Basic Association* (volume of the
13 inventory (sub)component is not known, e.g. if a company uses spend information to
14 calculate its emissions), companies should report the sum of intervention outcomes (in
15 CO₂e) up to

$$16 \quad \frac{\textit{(sub)component emissions}}{\textit{intervention baseline emission intensity}} \times \textit{intervention emissions profile}$$

20 Example

21 A company supports an intervention that generates 1,000 mt CO₂e of steel emission reductions,
22 but they have 900 mt CO₂e of total emissions from steel in their inventory in the current reporting
23 year.

24 The company uses the intervention record as the basis for any intervention information disclosed.
25 At maximum, the company may apply 900 mt CO₂e of steel emission reductions to the current
26 inventory year.

27 Further, the company uses the emissions profile of the steel as stated in the intervention record
28 to ensure that it is not over-representing the emissions reduction realized per unit of steel in their
29 GHG emissions reporting. If the emissions profile realized from the intervention is 50% of its
30 emissions baseline, then the company would limit the volume they apply to that annual inventory
31 to 450 mt CO₂e of steel emissions reductions for the given reporting year because:

$$32 \quad \frac{\textit{(sub)component emissions}}{\textit{intervention baseline emission intensity}} \times \textit{intervention emissions profile}$$

$$33 \quad = \frac{900 \textit{ mt CO}_2\textit{e}}{1,000 \textit{ mt CO}_2\textit{e}} \times 0.5(1,000 \textit{ mt CO}_2\textit{e}) = 450 \textit{ mt CO}_2\textit{e}$$

34
35 However, the company may report the remainder of the steel intervention outcomes in a different
36 reporting year (see [Chapter 13, Record Claim Timing](#), for details).

1 Chapter 9: Removals and Avoided Emissions Accounting

2 Requirements

3 For product-based interventions: With the exception of removals accounted for separately, a
4 company shall not account for an intervention emissions profile below an emissions intensity of 0
5 units of CO₂e per unit.

6 For project-based interventions: With the exception of removals accounted for separately, a
7 company shall not account for an amount of intervention emission reductions greater than the
8 project baseline emissions.

9 Removals and avoided emissions shall only be accounted as part of an intervention outcome if
10 certain conditions are met.

11 Explanation

12 These requirements prevent a company from disclosing net-negative emissions in relation to any
13 inventory component or subcomponent, except in the case of removals, for which companies may
14 account and report removals separately following the GHG Protocol. This requirement is
15 necessary to prevent companies from using outcomes from an intervention in one area of the
16 value chain to compensate for emissions in another area of the value chain.

17 Reporting emissions and removals separately, and reporting any removals and avoided
18 emissions that do not meet the criteria detailed in this chapter as beyond value chain mitigation,
19 ensures transparency with respect to residual emissions and enables their comparison to
20 removals.

21 More details about the reporting structure for intervention outcomes in the context of a company's
22 GHG emissions reporting are covered in [Chapter 14, Separate Reporting](#).

23 Further Details on Requirements & Recommendations

24 9.1 Conditions for removals and avoided emissions accounting

25 Quantified carbon removal volumes may be included in an accounted intervention outcome as
26 long as:

- 27 1. The carbon removal is part of the intervention's physical system boundary. In other words,
28 removal credits that are not physically linked to the intervention cannot be purchased and
29 applied to the quantified intervention outcome.
- 30 2. For interventions not in the FLAG sectors, the intervention's residual emissions without
31 inclusion of the carbon removals process are less than or equal to the baseline emissions
32 (e.g. a manufacturing process may not become more emissions intensive relative to a
33 baseline, and solely achieve a better emissions outcome due to the application of onsite
34 CCS)⁴

35
$$\text{total intervention residual emissions} \leq \text{baseline emissions}$$

1 Quantified avoided emissions volumes may be included in an accounted intervention outcome as
2 long as:

- 3 1. The avoided emissions are part of the intervention’s physical system boundary.
- 4 2. For unit-denominated intervention outcomes (i.e. emission profiles):
 - 5 a. The resulting intervention emissions profile is not less than zero,

$$6 \quad \frac{\textit{emissions} + \textit{avoided emissions}}{\textit{intervention unit}} \geq 0 \textit{ units CO}_2\textit{e/unit}$$

- 7 i. Companies may account for a portion of avoided emissions in association
8 with the intervention up to this threshold.
- 9 b. The intervention emissions profile without inclusion of the avoided emissions
10 process is less than or equal to the baseline emissions intensity (e.g. a
11 manufacturing process may not become more emissions intensive relative to a
12 baseline, and solely achieve a better emissions outcome due to the application of
13 an emissions avoidance process)¹³

$$14 \quad \frac{\textit{emissions}}{\textit{intervention unit}} < \frac{\textit{emissions}}{\textit{baseline unit}}$$

- 15 3. For intervention outcomes quantified as a volume of CO₂e reduced (i.e. emission
16 reductions):
 - 17 a. The resulting intervention emissions outcome value - including emissions
18 reductions and avoided emissions - does not exceed the intervention baseline
19 emissions value

$$20 \quad \textit{intervention} |\textit{emission reductions}| + |\textit{avoided emissions}| \leq \textit{baseline emissions}$$

- 21 b. The intervention’s residual emissions without inclusion of the avoided emissions
22 process are less than or equal to the baseline emissions (e.g. a manufacturing
23 process may not become more emissions intensive relative to a baseline, and
24 solely achieve a better emissions outcome due to the application of an emissions
25 avoidance process)⁴

$$26 \quad \textit{total intervention residual emissions} \leq \textit{baseline emissions}$$

27

28 9.2 Conditions for Disclosure

29 If carbon removals and/or avoided emissions are accounted for in the intervention outcome, this
30 shall be transparently reported (see [Chapter 15, Transparent Disclosure](#)).

¹³ As removals technologies often have operating emissions, emissions from the application of the removals technology as part of the intervention should be considered part of the intervention scope (e.g. net operating emissions for the removals with the resulting removals) for the purpose of this calculation.

1 Companies shall report any carbon removals or avoided emissions that do not meet the criteria
2 listed in 9.1 separately as beyond value chain mitigation (see [Chapter 14, Separate Reporting](#)).
3 Emissions and removals should be reported separately.¹⁴

4 **Example**

5 A company partners with a farmer to implement a no-till agriculture project that has both emission
6 avoidance (1,000 mt CO₂e per year) as well as carbon removal benefits (1,200 mtCO₂e per year).
7 Baseline emissions for this farm are 3,000 mt CO₂e. The reporting company has 10,000 mtCO₂e
8 total emissions from farming.

9 The carbon removal benefits are within the system boundary of the project (onsite) and can
10 therefore be included in the quantification. The company can apply the total volume of removals
11 because all conditions are met:

- 12 1. Within system boundary
- 13 2. 1,200 mtCO₂e < 3,000 mtCO₂e

14 The company can also apply the total volume of avoided emissions because all applicable
15 conditions are met:

- 16 1. Within system boundary
- 17 2. Does not apply as the intervention is a project and does not convey an emissions profile
- 18 3.
 - 19 a. 1,000 mtCO₂e ≤ 3,000 mtCO₂e
 - 20 b. 1,200 mtCO₂e ≤ 10,000 mtCO₂e
 - 21 c. 800 mtCO₂e ≤ 3,000 mtCO₂e

22

23

¹⁴ The forthcoming Greenhouse Gas Protocol Land Sector and Removals Standard may require companies to report emissions and removals separately within each emissions scope and category.

1 Chapter 10: Use the Appropriate Accounting Method

2 Requirement

3 Companies shall implement one of the following approaches to calculating the footprint of each
4 intervention for use in GHG emissions reporting:

- 5 1. **Substitution**
- 6 2. **Enhanced Substitution**
- 7 3. **Activity Estimation**
- 8 4. **Project**
- 9 5. **Program-Specific**

10 Explanation

11 There are different approaches to accounting for the footprint of interventions for use in GHG
12 emissions reporting from intervention outcomes conveyed through an intervention record. The
13 suitability of a specific accounting approach to a specific intervention is influenced by the:

- 14 • Type of intervention
- 15 • Data available about the intervention
- 16 • Data used to calculate the company's GHG emission footprint for an inventory component
17 associated with the intervention
- 18 • Assumptions underlying the accounting approach, as they relate to the data described
19 above

20 Because different approaches may be suitable for different interventions and different inventory
21 components:

- 22 • There is no implied hierarchy of desirability associated with the accounting approaches as
23 presented here.
- 24 • A company may apply different accounting approaches to different interventions. As such,
25 a specific company is not required to select one accounting approach and apply that
26 approach for all of its interventions, but should use a consistent accounting approach for
27 all instances of the same intervention.

28 Substitution

29 The substitution approach is appropriate for accounting for product interventions when the
30 intervention product type very closely matches the product represented in the company's physical
31 GHG emissions inventory.

32 The substitution approach to accounting involves replacement of the emission profile of an
33 inventory component or subcomponent in a company's emission report with the emission profile
34 of an intervention associated with that inventory component or subcomponent (as conveyed
35 through a project intervention record).

1 For example, a company is responsible for 100 tonnes of primary aluminum production in its
2 inventory for a specific reporting period. The company calculates its aluminum emission footprint
3 based on an intervention host-provided emission intensity for aluminum, $Intensity_{Supplier}$, of 10
4 tonnes CO₂e per tonne of aluminum:

$$5 \quad \text{Aluminum Emissions} = 10 \text{ tCO}_2\text{e/t} \times 100 \text{ t aluminum} = 1,000 \text{ tCO}_2\text{e}$$

6 The company purchases aluminum EACs representing 100 tonnes of low emission primary
7 aluminum production. The intervention emission intensity, $Intensity_{Intervention}$, is 2.5 tonne of
8 CO₂e per tonne of aluminum.

9 The company calculates its aluminum emission footprint, accounting for the EACs, by substituting
10 $Intensity_{Intervention}$ for $Intensity_{Supplier}$ (for the amount of aluminum represented by the EACs
11 that the company purchased):

$$12 \quad \text{Aluminum Emissions with EAC} = 2.5 \text{ tCO}_2\text{e/t} \times 100 \text{ t aluminum}_{intervention} = 250 \text{ tCO}_2\text{e}$$

13 **Enhanced Substitution**

14 The enhanced substitution approach is appropriate for accounting for product interventions when
15 the intervention product type does not perfectly match the product represented in the company's
16 physical GHG emissions inventory.

17 The enhanced substitution approach involves:

- 18 1. Calculating the emissions reduction outcome per unit of the intervention activity, by
19 subtracting the emissions profile of the intervention from the emissions profile of the
20 intervention baseline, or the activity that was displaced by the intervention. The
21 intervention emissions reduction outcome is typically calculated and shared with the
22 company in an intervention record.
- 23 2. Calculating an adjusted emissions intensity to apply to the inventory, by subtracting the
24 inventory emissions profile for the specific component or subcomponent from the
25 intervention emissions reduction outcome intensity.
- 26 3. Applying this adjusted emissions intensity factor to the amount of intervention activity and
27 using the typical inventory emissions factor for any remaining activity not addressed
28 through the intervention.

29 For detailed requirements for implementation of the enhanced substitution approach, see [Annex](#)
30 [E](#) and [Annex D](#), Product Intervention Baseline Selection.

31 **Activity Estimation**

32 The activity estimation approach is appropriate for accounting for interventions when the activity
33 data for inventory items is not available, as emission footprints for inventory (sub)components are
34 calculated using a spend-based process.

35 The activity estimation approach involves estimating activity levels for the relevant inventory
36 components, and then applying the intervention emissions outcomes to those estimates.

1 There are two activity estimation methods:

- 2 • Use the intervention baseline intensity to estimate activity for an associated inventory
3 component.
- 4 • Use unit cost data for an inventory component to estimate activity for that inventory
5 component.

6 For detailed requirements for implementation of the activity estimation approach, see [Appendix F](#)
7 and [Appendix D](#), Product Intervention Baseline Selection.

8 **Project**

9 The project approach to accounting is appropriate for non-product interventions (i.e., all projects).
10 This approach is based on consequential accounting practices described in the GHG Protocol
11 Project Accounting Standard and ISO Standard 14064-2.

12 For example, a company has steel in its scope 3 GHG emission inventory and decides to pursue
13 an intervention involving replacement of a traditional steel blast furnace with an electric arc
14 furnace. The steel production facility implementing the furnace replacement does not convey the
15 intervention outcomes in terms of units of steel as a product intervention. Instead, the emission
16 reductions associated with the furnace replacement intervention are conveyed as a project, and
17 calculated at the project level according to the GHG Protocol Project Accounting Standard. The
18 company funding the intervention claims the project emission reductions based on those
19 calculations, rather than based on the emission intensity per unit of steel produced following the
20 intervention.

21 **Program-Specific**

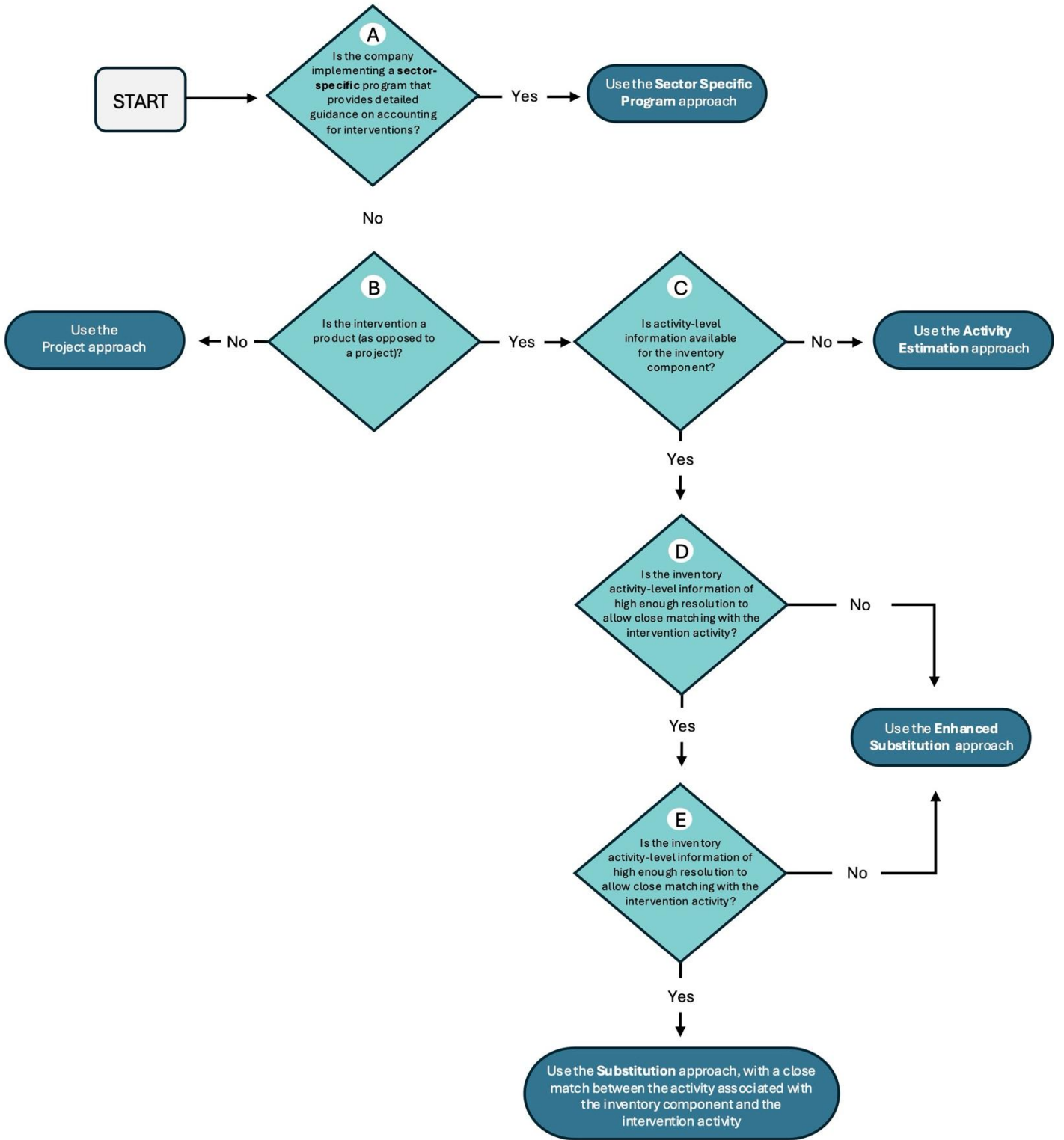
22 Detailed intervention accounting approaches have been developed for some sector specific
23 programs (e.g. SAFc Emissions Accounting and Reporting Guidelines (World Economic Forum,
24 2022)). These approaches may address unique aspects of a particular sector in a manner that
25 produces more accurate results than would be achieved using one of the four approaches
26 described above. If such an approach has been developed, companies may use that program-
27 specific approach to accounting instead of the approaches described above.

28 Details about the reporting structure for intervention outcomes in the context of a company's GHG
29 emissions reporting are covered in [Chapter 14, Separate Reporting](#).

30 **Further Details on Requirements & Recommendations**

31 **Figure 5** provides a process for selecting which of the accounting methods to apply to an
32 intervention.

FIGURE 5: ACCOUNTING METHOD SELECTION PROCESS



1 **Example**

2 A manufacturer of appliances uses large amounts of stainless steel in its products. The company
3 purchases known quantities of stainless steel from a variety of suppliers under long-term
4 contracts. None of these suppliers are willing or able to provide low emission stainless steel
5 products to the appliance manufacturer.

6 The appliance manufacturer searches for steel decarbonization interventions that meet its volume
7 and cost constraints and identifies one such intervention. A steel producer is selling low emission
8 steel EACs associated with the generation of tool steel using a variety of foundry decarbonization
9 innovations.

10 The appliance manufacturer selects the appropriate accounting approach as follows:

- 11 ▪ It is not involved with any sector specific programs that provide detailed guidance on steel
12 decarbonization accounting. It selects “No” at the first decision point.
- 13 ▪ The intervention is a product, as opposed to a project. It selects “Yes” at the second
14 decision point.
- 15 ▪ The company has activity level information for stainless steel. The company knows how
16 much stainless steel it purchases, in metric tonnes, for each emission reporting period. It
17 selects “Yes” at the next decision point.
- 18 ▪ The company’s activity level information is of high enough resolution to allow close
19 matching with the activity of the EACs under consideration. The EAC intervention records
20 are issued with an emission intensity per tonne of steel, and the company knows the
21 tonnes of steel that it uses. It selects “Yes” at the next decision point.
- 22 ▪ The EACs are from the production of tool steel, and the appliance manufacturer purchases
23 stainless steel. The appliance manufacturer did not find any viable stainless-steel
24 interventions. The appliance manufacturer determines that tool steel and stainless-steel
25 production processes are not comparable enough to meet its criteria to serve as a close
26 match. The appliance manufacturer is confident, however, in the robustness of the
27 baseline associated with the tool steel EACs, as this baseline is calculated using site
28 specific comparable data. It selects “No” at the next decision point.
- 29 ▪ The appliance manufacturer will apply the Enhanced Substitution approach to accounting
30 for the emissions of its tool steel EAC purchases.

31

32

1 Chapter 11: Unique Right to Report

2 Requirements

3 In order to make an associated claim, a company shall demonstrate a unique right to report the
4 intervention record and its outcomes through its possession of an appropriate intervention record
5 and a legally binding agreement with the intervention host, in accordance with the requirements
6 below.

7 Explanation

8 Reporting companies need to demonstrate a unique right to report - or that they have the sole
9 ability to claim the emissions outcomes associated with an intervention within a specific value
10 chain layer¹⁵ - in order to credibly disclose the emissions outcomes of an indirect value chain
11 intervention.

12 Demonstrating this requires definitive documentation that conveys the right to report intervention
13 outcomes to the company. It also requires companies to proactively manage double counting
14 risks, which would mean that their right to report is not in fact unique.

15 Double counting can take the form of:

- 16 • Double selling, in which an intervention host sells the intervention outcomes to another
17 buyer in addition to the company,
- 18 • Double issuance, in which an intervention record representing the exact same intervention
19 is created more than once with the same or between distinct systems of record, and
- 20 • Double claiming, in which the same intervention outcomes are claimed by more than one
21 company within a discrete claim category (e.g. two companies claimed the same
22 intervention outcomes to address the same types of emissions in comparable value
23 chains, where co-claiming between these companies is not valid).

24 Co-claiming is addressed in [Chapter 12, Appropriate Co-claiming](#).

25 Companies can mitigate these risks by working with their intervention host to ensure that they are
26 taking steps to prevent all forms of erroneous double counting, and by using a system of record
27 that conveys unique intervention records (see [Chapter 5, System of Record](#)).

28 Further Details on Requirements & Recommendations

29 In order to claim specific intervention outcomes, Companies shall demonstrate that they have a
30 right to the outcomes for the purposes of reporting, through the following:

¹⁵ See Chapter 12, Appropriate Co-Claiming for details on value chain layers.

1 11.1 Intervention Record

2 Companies shall be in possession of the related intervention record (see [Chapters 5, System of](#)
3 [Record](#) and [6, Intervention Record Information](#)), which is:

- 4 • retired in their name prior to expiration and
- 5 • within its reporting timeframe (see [Chapter 13, Record Claim Timing](#)).

6 11.2 Agreement

7 Companies shall demonstrate that they have a legally binding agreement that incorporates the
8 following with their intervention host:

- 9 1. The company and intervention host agree to the degree that the intervention outcomes
10 can be co-claimed, and how any co-claims will be managed and tracked, which is
11 consistent with the requirements in [Chapter 12, Appropriate Co-claiming](#).

12 Beyond any agreed co-claiming exclusions in (1):

- 13 2. The intervention host agrees to not sell the intervention outcomes to another company,
14 including as another type of product (e.g. if selling unbundled intervention attributes of a
15 product to the company, the host may not sell a physical product with those same bundled
16 attributes nor intervention outcomes formatted as a project to another company).
- 17 3. The intervention host agrees to not issue the intervention outcomes more than once
18 (neither multiple times within a given system of record, nor in multiple discrete systems of
19 record).
- 20 4. The intervention host agrees to not allow other companies to use the specific contracted
21 intervention outcomes as an input to their own emissions reporting.

22 Example

23 A company with cotton processing emissions in its value chain partners with an intervention host
24 (cotton processor) to reduce the emissions profile of their processing activities. To credibly claim
25 the emissions outcomes associated with this intervention, the company takes several steps to
26 establish its unique right to report.

27 The company signs a contract with the cotton processor. The contract confirms that the company
28 has the unique right to report the emissions reductions associated with the intervention. The
29 contract also notes that an intermediary within the cotton supply chain is also authorized to co-
30 claim the emissions profile of the intervention, and states that the processor will facilitate this
31 transfer to the intermediary, and that the company may not pass this right to report on to any other
32 companies.

33 Beyond the co-claiming provision, the contracts prohibit the cotton processors from reselling the
34 intervention outcomes in any form. The contract also prohibits issuing the same outcomes more
35 than once, whether in the same system of record or across multiple systems of record.
36 Additionally, the intervention contract stipulates that the cotton processor will publicly disclose to
37 other customers that the impact of this intervention cannot be used in their own inventory
38 reporting.

1 After the intervention occurs, the company receives an intervention record from the cotton
2 processor, which was issued through the agreed system of record. This record, which includes all
3 necessary information, is retired in the company's name before expiration and falls within the
4 eligible reporting period.

5

1 Chapter 12: Appropriate Co-claiming

2 Requirements

3 Companies operating in different value chain layers (one company per layer) may co-claim
4 intervention outcomes in cases where emissions from the related (sub)component would typically
5 be reported in each of the value chain layers.

6 When intervention outcomes are communicated separately from a physical product, a reporting
7 entity other than an intervention host shall not pass on the right to report an intervention outcome
8 to a company in another value chain layer unless explicitly permitted to do so by the intervention
9 host.

10 Explanation

11 For most products, the same emissions are reported in multiple company inventories spanning
12 multiple value chain layers. A value chain layer describes a unique role within a value chain.
13 Companies in a value chain layer report value chain emissions for a product associated with that
14 unique role, and those reported product emissions often overlap with emissions reported by a
15 different company operating in the same value chain, but within a different layer.

16 Because of this and the fact that the nature of these value chain intervention efforts often require
17 collaboration among multiple stakeholders across value chain layers, it is important to enable
18 appropriate co-claiming, while also preventing inappropriate co-claiming.

19 In order to prevent double counting where a unique right to claim may have been given by the
20 intervention host to a different company for a certain value chain layer, companies may not pass
21 on a right to claim intervention outcomes to other entities in their value chain unless explicitly
22 permitted to do so by the intervention host.

23 Further Details on Requirements & Recommendations

24 12.1 Determining Appropriate Value Chain Layers

25 Where emissions of a product are typically reported in multiple value chain layers, multiple claims
26 can be made, one at each of those specified value chain layers.

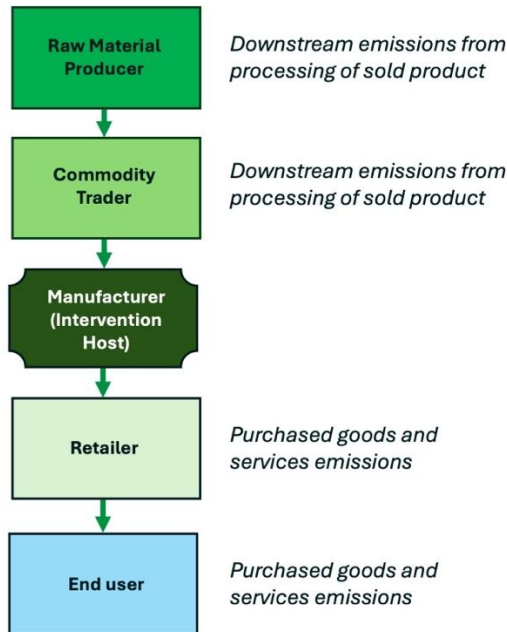
27 To inform which value chain layers may co-claim intervention outcomes, the intervention host
28 shall disclose the end use of the physical good or service to the company, if known, in the
29 intervention record or other documentation.

30 Companies shall agree with their intervention host the extent to which they can co-claim the
31 intervention outcomes (see [Chapter 11, Unique Right to Report](#)).

1

FIGURE 6: VALUE CHAIN LAYERS

Value Chain Layers
In any given value chain, multiple companies often report the same emissions from different perspectives



2

3

4 12.2 Preventing Double Claiming

5 When a company is given the unique right to report the intervention outcomes for a certain value
6 chain layer and not explicitly provided the right to pass on that lower emission profile or emission
7 reduction value to their supplier or customer, they shall not do so, to prevent double counting
8 where a unique right to claim has been separately given to a different company for another value
9 chain layer.

10 The intervention host shall not disclose the intervention outcomes such that their other customers
11 or suppliers can use this data as input to their own emissions reporting, because they may enable
12 duplicative co-claiming within a given value chain layer, or double claiming. See [Chapter 11,](#)
13 [Unique Right to Report](#), and [Chapter 15-2, Transparent Disclosure for Hosts](#), for additional
14 requirements regarding host claims and reporting.

15 All of the allowable value chain layers must be appropriately disclosed using an appropriate
16 system of record (see additional detail in the [“Transparent Disclosure” chapter](#), 15-1 and 15-2,
17 and [Chapter 5, System of Record](#)).

18

19

1 **Example**

2 A food and beverage company purchases a certificate that represents green ammonia
3 environmental attributes to address its value chain emissions from the use of fertilizer in
4 agriculture.

5 A typical food value chain for a packaged product sold at a grocery store is long, and multiple
6 companies along this value chain account for and report emissions from fertilizer production in
7 agriculture upstream of their activity. In particular, alongside this food and beverage company, an
8 agricultural trading company that sources crops from farmers and a grocery company also have
9 upstream scope 3 emissions from fertilizer production. These three companies have different
10 types of roles and therefore emissions responsibilities for the same activity in their respective
11 supply chains. The food and beverage company and the grocery company in this case share the
12 cost premium of the green ammonia intervention.

13 The agreement between the food and beverage company and the intervention host (the ammonia
14 producer) specifies that the emissions outcomes of the ammonia production can be co-claimed
15 between the food and beverage company, the agricultural trader, and the grocery company. The
16 agreement further specifies that the ammonia producer will transfer those intervention records to
17 each company using a registry that tracks these records in parallel. The agreement stipulates that
18 the food and beverage company may not pass on the intervention outcomes to other entities in its
19 value chain to avoid erroneous double claiming.

20 The intervention record transferred to the food and beverage company notes that the ammonia is
21 used to produce calcium ammonium nitrate (CAN), which is a common fertilizer. Intervention
22 records for the other two companies are issued and transferred on the same registry, and their
23 retirement information is public.

24 The ammonia producer publicly discloses intervention outcomes in aggregate in its sustainability
25 reporting and other public documentation but does not share the specific intervention emissions
26 profile with suppliers or customers, other than the three co-claiming companies, to avoid
27 erroneous double claiming.

28

29

1 **Chapter 13: Record Claim Timing**

2 **Recommendation**

3 Intervention outcomes should be claimed as soon as possible after record creation.

4 **Explanation**

5 While claims would ideally occur in the same calendar year the intervention outcome occurred,
6 multiple factors influence the amount of time that may reasonably pass before claiming is possible.
7 In particular, Scope 3 inventory data can be quite variable from year to year due to factors outside
8 a company’s control (strikes, tariffs, regulatory requirements, etc.). The need to match intervention
9 outcomes with specific inventory components in any given year can therefore be challenging,
10 especially in the case of investments with a longer timeframe and consequently less certainty for
11 when reduction outcomes will occur. For this reason, the recommendation for record claim timing
12 is flexible to ensure that this guidance does not prevent or discourage investments.

13 **Further Details on Requirements & Recommendations**

14 Companies should account and report intervention outcomes in a GHG emissions report as soon
15 as possible after record creation. Companies should consult sector- or intervention-specific best
16 practices, where they exist, for reporting timelines relative to vintage.

17 **Example**

18 Reporting company B invested in low carbon concrete and received 5,000 intervention record
19 units in 2025 as agreed in their long-term offtake agreement. Company B had very little
20 construction in 2025 and 2026. As a result, they used 2,000 units in 2025 to cover the eligible
21 (sub)component emissions, an additional 2,000 units in 2026, and the remaining units in 2027.

22

23

1 Chapter 14: Separate Reporting

2 Requirements and Recommendations

3 Companies shall report a complete physical inventory separately from any reporting of
4 intervention outcomes.

5 Companies shall report value chain intervention outcomes in reference to specific emissions
6 scopes and categories, segmented by accounting approach, and in mutually exclusive ledgers.¹⁶
7 Interventions that exceed value chain activity or that do not target value chain emissions shall be
8 reported as beyond value chain mitigation separately.¹⁷

9 Explanation

10 Separate reporting for various types of interventions is important to maintain integrity and
11 transparency. Much of the criticism regarding market-based mechanisms is a result of unclear
12 reporting and transparency requirements, which this guidance seeks to address with separate
13 reporting requirements that are detailed below.

14 This chapter introduces a template for reporting intervention outcomes transparently in reference
15 to the physical GHG emissions inventory and recommends that companies report these emissions
16 totals separately and by scope and category. All of these ledgers could potentially be used
17 towards the fulfillment of a value chain emissions target, as determined by a target setting entity.

18 Further Details on Requirements & Recommendations

19 This standard introduces three separate ledgers, as seen in **Figure 7**:

- 20 1. Physical inventory
- 21 2. Contractual inventory
- 22 3. Impact statements

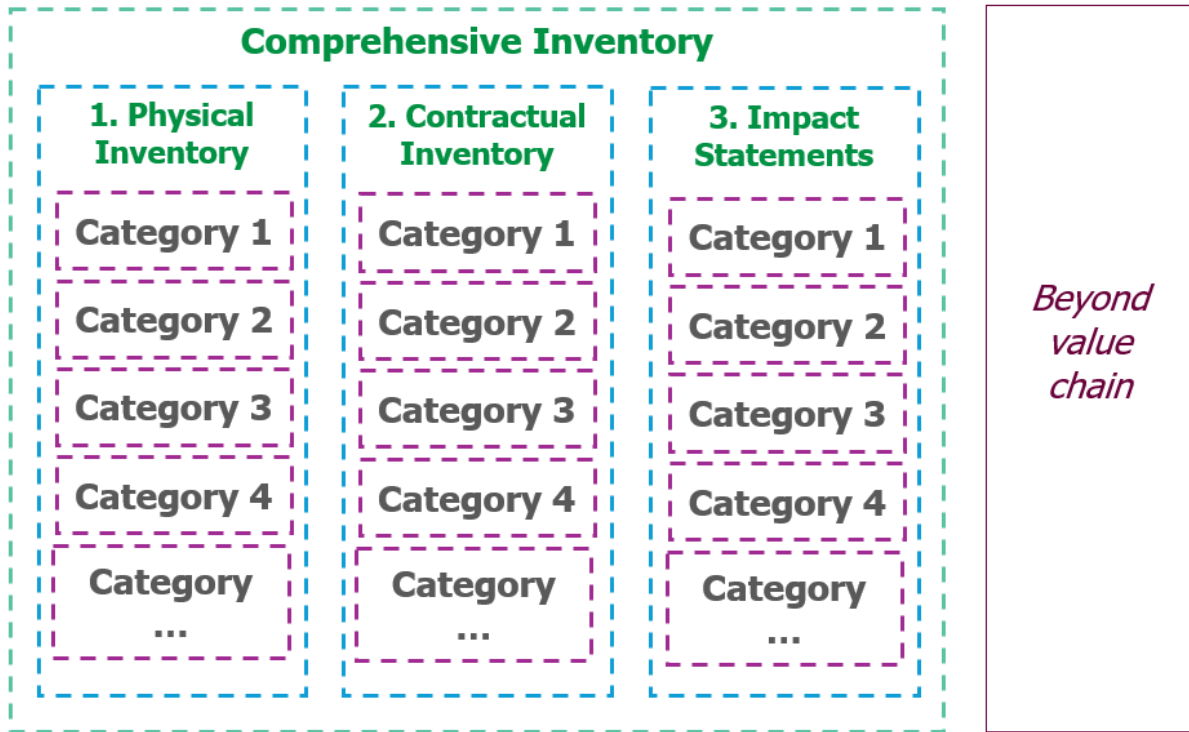
23

¹⁶ This requirement is expected to be updated following publication of the revised suite of GHG Protocol Standards, and in particular the Actions and Market Instruments working group output.

¹⁷ As per Chapter 13, Record Claim Timing, a reporting company may choose to report intervention outcomes in a different year as opposed to reporting intervention outcomes as beyond value chain mitigation, though should report intervention outcomes as soon as possible after record creation.

1

FIGURE 7: INDICATIVE COMPREHENSIVE GHG INVENTORY



2

3

4 **14.1 Physical Inventory**

5 The first ledger, or the physical emissions inventory, is the scope 3 GHG emission inventory
6 prepared according to current GHG Protocol scope 3 emission reporting requirements.
7 Companies shall report a complete physical inventory separately from any reporting of
8 intervention outcomes.

9 Companies shall report value chain intervention outcomes in reference to specific emissions
10 scopes and categories separately from the physical inventory in one of two mutually exclusive
11 ledgers, segmented by accounting approach.

12 **14.2 Contractual Inventory**

13 The second ledger, or the contractual emission inventory, includes the emission footprint of
14 inventory (sub)components as follows:

- 15 • Where an intervention associated with a company’s value chain was implemented for a
16 particular (sub)component, the intervention outcomes are reported based on the
17 Substitution approach, the Enhanced Substitution approach, the Activity Estimation
18 approach, or, if a sector-specific program provides a product intervention accounting
19 method, the Program-Specific approach (see [Chapter 10, Use the Appropriate Accounting](#)
20 [Method](#)).

- 1 • Where a particular (sub)component is not addressed with any interventions, the company
2 reports the same value in the second ledger for that (sub)component as the company
3 reported in the first ledger for that (sub)component.

4 Because ledger two combines market-based accounting and physical inventory reporting, the
5 profile of all interventions captured in ledger two must be calculated using the intervention
6 emissions profile, not the calculated emissions reductions.

7 **14.3 Impact Statements**

8 The third ledger, or impact statement, captures the emission benefit of inventory items calculated
9 based on the Project approach or Program-Specific approaches that use project accounting (see
10 [Chapter 10, Use the Appropriate Accounting Method](#)). As such, the third ledger only includes
11 emissions reduced, avoided or removed as compared to a project baseline, and are reflected as
12 a negative mass of CO₂e.

13 The emission benefit from a project captured in the third ledger shall not also be applied to the
14 calculation of an emission intensity that is reflected in the second ledger¹⁸. However, different
15 interventions for a specific inventory (sub)component, may be reflected across the second and
16 third ledgers.

17 **14.4 Beyond Value Chain**

18 Intervention outcomes not associated with a company value chain as per the *Association Test*, as
19 well as removals and avoided emissions that do not meet the criteria detailed in [Chapter 9,](#)
20 [Removals and Avoided Emissions Accounting](#), shall be reported separately as beyond value
21 chain mitigation or in a separate reporting year, per [Chapter 13, Record Claim Timing](#).

22 **Example**

23 A company has scope 3 emissions from copper production.

24 In one scenario, the company purchases EACs representing lower-emissions copper production
25 and applies the intensity of that intervention to ledger two following the enhanced substitution
26 approach. This purchase of EACs addresses half of the amount of copper (by mass of copper) for
27 which the company is responsible in its physical inventory. The company funds a decarbonization
28 project (funding a retrofit of a furnace that improves efficiency and enables fuel switching) to
29 address the emissions associated with the remaining copper in its footprint (the half of the copper,
30 by mass of copper, not addressed by the first copper intervention). The benefits of the project are
31 captured in ledger three of the company's emission inventory.

32 In another scenario, the company purchases EACs to address all of the copper, by mass, in its
33 physical inventory. The company reports these intervention outcomes in ledger two, based on the
34 Activity Estimation method. While there still may be copper emissions remaining in ledger two
35 after the EAC purchase (if the intervention does not result in copper with a zero-emission

¹⁸If a company decides to report on the emission benefit calculated for an intervention reported in the second ledger, the company may do so separately in an appendix.

1 intensity), those remaining emissions are not eligible for a project-based intervention that would
2 be captured in ledger three. Applying project-based emission benefits to the remaining copper
3 emissions would be addressing emissions from more copper than was associated with the
4 company's physical inventory.

5 In a third scenario, the company funds a project (the furnace retrofit) with emission outcomes, in
6 mass of CO₂e, that are equal to the mass of CO₂e associated with copper in the company's
7 physical inventory and reports those emission benefits in ledger three. The company cannot then
8 apply the emission intensity of a separate copper intervention to its inventory ledger two.

9

10

1 **Chapter 15-1: Transparent Disclosure for Scope 3 Claimant**

2 **Requirements**

3 Companies shall supplement their comprehensive scope 3 GHG emission inventory with:

- 4 • A list of interventions accounted for in the inventory.
- 5 • The GHG inventory (sub)component associated with each intervention.
- 6 • The accounting approach applied in calculating the emission profile of the intervention.

7 Companies should also report supplemental intervention details, where relevant.

8 **Explanation**

9 In order to support credible value chain claims, companies should be transparent about the
 10 interventions that they are supporting, how those interventions relate to their physical emission
 11 inventory, and how the profile of interventions are calculated for inclusion in the company’s market
 12 based or impact-based reporting.

13 **Further Details on Requirements & Recommendations**

14 The list of interventions and their associated information may be appended to the comprehensive
 15 scope 3 GHG emission inventory as a list, in a table, or in another format, depending on the
 16 number of interventions and the format of the company’s inventory.

17 Recommended supplemental intervention details that can be reported for each intervention are
 18 detailed in Table 3.

19 **TABLE 3: SUPPLEMENTAL INTERVENTION DETAILS TO BE REPORTED**

Quantities	Intervention Details	Intervention Record Details	Accounting Approach
Product or service quantity, if product-based intervention	Name	System of record (e.g. registry name)	Inventory (sub)component
	Description	Intervention/unit ID	
Addressable quantity of value chain activity, if applicable for project-based interventions	Location	Proof of retirement	
	Technology and/or process type	Standard or Methodology (multiple if applicable)	Accounting method
Emissions outcomes (CO ₂ e)	Commercial operation year		
	Vintage(s)	Auditor(s)	

21 **Example**

22 A company purchases certificates representing a heavy-duty trucking decarbonization
 23 intervention, calculates the emissions footprint of those certificates based on the Enhanced

1 Substitution approach, and includes the emissions outcomes in ledger two of its comprehensive
2 scope 3 GHG emission inventory. These trucking certificates are the only interventions the
3 company reports on during a given reporting period. At the end of the emission inventory, the
4 company includes a note that reads, “The emission profile of trucking certificates from XXX were
5 calculated according to the Enhanced Substitution approach and included in ledger two towards
6 the transport emission footprint in scope 3, category 4.”

7 Another company purchases EACs for a series of decarbonization interventions across several
8 inventory subcomponents. This company includes a list of these interventions in tabular form at
9 the end of the emission inventory as follows:

10

Intervention	Associated Inventory (Sub)component	Accounting Method
Steel certificates from AAA	Steel (scope 3, category 1)	Activity Estimation
Steel Decarbonization Project with BBB	Steel (scope 3, category 1)	Project
Heavy Duty Trucking certificates from CCC	Trucking (scope 3, category 4)	Enhanced Substitution
Aviation Fuel certificates from DDD	Air Transport (scope 3, category 4)	Substitution
Copper certificates from EEE	Copper (scope 3, category 1)	Activity Estimation

11

12

1 Chapter 15-2: Transparent Disclosure for Host

2 Requirements

3 Companies shall contractually require intervention hosts to disclose emissions information
4 according to the following conditions in order to avoid erroneous double claiming of intervention
5 outcomes.

6 Explanation

7 Intervention hosts have an important role to play in reducing the risk of erroneous double claiming.
8 They can do so by making appropriate disclosures to the physical customers (or suppliers, where
9 relevant) of products that have been decoupled from intervention outcomes. Those physical
10 customers or suppliers should be informed of the residual emissions associated with the physical
11 product and not provided the right to report emissions data associated with the lower-carbon
12 product.

13 Further Details on Requirements & Recommendations

14 15-2.1 Disclosure in general communications

15 Intervention hosts may disclose emissions information that includes the intervention outcomes in
16 their own emissions reporting. For example, an intervention host that implements a product
17 intervention would likely include the intervention emission profile in their overall disclosure of their
18 physical emissions, as part of an average emissions footprint for that product type (e.g., in a
19 sustainability report), or through a sustainability performance ranking platform. A similar situation
20 could apply to project interventions.

21 However, when making general declarations about their emission performance, the intervention
22 host shall clarify that the footprint reflected in those declarations *does not* apply to any specific
23 customer and that customers should contact them for their appropriate emissions value.

24 In order to further increase transparency, intervention hosts should also:

- 25 • publicly disclose a list of interventions they have hosted, including technology or process
26 changes implemented and intervention outcomes, and
- 27 • publicly disclose the impact of the interventions hosted on their emissions inventory
28 and/or, where relevant, the emissions intensity of particular products, and how this
29 information may or may not be used by customers and suppliers.

30 15-2.2 Disclosure to buyers of intervention attributes

31 As detailed in [Chapters 5, System of Record](#) and [6, Intervention Record Information](#), intervention
32 hosts shall disclose intervention outcomes to buyers in an intervention record.

33

1 **15-2.3 Disclosure to physical customers who do not purchase intervention attributes**

2 Intervention hosts shall not disclose information that includes the specific intervention outcomes
3 to physical customers in bids, customer surveys, or by other means. When making such
4 statements, the intervention host shall clarify that the emissions profile reflected in the bid, survey,
5 etc., is the appropriate footprint to use by the customer for the customer’s reporting purposes.
6 That is, the publicly available information may not be appropriate for the specific customer.
7 Intervention hosts may also consider contractually specifying what emissions claims their
8 customers and suppliers can make about the products they purchase.

9 **Example**

10 An aluminum producer operates two aluminum foundries. The emission performance of the two
11 foundries is effectively equivalent, until the producer implements a series of decarbonization
12 measures at one of the facilities. Following the implementation of these measures, the aluminum
13 producer (the intervention host) sells the emission profile of the decarbonized foundry output by
14 means of EACs.

15 **Disclosure in General Communications**

16 The aluminum producer publishes an annual sustainability report in which it reports on the
17 overall emission intensity of aluminum from its foundries. Because the emission intensity of
18 produced aluminum disclosed in the sustainability report includes aluminum production whose
19 attributes were sold to specific companies, the aluminum producer includes a prominent
20 statement in their sustainability report that reads:

21 *The greenhouse gas emission intensity information presented here reflects*
22 *decarbonization activities whose benefits were attributed to specific customers. The*
23 *emission intensity presented here is therefore an average that is not appropriate for use*
24 *in a customer-specific greenhouse gas emission calculation. Customers are encouraged*
25 *to contact us directly for information on the emission intensity appropriate for use in their*
26 *greenhouse gas emissions calculations.*

27 This statement serves as a control against the inadvertent use of the sustainability report average
28 emissions intensity by a customer for the customer’s emission reporting.

29 **Disclosure to Physical Customers who Do Not Purchase Intervention Attributes**

30 The producer discloses the emission profile of non-decarbonized aluminum to its physical
31 customers (i.e., customers who physically procure aluminum from the producer) by means of
32 customer-specific declarations. The intensity of aluminum production on these declarations will
33 be higher than the emission intensity reflected on either the EAC intervention records or in the
34 producer’s sustainability report, as the emission intensity on these declarations only reflects the
35 baseline aluminum production.

36

1 Chapter 16: Assurance to AIM Platform Standard and Guidance

2 Recommendations

3 Companies should secure third party assurance that they meet the requirements in this document
4 as well as the *Association Test* in order to claim intervention outcomes in their GHG emissions
5 reporting. Assurance should be at least to a limited level, but reasonable assurance is
6 encouraged.

7 Explanation

8 It is good practice to undergo third party assessment to evaluate conformance with a standard or
9 set of guidelines (see [Chapter 1, Assure Outcomes and Other Impacts](#)). In particular, this practice
10 is common in GHG emissions reporting, in which companies typically undergo third party
11 assessment of their emissions estimates to relevant GHG emissions accounting standards and
12 guidance, such as the Greenhouse Gas Protocol.

13 Further Details on Requirements & Recommendations

14 The application of intervention outcomes to a company's GHG inventory should be assured by a
15 third party, in line with this standard.

16 Companies should choose assurance providers that are independent of, and have no conflicts of
17 interest with, the intervention reporting process.

18 Companies should report the assurance statement in their GHG emissions report. The assurance
19 statement should include:

- 20 • The level of assurance achieved (limited or reasonable) including assurance opinion or
21 the critical review findings
- 22 • Confirmation that the assurance was performed by a third party
- 23 • A summary of the assurance process
- 24 • The relevant competencies of the assurance providers

25 Example

26 An apparel group funds two types of supply chain decarbonization projects, including the
27 sourcing of raw materials that are verified to have a lower lifecycle carbon footprint than those
28 they replace, and increasing renewable energy at suppliers' textile mills.

29
30 To claim these intervention outcomes in its GHG emissions reporting, the company enlists an
31 independent third-party assurance provider to issue limited assurance at a minimum. The
32 provider creates an assurance report that confirms:

- 33
34 • Independence from both the company and the intervention host
- 35 • Level of assurance provided (limited or reasonable)

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- Conformance of the intervention with the AIM Platform requirements outlined in the *Association Test* and the *Quality, Accounting, and Reporting Standard and Guidance*

The company then publishes its annual sustainability report, where it specifies the level of assurance, a statement that an appropriate third party conducted the assurance, and a summary of the assurer’s methods and applicable expertise and qualifications.

1 Section V: Appendices

2 Appendix A: Glossary

Term	Source	Definition
Activity	AIM Platform	<p>The amount of product or service (e.g. tonne miles of transport activity or tonnes of steel) associated with a certain amount of GHG emissions.</p> <p>For example, tonne miles of transport activity or tonnes of steel represent activity for transport and steel production, respectively. Activity data, when considered along with a GHG emission footprint for that activity, can be used to determine the GHG emission intensity of production (e.g., mass of CO₂e per tonne mile of transport activity or mass of CO₂e per tonne of steel production).</p> <p>Also referred to as “(sub)component volume”.</p>
Activity estimation approach	AIM Platform	<p>The activity estimation approach is appropriate for accounting for interventions when the activity data for inventory items is not available, as emission footprints for inventory (sub)components are calculated using a spend-based process.</p> <p>The activity estimation approach involves estimating activity levels for the relevant inventory components, and then applying the intervention emissions outcomes to those estimates.</p>
Assessment	AIM Platform	A process of evaluating whether a product, process, or claim meets relevant requirements.
Assurance	AIM Platform	A process of determining to what extent, and to what level of confidence an assessment object meets criteria in an audit process.
Attribution	ISEAL Chain of Custody Models Guidance	The process of assigning specified characteristics to outputs within a chain of custody system boundary.
Avoided emissions	Adapted from GHG Protocol	<p>An estimate of the emissions benefit (e.g. GHGs that were not emitted) that occurs as a result of avoiding an emissions-intensive process, as determined in comparison with a baseline.</p> <p>For example, using municipal solid waste for sustainable aviation fuel (SAF) production can avoid emissions associated with landfilling that would otherwise occur if that waste were not collected and processed to produce SAF.</p>
Backstop climate policy	AIM Platform	In given regulatory program, an obligation specific to the intervention in question may not exist, but that intervention can still contribute to the cumulative emission reduction program obligations under the regulation. This contribution of emission reductions to the regulatory program results in the displacement of emission reductions that would have

		otherwise occurred through obligated entities under the regulatory program. In some cases, a parallel regulatory program may exist on those same obligated parties that applies an independent obligation to reduce or control emissions on those same entities, which mitigates the impact of emission reduction displacement from the original program due to the contribution from the intervention in question.
Baseline	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	A hypothetical scenario for what GHG emissions would have been in the absence of an intervention.
Beyond Value Chain Mitigation (BVCM)	SBTi Glossary	Mitigation action or investments that fall outside a company's value chain.
Book and Claim	ISEAL Chain of Custody Guidance	A chain of custody model that enables attributes of a product to be decoupled and transferred separately from the physical flow of material or product through a supply chain.
Bundled	AIM Platform	A circumstance where a physical product and its characteristics are transferred together (as opposed to unbundled, where they are separated and can be transferred and claimed separately).
Carbon Intensity [as regulated under a program]	AIM Platform	Programs that aim to reduce emissions relative to productivity or performance, typically measured as carbon or CO2 emitted per unit of activity product, or service. These programs do not necessarily reduce total emissions outright.
Claim(ed)	AIM Platform	The process of disclosing intervention outcomes in the context of GHG emissions reporting. This disclosure follows retirement of an intervention record in a system of record.
Climate-related	AIM Platform	Pertaining to GHG emission reductions, or technologies or behaviors that directly result in GHG reduction outcomes
Co-Claiming	Adapted from Value Chain Initiative: Building the Case for Value Chain Interventions (2024)	When intervention outcomes can be claimed by two or more organizations within the same value chain for GHG emissions reporting. Co-claims allow sharing the emissions outcomes generated and cost of implementing an intervention between multiple actors that operate in separate value chain layers.
Compliance	AIM Platform	The act or state of meeting all the program obligations of a regulatory program.
Component	AIM Platform	The products companies directly purchase and sell across their value chains. Components include: 1) products purchased from direct (Tier 1) suppliers, 2) products sold to a company's customers (either end users or business-to-business customers), and 3) employee commuting activities (although most companies do not "purchase" employee commuting activities, for the purposes of the <i>Association Test</i> employee commuting activities are inventory subcomponents).

Co-product	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	One of multiple types of products produced by a single facility or other system that has a market value.
Definitive reduction in atmospheric emissions	AIM Platform	The circumstance in which a regulatory program will produce, with a high level of certainty and assurance, a quantifiable reduction in GHG emissions.
Double Counting	AIM Platform	The risk that an intervention outcome is erroneously accounted for more than once.
Economy-wide emissions	AIM Platform	The net emissions from every sector in the economy of the statutory authority implementing a combination of regulatory programs.
Emission Factor	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	A factor that converts activity data into GHG emissions data (e.g., kg CO ₂ e emitted per liter of fuel consumed, kg CO ₂ e emitted per kilometer traveled, etc.).
Emissions Intensity	SBTi Glossary	Emissions per a specific unit, for example: tCO ₂ e/\$million invested, tCO ₂ e/MWh, tCO ₂ e/ton produced, tCO ₂ e/\$million company revenue.
Emissions	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	The release of greenhouse gases into the atmosphere.
Emissions Profile	AIM Platform	The greenhouse gases emitted through a product's life cycle, from raw material extraction, to manufacturing, distribution, use, and disposal, per unit.
Emissions Reduction	AIM Platform	The total change in emissions of an intervention as compared to its baseline emissions.
Enhanced substitution approach	AIM Platform	An accounting method appropriate for situations where intervention product type and inventory (sub)component do not perfectly match, that involves calculating the emission benefit of an EAC per unit of activity represented on the EAC, by comparing the emission footprint of the intervention with the activity that was theoretically displaced. It then applies the benefit of each unit of EAC activity to the amount of activity for which a company has purchased EACs.
Environmental Attribute Certificate (EAC)	AIM Platform	Intervention attributes that are conveyed separately from a physical product or service through a book and claim system.
Environmental Product Declaration (EPD)		An independently verified, third-party document reporting a product's environmental impacts—most notably GHG emissions—over its full life cycle, calculated via Life Cycle

		Assessment (LCA) following ISO standards and Product Category Rules.
Ex-ante	Adapted from ISO	An assessment prior to intervention occurrence, used to validate criteria.
Ex-post	Adapted from ISO	An assessment after intervention occurrence, used to verify criteria.
Good	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	A tangible product.
Greenhouse Gas (GHG) Inventory	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	A quantified list of an organization's GHG emissions and sources.
Incentive program	AIM Platform	A program that rewards or benefits certain behaviors or actions with the goal of producing an outcome in line with policy objectives.
Intervention	AIM Platform	A value chain associated activity that reduces or removes GHG emissions from the atmosphere.
Intervention Host	AIM Platform	An entity that implements the intervention, or owns or control the site where the intervention is implemented or occurs.
Intervention Outcome	AIM Platform	The emissions (also known as "emissions profile") and/or emissions reduction or removal benefit of an intervention.
Intervention Unit Volumes [as regulated under a program]	AIM Platform	Programs that track and/or assign value to a specific quantity or volume of intervention units, such as offsets or renewable energy credits, representing actions intended to mitigate emissions.
Level of Assurance	AIM Platform	The degree of confidence with which an auditor assesses something (here, an intervention host's practices or a company's GHG emissions report) against criteria. Assurance can be provided to a limited or reasonable level.
Life cycle assessment (LCA)	ISO 14040:2006	Compilation and evaluation of the inputs, outputs, and potential environmental impacts of a product system throughout its life cycle.
Mass Balance	ISEAL Chain of Custody Guidance	A chain of custody model in which certified input materials are mixed according to defined criteria with non-certified materials, and where there is no guarantee of physical presence of specified characteristics in a material.
Methodology	AIM Platform	An auditable, set of requirements for project or product outcomes.

Net Emissions [as regulated under a program]	AIM Platform	Programs that aim to reduce the total amount of greenhouse gases released into the atmosphere, reflecting overall climate impact.
Non-climate-related	AIM Platform	Not pertaining to related to GHG emission reductions, or technologies or behaviors that directly result in GHG reduction outcomes.
Obligation specific to the intervention	AIM Platform	The circumstance in which a regulatory program requires an action or outcome of a regulated entity that is a key input to producing the emission reduction outcome of the intervention action to demonstrate compliance.
Other Impact	AIM Platform	The broader set of effects of the intervention (beyond emissions outcomes).
Outcome or Emission Outcome	AIM Platform	An outcome is the emissions (also known as “emissions profile”) and/or emissions reduction or removal benefit of the intervention.
Process	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	A set of interrelated or interacting activities that transforms or transports a product.
Product	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	Any good or service.
Program	AIM Platform	A system or set of activities, derived from statutory authority, which defines and administers the objectives, rules, guidelines, and actions required to meet statutory directives.
Program obligation	AIM Platform	The actions or outcomes required of entities under the legal jurisdiction of a regulatory program
Project	AIM Platform	A specific activity or set of activities designed to reduce, remove, and/or avoid greenhouse gas (GHG) emissions.
Project-Based Accounting	Greenhouse Gas Protocol. Inventory and Project Accounting: A Comparative Review	Project-based accounting, also known as consequential accounting, estimates the impacts or changes in GHG emissions resulting from specific projects, actions, or interventions relative to a counterfactual baseline scenario. It is the primary method used to evaluate the emission effects of projects by comparing emissions and removals that happen in the project scenario with an estimate of what would have happened without the intervention. The project-based accounting approach evaluates system-wide emissions impacts of the project or intervention in question, without regard to the reporting company’s operational or organizational inventory boundary.
Publicly available	AIM Platform	Accessible for use - either for free or at a cost - by any pertinent entity.

Registry	AIM Platform	A digital platform that enables consistent issuance, transfer and retirement of intervention records.
Regulatory program	AIM Platform	A program that defines legally binding rules, obligations, and penalties meant to direct behavior and produce an outcome within the legal jurisdiction of the program.
Regulatory surplus	AIM Platform	Demonstration that intervention emissions outcomes (i.e. emissions benefits) exceed what is required by law.
Removal	ISO Net Zero Guidelines (2022 IWA)	Withdrawal of a greenhouse gas from the atmosphere as a result of deliberate human activities
Separate reporting	AIM Platform	The distinct disclosure of a complete physical inventory separately from reporting the outcomes of value chain interventions. Reported intervention outcomes should be mutually exclusive and segmented by the GHG accounting approach.
Service	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	An intangible product.
Site	AIM Platform	A system boundary equivalent to a facility or single operating unit level, at which chain of custody and other criteria apply.
Standard	AIM Platform	An auditable procedure that details a robust approach for evaluating and confirming the characteristics, outcomes, and/or other impacts of a product or project. A standard describes a formal assurance process that includes a detailed auditing procedure. Some standards include and require use of specific methodologies in addition to the high-level standard.
Subcomponent	AIM Platform	Intermediate products that are inputs to the components. Subcomponents include: 1) input products used to produce components and, 2) downstream products and process outputs.
Substitution approach	AIM Platform	An accounting method for product interventions that involves replacing the emission profile of an inventory component or subcomponent in a company's emission report with the emission profile of the intervention associated with that inventory component or subcomponent.
Supplier	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	An entity that provides or sells products to another entity. Here, a supplier is often an intervention host, but a supplier may be downstream of an intervention host in some cases.
Supply Chain	GHGP Corporate Value Chain	A network of organizations (e.g., manufacturers, wholesalers, distributors and retailers) involved in the production, delivery, and sale of a product to the consumer.

	(Scope 3) Accounting and Reporting Standard	
System of record	AIM Platform	The process and tools through which records that detail intervention outcomes are created and transferred to one or more reporting companies to enable claims.
Unbundled	AIM Platform	A circumstance where a physical product and its characteristics are transferred separately (as opposed to bundled, where they are linked and transferred together).
Validation	ISO 14064	Process for evaluating the reasonableness of the assumptions, limitations and methods that support a statement about the outcome of future activities
Value Chain	AIM Platform	All of the upstream and downstream activities associated with the operations of the reporting company, including the use of sold products by consumers and the end-of-life treatment of sold products after consumer use.
Value Chain Emissions	GHGP Corporate Value Chain (Scope 3) Accounting and Reporting Standard	Emissions from the upstream and downstream activities associated with the operations of the reporting company.
Verification	ISO 14064	Process for evaluating a statement of historical data and information to determine if the statement is materially correct and conforms to criteria.
Vintage	AIM Platform	The year of intervention occurrence.

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1 Appendix B: Standards and Methodologies

2 Below is a resource of broadly used and publicly available standards that apply to certain
 3 intervention types and more broadly, assessed across their coverage of AIM criteria requirements.
 4 This is not an exhaustive list and is not intended to serve as a formal reference of recognition.

5

Standard or Methodology Name	Standard or Methodology Holder(s)	Standard or methodology	Product or project	Sector(s)	Accurate Emission Outcome	Stakeholder engagement and social & environmental safeguards
ICAO CORSIA	RSB, ISCC	Standard	Product	Sustainable Aviation Fuel		
EU RED	RSB, ISCC, etc.	Standard	Product	Fuels and Energy		
RSB Global	RSB	Standard	Product	Fuels, Chemicals		
ISCC PLUS	ISCC	Standard	Product	Fuels, Chemicals		
Responsible Steel	Responsible Steel	Standard	Product	Steel		
ASI	ASI	Standard	Product	Aluminum		
PCR for Precast Concrete	ASTM International	Methodology	Product	Concrete		
VERRA	VERRA	Standard with sub-methodologies	Project	Multi-Sector		
ISO 14067:2018 Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification	ISO	Standard	Product	Multi-Sector		
Soil Organic Carbon Framework Methodology	Gold Standard	Methodology under a Standard	Project	Agriculture		
The Product Environmental Footprint (PEF)	European Commission	Methodology	Product	Multi-Sector		
Electricity and heat generation from biomass	UNFCCC	Methodology	Project	Energy		
SCS-115	SCS Standards	Standard	Product	Chemicals		

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1 Appendix C: Regulatory Surplus Decision Tree and Example Policies

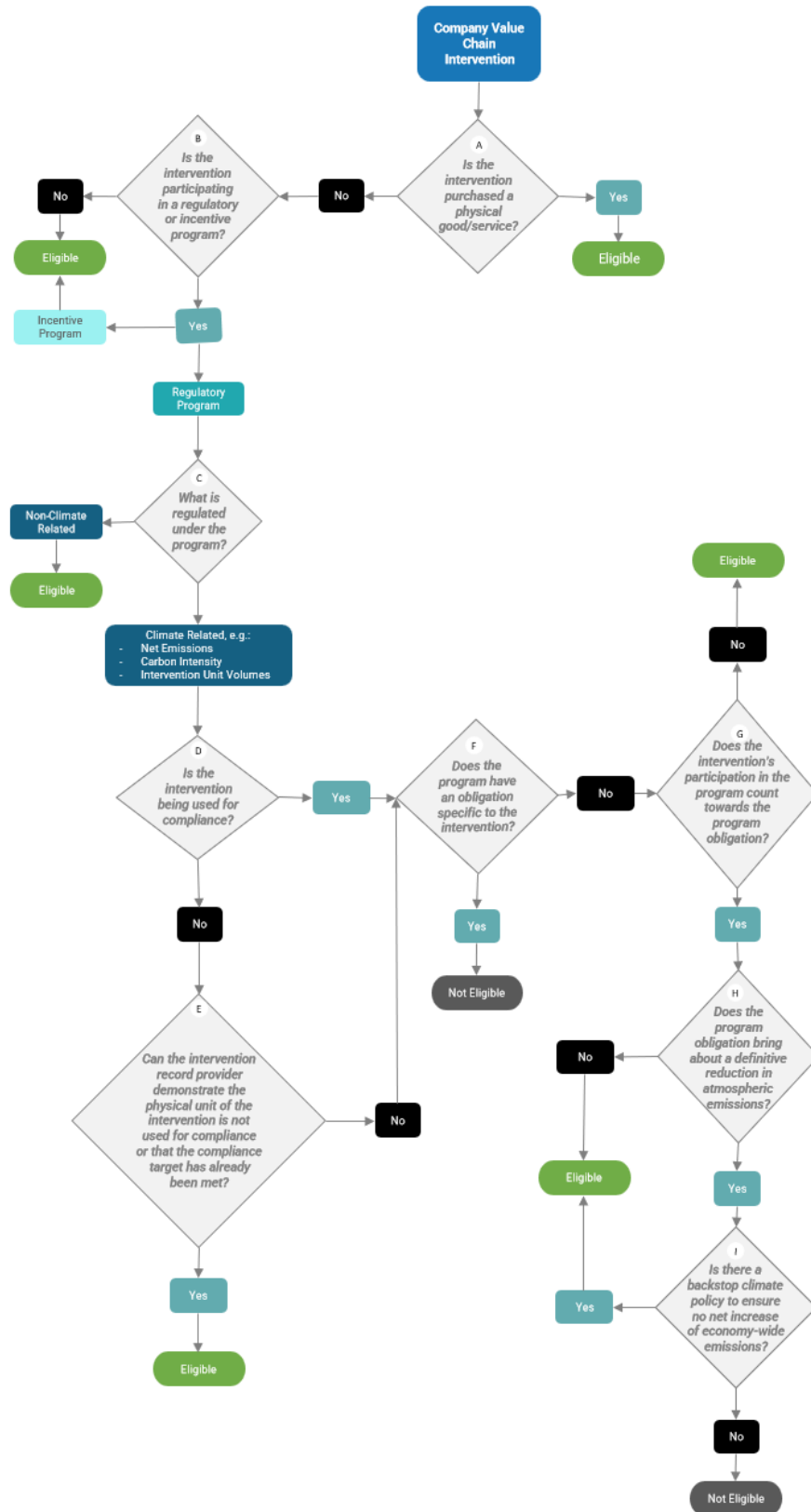
2 This appendix contains additional views of the decision tree for determining regulatory surplus as
3 well as a list of example policies to help the user understand how to apply the tool.

4 The critical terms used in the decision tree are defined as follows:

- 5 • **Regulatory program:** A program that defines legally binding rules, obligations, and
6 penalties meant to direct behavior and produce an outcome within the legal jurisdiction of
7 the program.
- 8 • **Incentive program:** A program that rewards or benefits certain behaviors or actions with
9 the goal of producing an outcome in line with policy objectives.
- 10 • **Climate-related:** Pertaining to GHG emission reductions, or technologies or behaviors that
11 directly result in GHG reduction outcomes
- 12 • **Non-climate-related:** Not pertaining to related to GHG emission reductions, or
13 technologies or behaviors that directly result in GHG reduction outcomes.
- 14 • **“Obligation specific to the intervention”:** The circumstance in which a regulatory program
15 requires an action or outcome of a regulated entity that is a key input to producing the
16 emission reduction outcome of the intervention action to demonstrate compliance.
- 17 • **Compliance:** The act or state of meeting all the program obligations of a regulatory
18 program.
- 19 • **Program:** A system or set of activities, derived from statutory authority, which defines and
20 administers the objectives, rules, guidelines, and actions required to meet statutory
21 directives.
- 22 • **Program obligation:** The actions or outcomes required of entities under the legal
23 jurisdiction of a regulatory program
- 24 • **“Definitive reduction in atmospheric emissions”:** The circumstance in which a regulatory
25 program will produce, with a high level of certainty and assurance, a quantifiable reduction
26 in GHG emissions.
- 27 • **Backstop climate policy:** In given regulatory program, an obligation specific to the
28 intervention in question may not exist, but that intervention can still contribute to the
29 cumulative emission reduction program obligations under the regulation. This contribution
30 of emission reductions to the regulatory program results in the displacement of emission
31 reductions that would have otherwise occurred through obligated entities under the
32 regulatory program. In some cases, a parallel regulatory program may exist on those same
33 obligated parties that applies an independent obligation to reduce or control emissions on
34 those same entities, which mitigates the impact of emission reduction displacement from
35 the original program due to the contribution from the intervention in question.
- 36 • **Economy-wide emissions:** The net emissions from every sector in the economy of the
37 statutory authority implementing a combination of regulatory programs.
- 38 • **Carbon Intensity [as regulated under a program]:** Programs that aim to reduce emissions
39 relative to productivity or performance, typically measured as carbon or CO₂ emitted per
40 unit of activity product, or service. These programs do not necessarily reduce total
41 emissions outright.

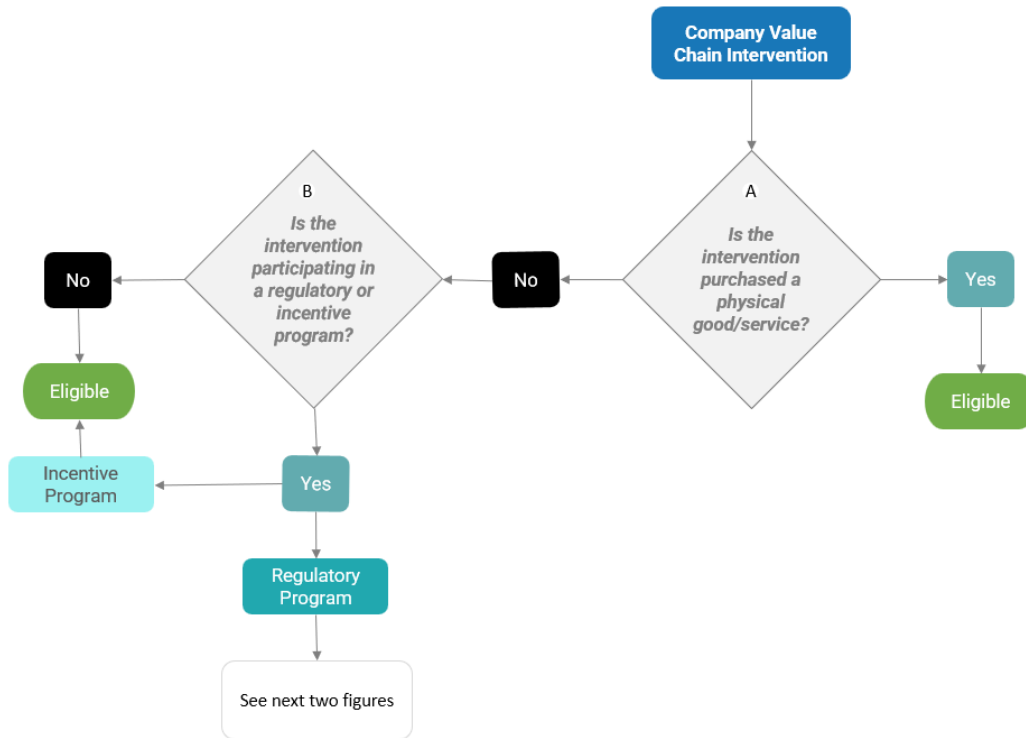
- 1 • **Net Emissions** [as regulated under a program]: Programs that aim to reduce the total
2 amount of greenhouse gases released into the atmosphere, reflecting overall climate
3 impact.
- 4 • **Intervention Unit Volumes** [as regulated under a program]: Programs that track and/or
5 assign value to a specific quantity or volume of intervention units, such as offsets or
6 renewable energy credits, representing actions intended to mitigate emissions.
- 7

FIGURE 8: FULL REGULATORY SURPLUS DECISION TREE



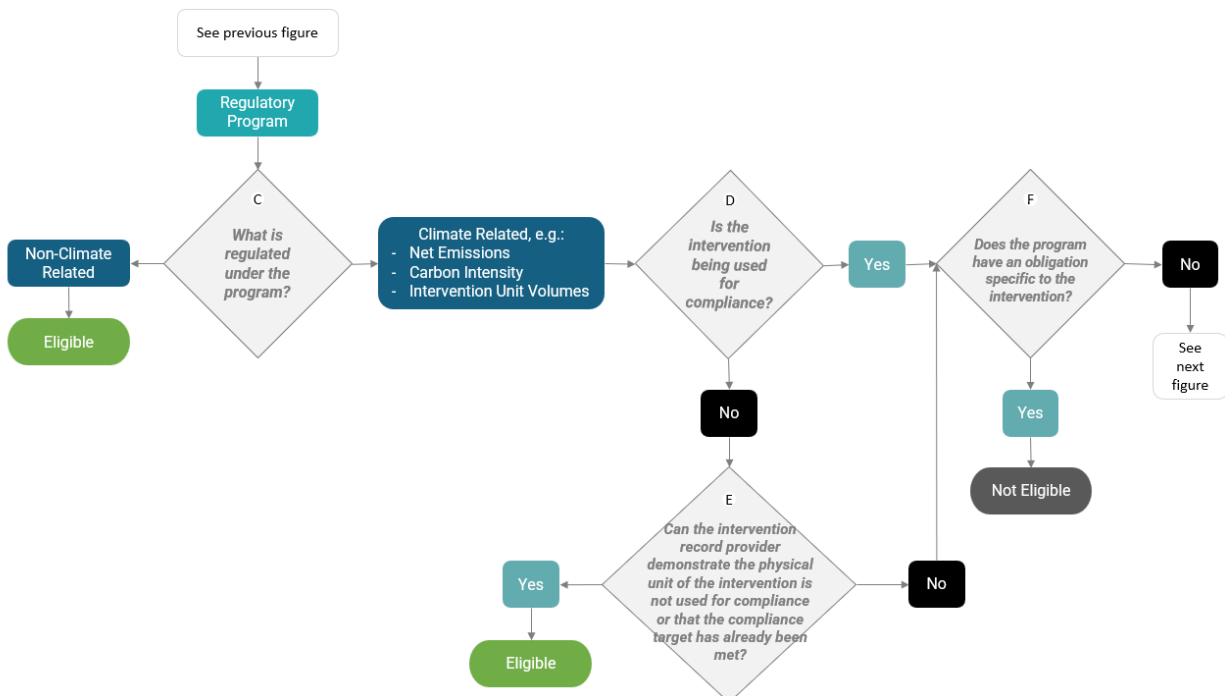
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FIGURE 9: DECISION TREE PART 1 OF 3



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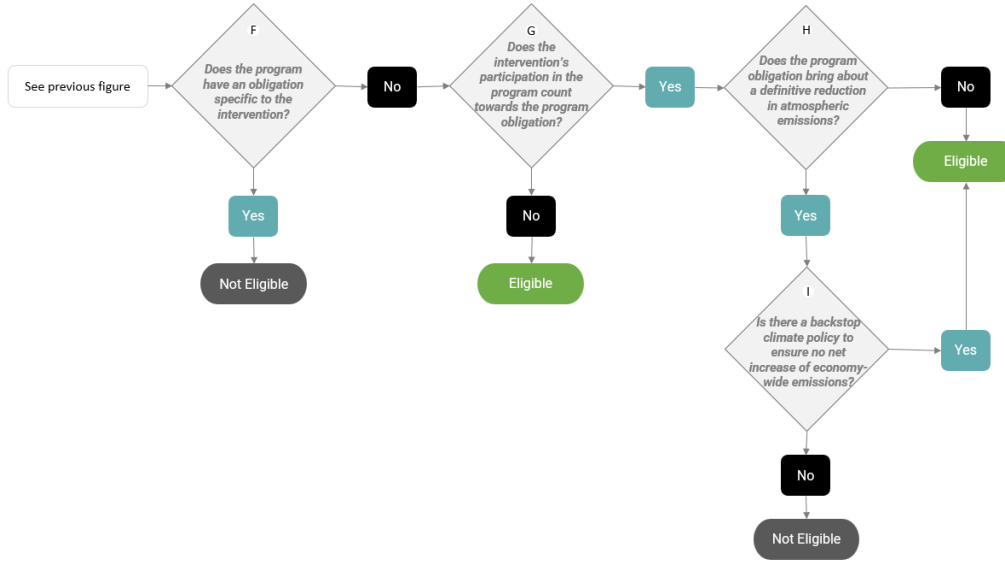
FIGURE 10: DECISION TREE PART 2 OF 3



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FIGURE 11: DECISION TREE PART 3 OF 3



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TABLE 4: EXAMPLE POLICIES AND THEIR ELIGIBILITY USING THE DECISION TREE

Policy	Intervention Detail	Eligibility	Explanation of Decision Tree Results
ReFuelEU Aviation Initiative	Purchase of SAF Certificates (SAFc) that represent the environmental attributes of SAF used to comply with the ReFuelEU initiative	Not Eligible	A: No B: Yes, Regulatory C: Intervention Unit Volumes D: Yes F: Yes Result: Not Eligible
Carbon Offsetting and Reduction Scheme for International Aviation	Purchase of SAF Certificates (SAFc) that represent the environmental attributes of SAF used to comply CORSIA	Not Eligible	A: No B: Yes, Regulatory C: Net Emissions D: Yes F: Yes Result: Not Eligible
Advanced Clean Fleets (ACF)	Purchase of zero-emission trucking certificates representing zero-emission trucking services	Not eligible if ZEVs are procured to meet ACF targets	A: No B: Yes, Regulatory C: Carbon Intensity D: Yes F: Yes Result: Not Eligible
FuelEU Maritime Regulation	Purchase of Sustainable Maritime Fuel Certificates (SMFc) that represent the environmental attributes of decarbonized transport activity created using Sustainable Maritime Fuel that is used to comply with the FuelEU Maritime regulation	Not eligible	A: No B: Yes, Regulatory C: Carbon Intensity D: Yes F: Yes Result: Not Eligible

1 The following table identifies sectoral guidance for regulatory surplus that companies may
 2 reference as an alternative to the generalized decision tree for specific sectoral best practices.
 3 This is not an exhaustive list.

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TABLE 5: SECTORAL REGULATORY SURPLUS GUIDANCE

Sector	Intervention types	Guidance author	Guidance title
Aviation	Sustainable Aviation Fuel	SABA	Atmospheric Benefit Principle Evaluation Tool
Maritime Shipping	Fuel switch-based shipping decarbonization	Global Maritime Forum and Maersk McKinney Moller Center for Zero-Carbon Shipping	Defining additionality in the voluntary book and claim market in deep-sea shipping
Maritime Shipping	Fuel switch-based shipping decarbonization	ZEMBA	ZEMBA Additionality Statement
Heavy Duty Trucking	Zero tailpipe emission vehicle deployment	GMA Trucking	GMA Trucking Additionality Statement

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1 Appendix D: Product Intervention Baseline Selection

2 Introduction

3 Both the Activity Estimation and Enhanced Substitution calculations make use of a baseline
4 emission intensity for product interventions. This Appendix explains how to select that baseline
5 intensity for the Enhanced Substitution or Activity Estimation accounting approaches¹⁹.

6 This Appendix describes how to select baselines so that companies report product intervention
7 footprints in a manner that approximates, as closely as possible, the atmospheric benefit
8 associated with the intervention. To achieve this aim, a baseline intensity needs to match, as
9 closely as possible, the intensity of the activity that was theoretically displaced²⁰ by the
10 intervention.

11 The following sections describe a hierarchy of approaches for intervention baseline selection, and
12 how to address intervention baselines as they change over time.

13 Matching Hierarchy

14 Variables to Consider when Matching

15 Many variables can influence the emission intensity of products and services, and therefore,
16 baselines for interventions. These variables are not the same across all sectors, and the variables
17 that warrant consideration when selecting a product intervention baseline will differ across sectors
18 accordingly.

19 For example:

- 20 • Vessel type, size class, and operating environment can significantly impact the emission
21 intensity of ocean transport services.
- 22 • Compressive strength, production location, and structural application can significantly
23 impact the emission intensity of concrete.
- 24 • Production pathway, such as the use of a blast furnace and basic oxygen furnace (BF-
25 BOF) to produce steel rather than the use of direct iron reduction and electric arc furnace
26 (DRI-EAF), can significantly impact the emission intensity of the production outputs.

¹⁹ . Baseline for the Project approach will be conducted according to baseline selection methods described in the relevant project accounting standard.

²⁰ As used in this Appendix, the term “displaced” refers to theoretical displacement. The displacement is theoretical because product intervention baselining does not require demonstration that an intervention caused like for like displacement of the activity theoretically displaced by the intervention. That is, companies may assume that the amount of activity reflected on an intervention record directly addresses the same amount of activity in the company’s value chain (that there are no unintended emission consequences of the intervention, or that there is no “leakage” associated with the intervention). For example, a company purchasing EACs for 100 tonnes of low emission aluminum may assume that those EACs are interchangeable with 100 tonnes of traditional aluminum in the company’s supply chain. This assumption does not account for the possibility that 100 tonnes of low emission aluminum production will not completely displace 100 tonnes of traditional aluminum in the global aluminum production sector.

- 1 • Scrap share of input, such as steel produced in an Electric Arc Furnace (EAF) with 100%
2 scrap versus steel produced solely with virgin iron, can significantly impact the emission
3 intensity of production outputs from a given production pathway.
- 4 • Process feedstock, such as ethylene production with bio-based feedstocks, ethane,
5 naphtha, or coal gasification, can significantly impact the emission intensity of process
6 outputs.
- 7 • Fuel mix within a production pathway, such as hydropower versus coal power for electricity
8 generation in aluminum production, can significantly impact the emission intensity of
9 production outputs.

10 Additionally, detailed information on the product theoretically displaced by the intervention product
11 will not always be available. In these cases, product intervention baseline selection may be less
12 precise.

13 Considering this variability and potential uncertainty, it is not practicable to list appropriate product
14 intervention baselines for all potential use cases. Instead, companies shall make product
15 intervention baseline selection decisions according to the following matching hierarchy.

16 **Preferred Option: Asset and Operational Level Matching**

17 Whenever possible, select a product intervention baseline intensity that reflects a pre-intervention
18 intensity in the same asset, conducting a similar service, as the asset and service associated with
19 the implemented intervention.

20 For example:

- 21 • A vessel generates EACs by consuming a low-emission drop-in fuel. The intervention
22 baseline would be the emission intensity of the same vessel, conducting similar
23 operations, with the fuel that the vessel used before the drop in fuel intervention.
- 24 • A company implements decarbonization retrofits on a steel production facility. The
25 intervention baseline intensity would be the emission intensity of steel production at that
26 same facility, using similar inputs (e.g., if scrap share of metallics input is 20% prior to the
27 intervention, assume a feedstock scrap content of 20% for LCA calculations associated
28 with the intervention) as were used before the intervention.

29 **Alternative Option: Targeted Average Matching**

30 If asset and operational level matching is not possible, select a product intervention baseline
31 intensity that reflects the average performance of a subset of assets that match the intervention
32 activity across as many variables as practicable.

33 Geography can be a particularly impactful variable across many use cases. With respect to
34 geography, select the highest resolution geographic match possible considering the relevance
35 and integrity of data available. At a minimum, match at the level of a geographic region. In most
36 cases, a "region" will be defined at a country level. However:

- 37 • If sub-national data is available, such data may be appropriate in some situations.

- 1 • In the heavy transport sectors involving assets that regularly cross international borders
2 as a fundamental part of the service that they provide (e.g., aircraft or oceangoing vessels),
3 a global baseline may be used if such a baseline has been established and adopted
4 through a multilateral international process (e.g., the jet fuel emission intensity established
5 by International Civil Aviation Organization).

6 Companies should clearly and transparently document all relevant assumptions and data points
7 used to establish the product intervention baseline.

8 For example:

- 9 • A container vessel generates EACs by consuming e-ammonia generated with renewable
10 electricity. The vessel was manufactured in association with the vessel's operator securing
11 supply of e-ammonia, and the vessel is not fueled with fossil ammonia. The intervention
12 baseline would be the average emission intensity of similar sized vessels operating on
13 similar routes (e.g., the Clean Cargo average emission intensity for vessels on the same
14 trade lane as the e-ammonia vessel).
- 15 • A cement facility generates EACs from a new (i.e., greenfield) facility that is outfitted with
16 decarbonization equipment and processes. The intervention baseline would be the
17 average intensity of cement production in the same country (or region, if subnational
18 emission intensity information is available) as the new facility.

19 Changing Baselines

20 Companies might contract for the purchase of interventions for a term over which the product
21 intervention baseline intensity changes (e.g., baseline changes could result from new policies
22 regulating fuel mixes or point source emissions, shifts in energy mix, or significant updates to
23 emission factors applied in life cycle inventory calculations). In these situations, companies shall
24 adjust the intervention baseline at least every five years, or more frequently if changes occur that
25 materially impact the baseline at less than a five-year interval²¹.

26 For example, a company contracts for electric trucking EACs for seven years. The electric trucks
27 are expected to replace diesel trucks. In the third year of the EAC contract, a blend mandate goes
28 into effect requiring the use of B20 in diesel trucks operating in the region where the electric trucks
29 are deployed. The activity theoretically displaced by the intervention in years one and two of the
30 EAC contract is a diesel truck consuming fossil diesel. In years three through seven of the
31 contract, the activity theoretically displaced by the intervention is a diesel truck consuming B20.
32 When selecting baselines for their emission reporting, the company would use the:

- 33 • Fossil diesel baseline in their enhanced substitution calculations for years one and two of
34 the EAC contract.

²¹ When an asset level pre-intervention emission intensity is used as the EAC baseline, that baseline must be adjusted to the regional average intensity at least every five years only when the regional average intensity is lower than the asset level pre-intervention emission intensity.

1 • B20 baseline in their enhanced substitution calculations for years three through seven of
2 the contract.

3 In another example, a company contracts for low emission cement EACs for ten years. The EACs
4 are associated with cement generation at a new facility. The facility is located in a region where
5 an industry association publishes average cement production intensities every five years. The
6 intervention baseline for cement EACs is updated every five years with the publication of the new
7 regional averages.

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1 Appendix E: Enhanced Substitution Accounting Approach

2 Enhanced Substitution: Process

3 To implement the enhanced substitution approach:

4 1. Determine a baseline emission intensity, $Intensity_{Baseline}$, for the inventory
5 (sub)component associated with the intervention according to the baseline selection
6 instructions described in [Appendix D](#).

7 2. Calculate the difference between this baseline emission intensity and the intervention
8 emission intensity ($Intensity_{EAC}$), per unit of activity associated with the intervention.

$$9 \quad Intensity_{Improvement} = Intensity_{Baseline} - Intensity_{Intervention}$$

10 3. Adjust the emission intensity for the inventory (sub)component, as otherwise used in the
11 organization's inventory calculations, based on the difference calculated at step two.

$$12 \quad Intensity_{Adjusted} = Intensity_{Inventory} - Intensity_{Improvement}$$

13 4. Apply the adjusted emission intensity to the amount of activity represented by the product
14 intervention record(s) to calculate new total emissions.

$$15 \quad Emissions\ with\ Intervention =$$

$$16 \quad (Intensity_{Adjusted} \times Activity_{Intervention}) + (Intensity_{Inventory} \times Activity_{Non\ Intervention})$$

17 Where $Intensity_{Adjusted}$ must be greater than or equal to zero.

18

20 Enhanced Substitution: Example

21 A company has calculated its road transport emissions by multiplying a supplier-provided road
22 transport emission intensity of 175 gCO₂e per tonne mile (t-m) by the 500,000 t-m of road transport
23 activity the company was responsible for over the reporting period:

$$24 \quad Road\ Transport\ Emissions = 175 \frac{gCO_2e}{t \cdot m} \times 500,000 t \cdot m = 87,500 kgCO_2e$$

25 The company purchases 400,000 t-m of EACs to address a portion of the company's road
26 transport footprint for the reporting period. These EACs were created by means of electric road
27 transport activity with an emission intensity of 5 gCO₂e per t-m.

28 The company:

29 1. Determines the emission intensity of the road transport activity that was theoretically
30 displaced by the intervention's associated transport activity (see instructions for baseline
31 selection in [Appendix D](#)). This baseline intensity is 112 gCO₂e per tonne mile.

1 2. Calculates the difference between the intervention emissions intensity and the baseline
2 intensity:

3
$$Intensity_{Improvement} = 112 \text{ gCO}_2e/t \cdot m - 5 \text{ gCO}_2e/t \cdot m = 107 \text{ gCO}_2e/t \cdot m$$

4 3. Adjusts the emission intensity for its road trucking as otherwise applied in the company's
5 inventory, by subtracting $Intensity_{Improvement}$ from the intensity otherwise applied in the
6 company's inventory:

7
$$Intensity_{Adjusted} = 175 \text{ gCO}_2e/t \cdot m - 107 \text{ gCO}_2e/t \cdot m = 68 \text{ gCO}_2e/t \cdot m$$

8 4. Applies the adjusted emission intensity to the amount of activity represented by product
9 intervention records the company received:

10
$$Road\ Transport\ Emissions\ with\ Intervention =$$

11
$$\left(68 \text{ gCO}_2e/t \cdot m \times 400,000 t \cdot m \right) + \left(175 \text{ gCO}_2e/t \cdot m \times 100,000 t \cdot m \right) = 44,700 \text{ kgCO}_2e$$

12

13

14

1 Appendix F: Activity Estimation Accounting Approach

2 Some companies calculate emission footprints for inventory components based on the following
3 concept²²:

$$4 \quad \text{Emissions}_{Component} / \text{USD} \times \text{USD Spend}_{Component} = \text{Total Emissions}_{Component}$$

5 Where:

- 6 • $\text{Emissions}_{Component} / \text{USD}$, the CO₂e emissions per USD for that inventory component, is
7 taken from an EEIO model²³.
- 8 • $\text{USD Spend}_{Component}$, the company's spend for an inventory component, is pulled from the
9 company's systems for tracking procurement spend.

10 While this calculation provides an emission footprint for a component, it does not provide
11 information on the amount of an inventory component associated with the component's emission
12 footprint. As such, companies relying on this spend based accounting calculation must estimate
13 activity for inventory components if they are to apply the emission benefit of product interventions
14 to their inventories, without applying the benefit of the interventions for more activity than exists
15 in their inventory.

16 There are two methods for implementing the activity estimation accounting approach, the
17 intervention baseline method and the unit cost method.

18 The intervention baseline method relies on the baseline emission intensity of a product
19 intervention. In this method, activity for an inventory component is calculated, in general terms,
20 as follows:

$$21 \quad \frac{\text{Component Emissions}_{Company}}{\text{Intervention Baseline Intensity}} = \frac{t \text{ CO}_2e}{t \text{ CO}_2e / \text{Unit Activity}} = \text{Unit of Activity}$$

22 The unit cost method relies on an assumed unit cost of an inventory component. In this method,
23 activity for an inventory component is calculated, in general terms, as follows:

$$24 \quad \frac{\text{Component Spend}_{Company}}{\text{Cost}_{Unit of Activity}} = \frac{\text{USD}}{\text{USD} / \text{Unit of Activity}} = \text{Unit of Activity}$$

25 Companies may apply either method, at their discretion. Companies with ready access to
26 estimates of the unit cost of inventory components may prefer the unit cost method over the

²² The US dollar (USD) is used as the unit of currency for the examples in this document. Other currencies may be used instead of the USD for company's calculations.

²³ Environmentally Extended Input-Output analysis (EEIO) is a method that evaluates the relationships between economic activities and environmental impacts. It captures both direct and indirect environmental impacts across the entire economy, making it useful for estimating upstream impacts embodied deep within supply chains. EEIO models build upon Input-Output (IO) tables, which are typically compiled by national statistical agencies and are updated approximately every five years. IO tables capture the economic transactions between different industries within an economy. They show how the output from one industry is used as an input by another, forming the foundation for analyzing inter-industry dependencies and supply chains.

1 intervention baseline method. Companies without access to estimates of the unit cost of inventory
2 components may prefer the intervention baseline method.

3 **Intervention Baseline Method: Process**

4 The intervention baseline method is grounded in the assumption that a company's emission
5 intensity for an inventory item is the same emission intensity that serves as the baseline for an
6 intervention. The baseline intensity for an intervention is used to convert from mass of emissions
7 - an output from the company's spend based analysis - to amount of product. The intervention
8 intensity is then applied to the amount of product represented by intervention records the company
9 has received, and the baseline intensity is applied to the amount of product remaining in the
10 physical inventory not addressed with an intervention.

11 More specifically, a company using the intervention baseline method will:

- 12 1. Determine a baseline emission intensity for the inventory component associated with the
13 intervention according to [Appendix D](#).
- 14 2. Estimate the amount of activity for an inventory component using this baseline intensity
15 and the company's spend-based emission footprint for that inventory component.
- 16 3. Apply the intervention's intensity to the amount of activity represented in intervention
17 records received, and apply the baseline intensity to the amount of inventory activity not
18 addressed by an intervention.

19
$$\text{Emissions with Intervention} =$$

20
$$(\text{Intensity}_{\text{Intervention}} \times \text{Activity}_{\text{Intervention}}) + (\text{Intensity}_{\text{Baseline}} \times \text{Activity}_{\text{Non Intervention}})$$

21

22 **Intervention Baseline Method: Example for One Type of Product Intervention**

23 A publisher has paper associated with its value chain and calculates its spend-based emission
24 footprint for paper at 150 tonnes CO₂e. The publisher finds a paper mill that is implementing a mill
25 decarbonization intervention and creating EACs for the decarbonized paper product with an
26 intensity of 0.2 tonne CO₂e per tonne of paper.

27 The publisher calculates its scope 3 paper emissions based on spend and does not have data
28 regarding the mass of paper that it purchases for each emission reporting period. Because the
29 publisher does not have activity-level information available for paper, it decides to apply the
30 Activity Estimation approach. The publisher also does not have pricing information per unit of
31 paper and selects the intervention baseline method.

32 The publisher:

- 33 1. Determines its baseline emission intensity, $0.5 \text{ t CO}_2\text{e} / \text{t paper}$, according to [Appendix D](#).
- 34 2. Estimates its inventory activity for paper using this baseline intensity and the publisher's
35 spend-based paper emission footprint of 150 tonnes CO₂e:

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$$\frac{150 \text{ t CO}_2\text{e}}{0.5 \text{ t CO}_2\text{e}/\text{t paper}} = 300 \text{ t paper}$$

The publisher decides to purchase 200 tonnes of paper worth of EACs from the mill.

3. Applies the mill intervention intensity of 0.2 tonne CO₂e per tonne of paper to 200 tonnes of paper worth of EACs. The baseline intensity is then applied to the remaining 100 tonnes of paper (the remaining inventory activity for which EACs were not purchased). The publisher's paper emissions, accounting for the intervention, are 90 tonnes of CO₂e:

$$(0.2 \text{ t CO}_2\text{e}/\text{t paper} \times 200 \text{ t paper}) + (0.5 \text{ t CO}_2\text{e}/\text{t paper} \times 100 \text{ t paper}) = 90 \text{ t CO}_2\text{e}$$

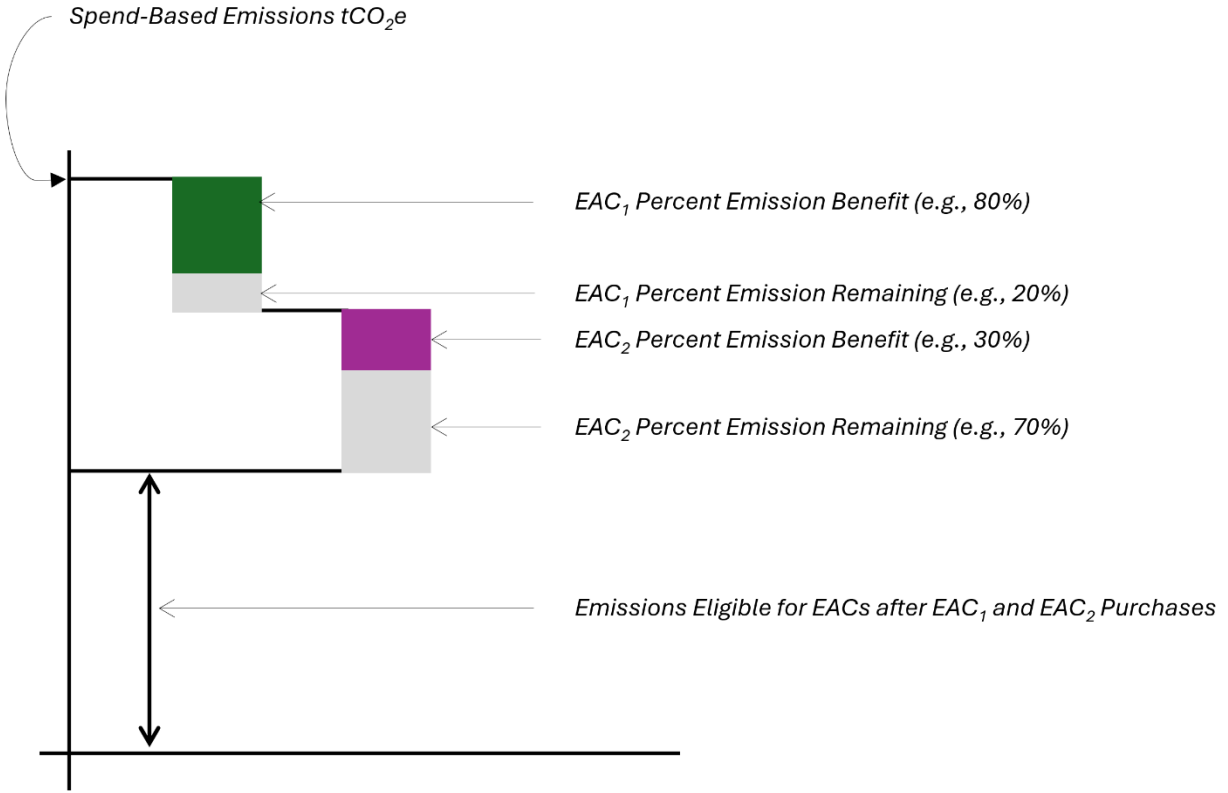
Intervention Baseline Method: Accounting for Multiple Types of Product Interventions

Companies with spend-based inventories might decide to support interventions from more than one intervention targeting the same product, with each intervention having a different baseline intensity. In these situations (see **Figure 9**):

- The total amount of spend-based emissions represents the maximum amount of emissions that can be addressed by interventions.
- Interventions are associated with a certain amount of abated emissions (emissions reductions, removals, or avoided emissions) and a certain amount of residual emissions (emissions remaining even after a specific intervention is implemented²⁴).
- The sum of the abated emissions and residual emissions associated with the sum of all the supported interventions must be less than or equal to the total spend-based emissions.

²⁴ Unless the EAC represents a zero-emission product, in which case the residual emissions from the intervention would be zero.

FIGURE 12: ACTIVITY ESTIMATION USING THE INTERVENTION BASELINE METHOD FOR MULTIPLE TYPES OF INTERVENTIONS



1

2 **Intervention Baseline Method: Example for Multiple Types of Product**
 3 **Interventions**

4 Expanding on the example above, instead of selecting one paper decarbonization intervention,
 5 the publisher identifies two different paper decarbonization interventions. The interventions are
 6 associated with EAC₁ and EAC₂.

7 *EAC₁*

8 The emission intensity of paper production for EAC₁ is $0.2 \text{ t CO}_2\text{e} / \text{t paper}$.

9 The baseline intensity for paper production for EAC₁ is $0.5 \text{ t CO}_2\text{e} / \text{t paper}$.

10 The EAC₁ emissions are therefore 40% of the baseline emissions:

11
$$\left(\frac{0.2 \text{ t CO}_2\text{e} / \text{t paper}}{0.5 \text{ t CO}_2\text{e} / \text{t paper}} \right) \times 100\% = 40\%$$

12 If the EAC₁ emission intensity is 40% of the baseline emission intensity, the emission benefit of
 13 the intervention is 60% (100% minus 40%).

1 If the publisher purchased 300 tonnes worth of paper of EAC₁, this EAC purchase would result in
2 total emissions that equal the publisher's 150 tonne CO₂e of spend-based emissions for paper:

- 3 • For 300 tonnes of paper worth of EAC₁, 60 tonnes of CO₂e are emitted:

$$4 \quad 300 \text{ t paper} \times 0.2 \text{ t CO}_2\text{e} / \text{t paper} = 60 \text{ t CO}_2\text{e}$$

- 5 • As the benefit of EAC₁ compared to its baseline is 60%, 90 t CO₂e were **not** emitted in
6 association with the generation of 300 tonnes of paper:

$$7 \quad \frac{60 \text{ t CO}_2\text{e}}{40\%} = \frac{x \text{ t CO}_2\text{e}}{60\%}$$

$$8 \quad x = 90 \text{ t CO}_2\text{e Benefit}$$

- 9 • The combination of the emissions from the generation of 300 tonne of paper with the EAC₁
10 intervention and the emissions benefit associated with 300 tonne of paper of the EAC₁
11 intervention equal the publisher's total spend-based emissions for paper:

$$12 \quad 60 \text{ t CO}_2\text{e} + 90 \text{ t CO}_2\text{e} = 150 \text{ t CO}_2\text{e} = \text{Total Spend Based Emissions}$$

13

14 *EAC₂*

15 The emission intensity of paper production for EAC₂ is $0.3 \text{ t CO}_2\text{e} / \text{t paper}$.

16 The baseline intensity for paper production for EAC₂ is $1.2 \text{ t CO}_2\text{e} / \text{t paper}$.

17 The EAC₂ emissions are therefore 25% of the baseline emissions:

$$18 \quad \left(\frac{0.3 \text{ t CO}_2\text{e} / \text{t paper}}{1.2 \text{ t CO}_2\text{e} / \text{t paper}} \right) \times 100\% = 25\%$$

19 If the EAC₂ emission intensity is 25% of the baseline emission intensity, the emission benefit of
20 the intervention is 75% (100% minus 25%).

21 If the publisher purchased 125 tonnes worth of paper of EAC₂, this EAC purchase would result in
22 total emissions that equal the publisher's 150 tonne CO₂e of spend-based emissions for paper:

- 23 • For 125 tonnes of paper worth of EAC₂, 37.5 tonnes of CO₂e are emitted:

$$24 \quad 125 \text{ t paper} \times 0.3 \text{ t CO}_2\text{e} / \text{t paper} = 37.5 \text{ t CO}_2\text{e Emitted}$$

- 25 • As the benefit of EAC₂ compared to its baseline is 75%, 112.5 t CO₂e were **not** emitted in
26 association with the generation of 125 tonnes of paper:

$$27 \quad \frac{37.5 \text{ t CO}_2\text{e}}{25\%} = \frac{x \text{ t CO}_2\text{e}}{75\%}$$

1
$$x = 112.5 \text{ t CO}_2\text{e Benefit}$$

- 2 • The combination of the emissions from the generation of 125 tonne of paper with the EAC₂
 3 intervention and the emissions benefit associated with 125 tonne of paper of the EAC₂
 4 intervention equal the publisher's total spend-based emissions for paper:

5
$$112.5 \text{ t CO}_2\text{e} + 37.5 \text{ t CO}_2\text{e} = 150 \text{ t CO}_2\text{e} = \text{Total Spend Based Emissions}$$

6

7 **Emissions Eligible for EACs after the EAC₁ and EAC₂ Purchases**

8 The publisher decides to purchase 50 tonnes of paper worth of EAC₁ EACs. Ten tonnes of CO₂e
 9 are generated in association with this 50 tonnes of low emission paper:

10
$$50 \text{ t paper} \times 0.2 \text{ t CO}_2\text{e} / \text{t paper} = 10 \text{ t CO}_2\text{e}$$

11 Because the emission benefit of the intervention is 60% compared to the EAC₁ baseline, the
 12 benefit of the intervention is 15 tonnes CO₂e:

13
$$\frac{10 \text{ t CO}_2\text{e}}{40\%} = \frac{x \text{ t CO}_2\text{e}}{60\%}$$

 14
$$x = 15 \text{ t CO}_2\text{e}$$

15 The publisher decides to purchase 50 tonnes of paper worth of EAC₂ EACs. 15 tonnes of CO₂e
 16 are generated in association with this 50 tonnes of low emission paper:

17
$$50 \text{ t paper} \times 0.3 \text{ t CO}_2\text{e} / \text{t paper} = 15 \text{ t CO}_2\text{e}$$

18 Because the emission benefit of the intervention is 75% compared to the EAC₂ baseline, the
 19 benefit of the intervention is 45 tonnes CO₂e:

20
$$\frac{15 \text{ t CO}_2\text{e}}{25\%} = \frac{x \text{ t CO}_2\text{e}}{75\%}$$

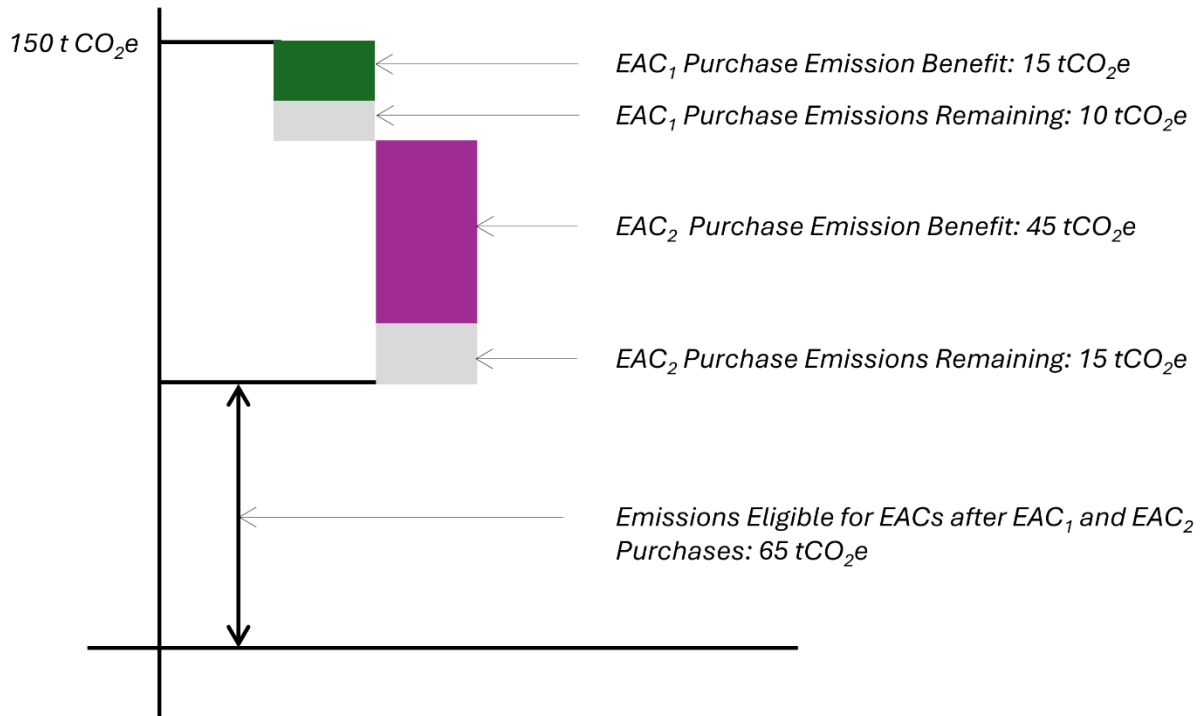
 21
$$x = 45 \text{ t CO}_2\text{e}$$

22 The publisher could apply EACs associated with 65 t CO₂e [to ledger two] following the EAC₁ and
 23 EAC₂ purchases (see **Figure 10**):

24
$$\frac{150 \text{ t CO}_2\text{e}}{\text{Spend Based Emissions}} - \left(\frac{10 \text{ t CO}_2\text{e}}{\text{EAC}_1 \text{ Emissions}} + \frac{15 \text{ t CO}_2\text{e}}{\text{EAC}_1 \text{ Emissions Benefit}} + \frac{15 \text{ t CO}_2\text{e}}{\text{EAC}_2 \text{ Emissions}} + \frac{45 \text{ t CO}_2\text{e}}{\text{EAC}_2 \text{ Emissions Benefit}} \right) = 65 \text{ t CO}_2\text{e}$$

25

FIGURE 13: APPLYING THE INTERVENTION BASELINE METHOD TO MULTIPLE TYPES OF PAPER INTERVENTIONS



1 The publisher decides not to purchase any more paper EACs for the reporting period. The
 2 publisher’s emission footprint, considering the EAC₁ and EAC₂ purchases, is 90 tonnes CO₂e:

3

$$\frac{10 \text{ t CO}_2\text{e}}{\text{EAC}_1 \text{ Emissions}} + \frac{15 \text{ t CO}_2\text{e}}{\text{EAC}_2 \text{ Emissions}} + \frac{65 \text{ t CO}_2\text{e}}{\text{Emissions not Associated with EAC}_1 \text{ or EAC}_2} = 90 \text{ t CO}_2\text{e}$$

4

5 **Unit Cost Method: Process**

6 The Unit Cost method is grounded in assumptions about the cost of units of an inventory
 7 component as this cost relates to value-based emission intensities from Environmentally
 8 Extended Input Output (EEIO) models²⁵.

9 The formula underlying this method is as follows:

10

$$\text{Activity}_{\text{Component}} = \frac{\text{Spend}_{\text{Reference Year}} \times \text{Total Requirements}_{\text{Component}}}{\text{Component Price}_{\text{Reference Year}}}$$

11 Where:

²⁵ For more on EEIO analyses, see the forthcoming EEIO explainer in the Association Test document.

- 1 • $Activity_{Component}$ represents a company's activity for an inventory component, as that
- 2 component appears in the company's supplier's value chains through the EEIO Total
- 3 Requirements calculations ($Activity_{Component}$ does not address activity for an inventory
- 4 component as it appears in company's direct purchases of an inventory component)²⁶.
- 5 • $Spend_{Reference\ Year}$ is based on company procurement data, corrected to the EEIO model
- 6 reference year following the process described below.
- 7 • $Total\ Requirements_{Component}$ from direct suppliers can be found in an IO Total
- 8 Requirements table. These Total Requirements represent the total requirements for the
- 9 component from the supplier's sector.
- 10 • $Component\ Price_{Reference\ Year}$ is based on inventory component cost data, corrected to
- 11 the EEIO model reference year following the process described below.

12 Having calculated the activity for an inventory component, a company implementing the unit cost
 13 method then applies EAC intensities to that activity for the amount of activity for which EACs were
 14 purchased and the EEIO value-based emission intensity to the activity for which EACs were not
 15 purchased.

16 Determining Inventory Component Pricing in the EEIO Model Reference Year

17 $Component\ Price_{Reference\ Year}$ represents the price of an inventory component, corrected to the
 18 reference year for the EEIO model used to determine the Total Requirements.

19 There are a variety of different sources that companies could use to determine unit prices for
 20 inventory components, such as company purchasing data or governmental agency websites. For
 21 products that companies do not purchase directly, unit price data may also be requested from
 22 suppliers²⁷.

23 Regardless of the source of the unit price data, the year to which the data applies needs to be
 24 aligned with the reference year of the EEIO model used for determining the Total Requirements.
 25 For example, if the EEIO model's reference year is 2022, the corresponding unit price data must
 26 also be calibrated to 2022.

27 This alignment of the reference year to the year for which unit price data are applied is critical as
 28 EEIO models are usually not updated annually. The reference year used in the EEIO model serves

²⁶ To determine activity for directly purchased inventory components based on spend based calculations, companies can use the formula:

$$Activity_{Reference\ Year} = \frac{Spend_{Reference\ Year}}{Component\ Price_{Reference\ Year}}$$

²⁷ The aggregation issues associated with EEIO-based analyses (see [include reference to EEIO explainer in the Association Test document here]) affect unit price determinations. For example, a company might have separate unit price data for steel sheets and hot-rolled steel, as both of these types of steel can have different production costs and market values. However, both sheet steel and hot-rolled steel are classified under the same sector in EEIO models. As such, the company must determine a representative unit price for the aggregated, homogenized steel product. Calculating an average unit price, such as a simple or weighted average to represent steel of both types, subjects the company to the risk of price distortion, particularly if the unit prices of steel sheets and hot-rolled steel differ significantly. In such cases, averaging may lead to an overestimation or underestimation of the true unit price, which in turn can skew estimates of purchased quantities and emissions. A sensitivity analysis of the impact of different pricing assumptions could inform companies about the level of risk of overestimation or underestimation of unit prices.

1 as the basis for unit cost conversion and is often determined by the Input-Output (IO) table. Since
2 an IO table captures the economic structure and technologies of a specific reference year (e.g.,
3 the reference year of the latest USEEIO model (v2.5) is 2017), the EEIO model assumes that
4 these factors remain unchanged when applied to analyze other years. This assumption is
5 reasonable in most cases as most technologies do not change drastically in the short term. Prices,
6 however, can fluctuate drastically, even over comparatively short periods of time. The EEIO
7 models are therefore likely to lag behind current price data.

8 The unit cost of an inventory component for the current year or for projected years can be adjusted
9 to align with an EEIO model's reference year as follows:

$$10 \quad Price_{Reference\ Year} = \frac{Price_{Current\ or\ Projected\ Year}}{1 + Inflation\ Rate}$$

11 Where *Inflation Rate* is calculated based on Producer Price Index (PPI) information as follows:

$$12 \quad Inflation\ Rate = \left(\frac{PPI_{Current\ or\ Projected\ Year} - PPI_{Reference\ Year}}{PPI_{Reference\ Year}} \right) \times 100\%$$

13 Industry-level PPI data for the United States is available from the US Bureau of Labor Statistics
14 (BLS) website. BLS' [detailed report information](#) provides a comprehensive database of monthly
15 PPI values from 2005 to the present, provided in both PDF and Excel formats. For inflation rate
16 calculations, *Table 11* in the Excel version is recommended, as this table categorizes industry
17 sectors by NAICS codes, aligning with those used in IO tables. Companies should use annual PPI
18 values, which can be derived by averaging the monthly indices for each year, when calculating
19 the Inflation Rate.

20 **Determining Spend in the EEIO Model Reference Year**

21 Just as the unit price for inventory components must be corrected to the EEIO data reference
22 year, so too must a company's spend be corrected to the EEIO data reference year. This
23 correction can be made using the following formula:

$$24 \quad Spend_{Reference\ Year} = \frac{Spend_{Current\ or\ Projected\ Year}}{1 + Inflation\ Rate}$$

25 Where *Inflation Rate* is calculated as outlined in the previous section.

26 **Unit Cost Method: Example**

27 A company spent 100MM USD on data hosting and processing services in 2025. The company
28 has steel associated with its value chain through its data hosting and processing spend and is
29 investigating a steel decarbonization intervention. A steel producer has implemented
30 decarbonization practices at one of its facilities and is selling steel EACs with an intensity of 0.2
31 tonne CO₂e per tonne of steel.

1 Because the company does not have steel activity information for its inventory, the company
2 selects the Activity Estimation approach to accounting. Company research indicates that the unit
3 price for steel in 2025 is 930 USD per tonne of steel, and the company decides to apply the unit
4 cost method based on this information.

5 **Step 1: Calculate Spend-Based Emissions for Data Hosting and Processing**

6 The company uses an EEIO model with a 2022 reference year to calculate its spend-based
7 emissions. Because the reference year for the EEIO model is 2022 and the company's data
8 hosting and processing spend data is for 2025, the spend data needs to be corrected to the model
9 reference year.

10 The company determines that the PPIs for data hosting and processing in 2022 and 2025 are 117
11 and 122, respectively. As such, the 2022 to 2025 Inflation Rate for data hosting and processing
12 services is 4.3%:

$$13 \quad \text{Inflation Rate} = \left(\frac{122 - 117}{117} \right) \times 100\% = 4.3\%$$

14 The 2022 equivalent of the 2025 spend of 100MM USD is 95.9MM USD:

$$15 \quad \text{Spend}_{2022} = \frac{100,000,000 \text{ USD}}{1 + .043} = 95,900,000 \text{ USD}$$

16 The EEIO model shows a 2022 spend based total emission intensity for data hosting and
17 processing services of 63.07871 tonne CO₂e per million USD²⁸. There are 6,050 tonne CO₂e
18 associated with the company's data hosting and processing:

$$19 \quad 95,900,000 \text{ USD} \times 63.07871 \text{ t CO}_2\text{e} / 1,000,000 \text{ USD} = 6,050 \text{ t CO}_2\text{e}$$

20

21 **Step 2: Calculate Steel's Contribution in USD to the Data Hosting and Processing Spend**

22 The IO Total Requirements table the company uses lists the data processing and hosting sector
23 total steel requirement of 0.002 USD for every USD of service it provides (in the 2022 reference
24 year).

25 The company spent 95,900,000 USD on data hosting and processing in 2022 USD (see above).
26 Of that 95,900,000 USD, 191,800 USD was associated with steel:

$$27 \quad 95,900,000 \text{ USD}_{\text{Data Hosting and Processing}} \times \frac{0.002 \text{ USD}_{\text{Steel}}}{\text{USD}_{\text{Data Hosting and Processing}}} = 191,800 \text{ USD}_{\text{Steel}}$$

28

29 **Step 3: Calculating the Reference Year Steel Price**

²⁸ For more on calculation of total emission intensity, see the forthcoming EEIO explainer in the Association Test document.

1 The unit price for steel in 2025 is 930 USD per tonne of steel. The company reviews the BLS
2 website and determines that the PPIs for steel in 2022 and 2025 are 100 and 69, respectively. As
3 such, the 2022 to 2025 Inflation Rate for steel is -31%:

$$4 \quad \text{Inflation Rate} = \left(\frac{69 - 100}{100} \right) \times 100\% = -31\%$$

5 The 2025 steel price equates to a reference year (2022) steel price of 1,348 USD per tonne:

$$6 \quad \text{Price}_{2022} = \frac{\text{Price}_{2025}}{1 + \text{Inflation Rate}} = \frac{930 \text{ USD}}{1 - 0.31} = 1,348 \text{ USD}$$

7

8 **Step 4: Estimate Steel Activity**

9 There are 142 tonnes of steel activity associated with the company's data processing and hosting
10 spend:

$$11 \quad \text{Activity}_{\text{Steel}} = \frac{\text{Component Spend}_{2022}}{\text{Component Price}_{2022}} = \frac{191,800 \text{ USD}}{1,348 \text{ USD}/\text{tonne}} = 142 \text{ tonnes}$$

12

13 **Step 5: Calculate the Emission Footprint of EACs Purchased**

14 The company decides to purchase 100 tonnes of steel worth of EACs. There are 20 tonnes of
15 CO₂e emissions associated with these EACs:

$$16 \quad 0.2 \text{ } t \text{ CO}_2e / t \text{ steel} \times 100 \text{ } t \text{ steel} = 20 \text{ } t \text{ CO}_2e$$

17

18 **Step 6: Calculate the Emission Footprint of Steel not Addressed with EACs**

19 The EEIO model yields a steel emission intensity of 0.000991 tonne CO₂e per USD. The unit price
20 of steel is 1,348 USD per tonne in the reference year for the EEIO model (see step 3). As such,
21 there are 56 tonne CO₂e associated with the 142 tonnes of steel for which EACs were not
22 purchased:

$$23 \quad 1,348 \text{ USD}/t \text{ steel} \times 0.000991 \text{ } t \text{ CO}_2e / \text{USD} \times 142 \text{ } t \text{ steel} = 56 \text{ } t \text{ CO}_2e$$

24

25 **Step 7: Calculate the Total Emission Footprint of Steel Accounting for EACs**

26 The total emission footprint of CO₂e associated with steel in the company's data processing and
27 hosting inventory component, accounting for the EAC purchase, is 76 tonne CO₂e:

$$28 \quad 20 \text{ } t \text{ CO}_2e + 56 \text{ } t \text{ CO}_2e = 76 \text{ } t \text{ CO}_2e$$

29

1 **Step 8: Calculate the Pre-Intervention Emission Footprint of Steel**

2 The unit price of steel in the EEIO model reference year is 1,348 USD per tonne steel (see step
3 3). The EEIO model yields a steel emission intensity of 0.000991 tonne CO₂e per USD. There are
4 142 tonnes of steel associated with the company's data processing and hosting spend (see step
5 4). There are 190 tonnes of CO₂e from steel associated with data processing and hosting in the
6 EEIO reference year (not accounting for any EACs):

7
$$1,348 \text{ USD}/t_{\text{steel}} \times 0.000991 \text{ t CO}_2\text{e}/\text{USD} \times 142 \text{ t steel} = 190 \text{ t CO}_2\text{e}$$

8 **Step 9: Calculate the Benefit Associated with the EACs**

9 There are 76 tonne CO₂e from steel associated with the company's data processing and hosting
10 spend, accounting for the emission intensity of the purchased EACs (see step 7). There are 190
11 tonne of CO₂e from steel associated with the company's data processing and hosting spend, not
12 accounting for the emission intensity of the purchased EACs (see step 8). There is a benefit of
13 114 tonne CO₂e on the company's data processing and hosting steel footprint from the steel
14 EACs:

15
$$190 \text{ t CO}_2\text{e} - 76 \text{ t CO}_2\text{e} = 114 \text{ t CO}_2\text{e}$$

16 **Step 10: Calculate the Data Processing and Hosting Emissions Accounting for Steel EACs**

17 There are 6,050 tonne CO₂e of data processing and hosting emissions for 2025 (see step 1). The
18 benefit associated with the steel EAC purchase was 114 tonne CO₂e (see step 9). The company's
19 emission footprint, accounting for the steel EAC purchase, is 5,936 tonne CO₂e:

20
$$6,050 \text{ t CO}_2\text{e} - 114 \text{ t CO}_2\text{e} = 5,936 \text{ t CO}_2\text{e}$$

21

22

1 **Appendix G: Audit Checklist**

2 Forthcoming, to combine Association Test and Intervention Quality, Accounting, and Reporting
3 requirements and recommendations in the final combined document.

4

5

6

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