Introducing a Reliable and Verifiable Net Zero Pathway

CEP Congress 2025

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Objectives

❑ To obtain an understanding of the key elements to consider when addressing Net Zero claims and commitments

❑ Discuss a clear and credible pathway on net zero accomplishment
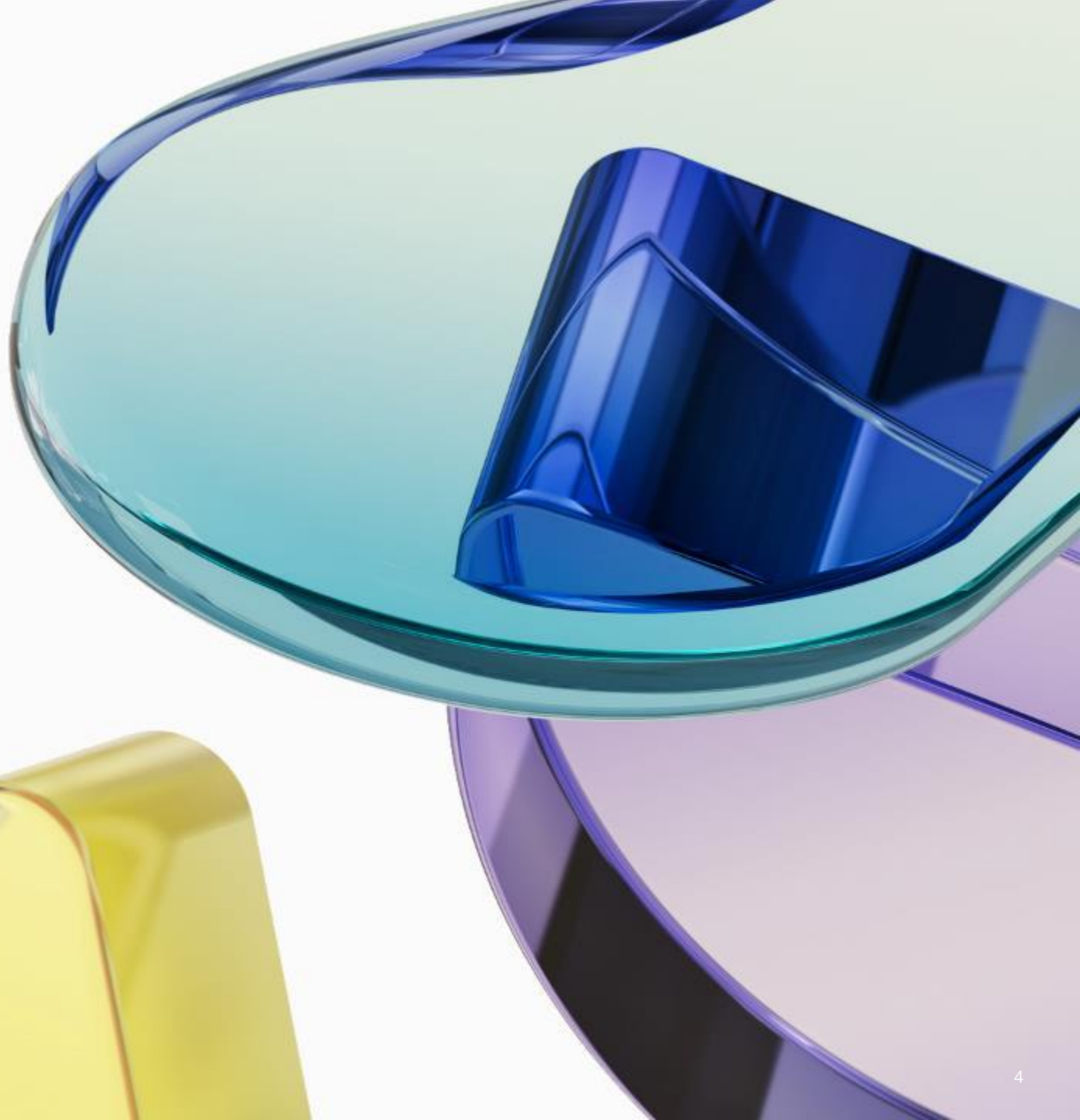
❑ Enhance Integrity through Independence and Impartiality

Agenda

- ❑ Standards – why?

- ❑ Which best practice to use?

- ❑ Case Studies

- ❑ BSI Net Zero Pathway

- ❑ Q&A

Why standards

The power to deliver – Who is BSI?

Founded in **1901,** No shareholders

84,000 clients

250+ Auditors in Australia and New Zealand

5,518 colleagues

Clients in **193** countries

4,800 + Clients in Australia - New Zealand

12,200 technical experts

60,000 standards developed

2,200 + Sites Verified on Greenhouse gases emissions

Peace of Mind   Or   Complexity?

"Standards are used by a range of organisations to **enhance** their products and services, **improve** safety and quality, meet industry **best practice**, and support trade in new and existing markets."[1]
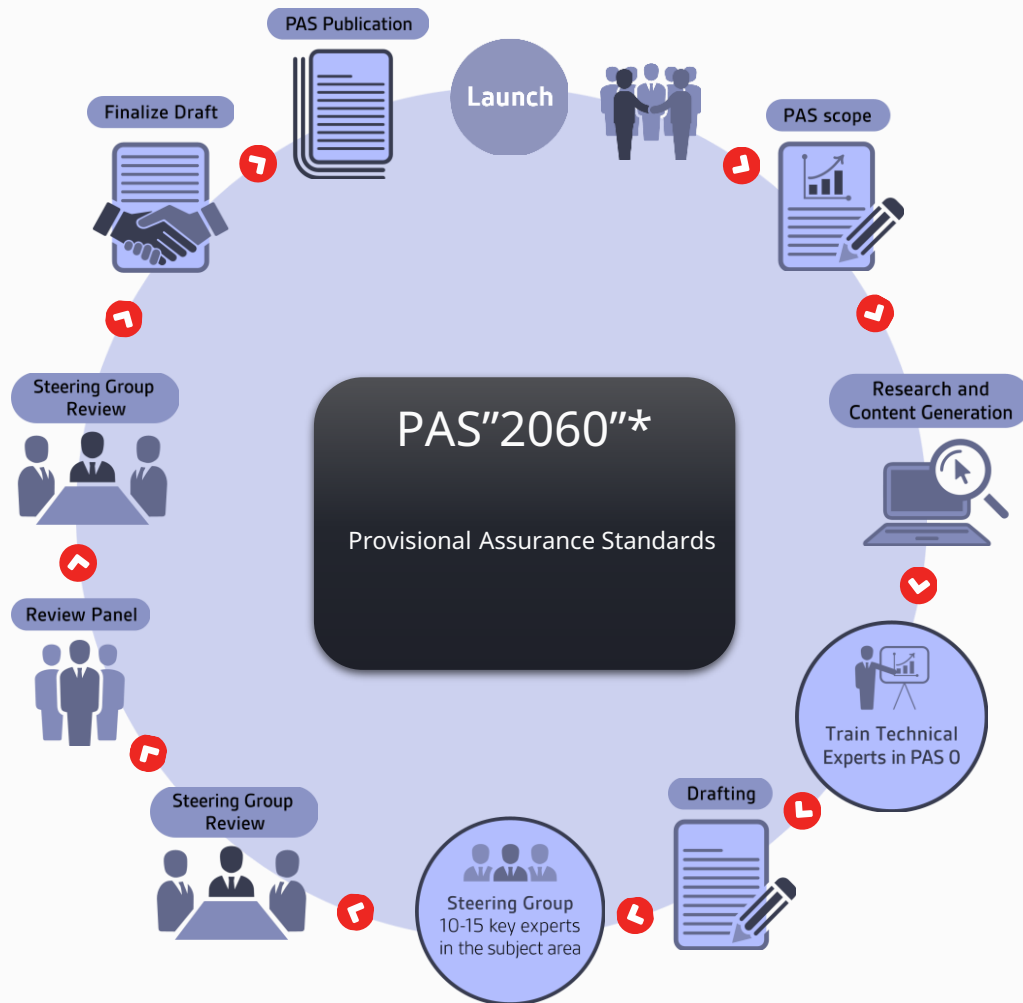
"The ISO Net Zero Guidelines (IWA 42) were developed to provide a **unified framework** for organizations aiming to achieve net zero greenhouse gas emissions."[2]

1- Source: Regulations and standards :: Standards New Zealand

2- ISO - Net Zero Guidelines

General Standardisation cycle

Cycle labels (clockwise from top): Launch, PAS scope, Research and Content Generation, Train Technical Experts in PAS 0, Drafting, Steering Group 10-15 key experts in the subject area, Steering Group Review, Review Panel, Steering Group Review, Finalize Draft, PAS Publication

Center: PAS"2060"*
Provisional Assurance Standards

- PAS are focused on specific needs, and are alternative to national or international standardization routes,

- Principles: openness, transparency, confidentiality, **consensus**, relevance, verifiability and consistency

- Several Stakeholders, locally and internationally

- 12-18 months timeframe

- Review undertaken every 2 years, usually submitted to further development

- Scalable to other standardisation processes and applicability:

  - ISO14064-8 (Carbon Neutrality) from PAS2060 (launched 2009)

  - ISO59000 Circular Economy from BS8001 (launched 2009)

BSI has developed more than 60,000 standards since its foundation

* Launched in 2009 – Carbon neutrality

Which standards and frameworks to choose?

What's my intended use?

How complete is my pathway?

BSI Net Zero Pathway

ISO14064-1 Emissions Scopes 1,2,3

ISO Net Zero Guidelines (IWA42), Social, Board, Priortisation, Comms, Wider impact

PAS 2060/ ISO14068 Climate neutrality (emission, targets, offsets & management

GHG Protocol (corp emissions)

SBTI (emission red targets, S1, 2 and 3)

Responsible Steel

New Zealand Climate Standards <IR>
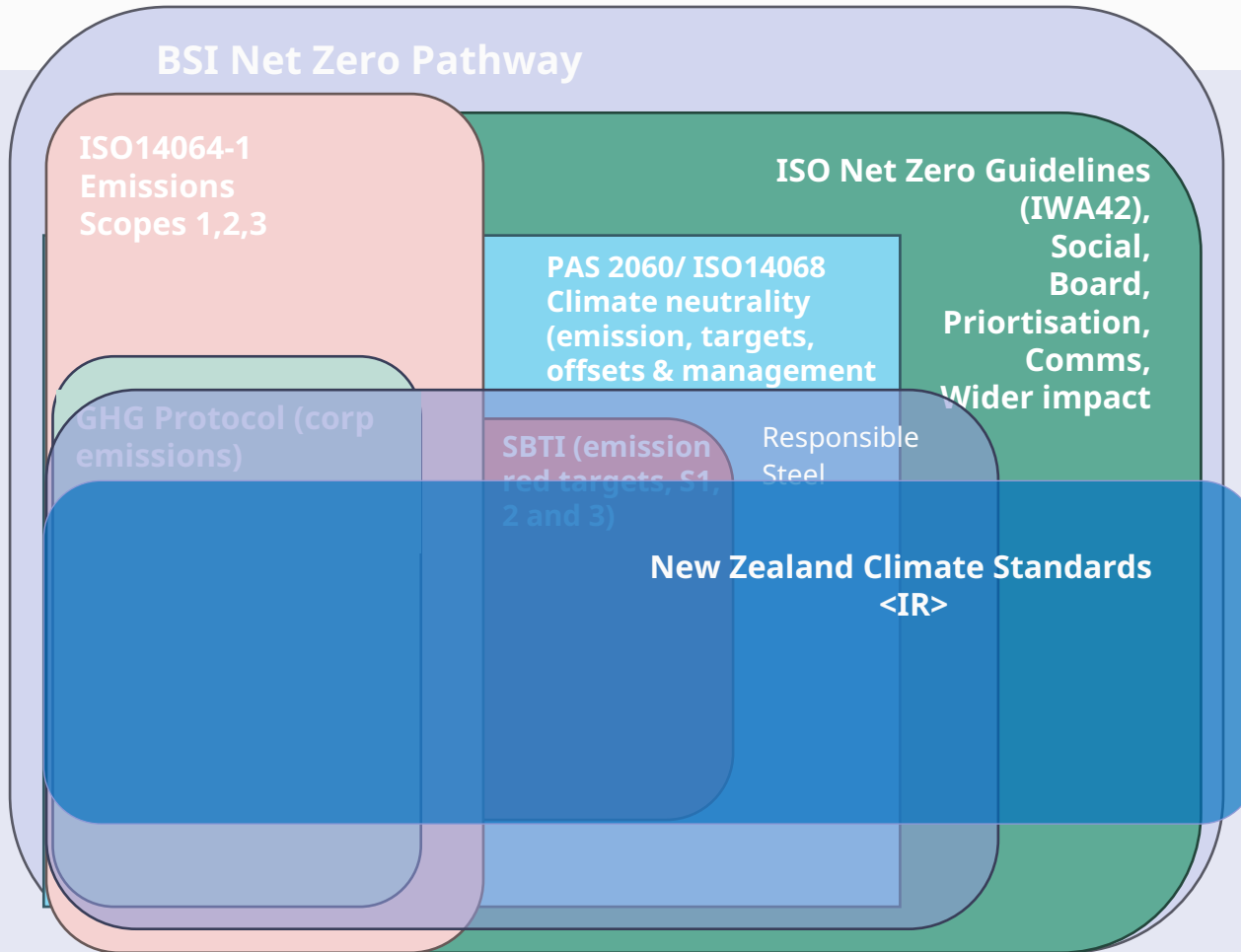
- ISO14068: SMEs – emission and emission reduction projects (S1, 2 and 3), value chain, PM, QA/QC and reporting

- SBTI: SMEs – emission and emission reduction projects (S1, 2 and 3), value chain (if S3), offset management

- 14064-1: emission and emission reduction activities (S1, 2 and 3), value chain – QA/QC and reporting

- GHG Protocol: emission and emission reduction activities (S1, 2 and 3), value chain

- Responsible Steel Sector focused

- NZ CS series and XRB Audits

- IWA42: all above + Wider impact, NBS

- BSI Net Zero Pathway: all above, **Verifiably**

Accreditation bodies rules on certification entities ensure impartiality and quality on the deliverables

ISO Net Zero Guidelines (peculiarities)

- Launched at COP27 in 2022 – **defined net zero within the ISO system for the very first time**

- Preserve or enhance **ecosystems** and **biodiversity**

- **Wider impact**: vulnerable communities

- Board's and Executives commitment to Net Zero in **their KPIs/ bonus**

- Only 5%-10% of residual emissions to be offset, through removals.

- Fair share (those with greater historical responsibility should make a proportionately greater contribution and support others to take action)

Case Studies

Early adoption of the ISO Net Zero Guidelines

- BSI have worked with organisations to become early adopters of the Guidelines on their road to net zero, including:
  - General Motors (GM)
  - Federation Internationale de l'Automobile (FIA)
  - Planet Mark
  - Climate Action for Associations (CAFA)
  - ...more to be announced!

"The ISO Net Zero Guidelines can enhance our decarbonization strategy, and show us that with collaboration, the path ahead is getting clearer"

Kristen Siemen
Chief Sustainability Officer
General Motors

ISO Net Zero Guidelines

[BSI published a full case study report at London Climate Action Week 2024](#)

"-Why are we taking such a bold step towards net zero? Because we can. And we must."

- Susan Taylor Martin, CEO British Standards Institution

Alignment

Public comms on targets S1 and 2 by 90% and S3 by 42% by 2030. Re assurance, combined ISO NZ IWA42, PAS2060 and ISO14064-1

Quality data

Connect Climate software - while increasing data accuracy, transparency, and consistency

Engagement

Sustainability Intranet Hub: **Relevance**: Why is this important to me? **Simplicity:** What does it mean? **Action:** How can I help ?

Ownership / Transformation

Carbon allowance model, linked to incentives and bonuses

New way of doing business

Global Consistency

Comparability, connectivity and data gathering processes and procedures, led by experts and deployed across regions

Future Focus

Reach Net Zero while focus on broader environmental and societal impacts

BSI has taken the ISO Net Zero Guidelines IWA42, PAS2060 and ISO 14068 as the framework towards a verifiable Net Zero target, while designing a new standard for the industry

BSI NET ZERO PATHWAY

A Verifiable credible way to report Net Zero commitments and claims, beyond targets

- Aligns with most global standards, ESG and sustainability reporting regimes

Net Zero Pathway in 7 Steps

2 months	1 month	1 month	1 month	1 month	Year 2	Year 3

Step 1
Carbon Footprint verification

Step 2
Implement your emissions reduction system

Step 3
BSI audit

Step 4
Target evaluation

Step 5
Formal approval

Step 6
Yearly audit

Step 7
Reverification

bsi — ISO 14064-1 Greenhouse Gases VERIFIED

bsi — BSI Net Zero Pathway ASSURED

bsi — Net Zero VERIFIED

Step 0 – Discovery Workshop

If you are not yet ready to undertake ISO 14064-1 carbon footprint verification, you can undertake a Discovery Workshop. Our Discovery Workshops enable companies to develop an actionable plan so they can become ready to be verified to ISO 14064-1 in approx. 6-12 months depending on the size of the organisation.

BSI Net Zero Pathway

About

- Accepts **current local and global practices** , such as Carbon Neutrality, SBTi, GHG Protocol, NZC series

- **Systemic scheme** not a standard, **world-wide recognition**

- Transparency and consistency based on formally verified data

- Provides a **clear pathway** for demanding investors stakeholders, regulators and value chains

- Adaptable for ISO14060 (new Net Zero verifiable standard est 2026)

- Verifies carbon footprint, S1, 2 and brings significant accuracy for **Scope 3 emissions (Value chain)**

- Validates carbon reduction plans against **best practice** requirements

- Focuses on **achieving reductions & NZ**, not c-neutrality

- Demonstrates commitment to NZ ambitions to stakeholders

- Accomplishment of **BSI Mark of Trust** emphasises this

7 Steps - details

Impartial assessment, enabling a robust, credible and systemic framework on measuring, managing and reporting NZ. The institution is recognized by BSI's Mark of Trust along the way.

Step 1 — Carbon Footprint verification

- The organization calculates their carbon footprint using ISO 14064-1.
- This footprint is used as the baseline against which future improvement is measured.
- Once the footprint has been calculated BSI conduct a full verification and issue a Verification Opinion.
- **This verification is UKAS accredited**

Step 2 — Implement your emissions reduction system

- The organization implements an emissions reduction action plan meeting recommendations using the key principles in the ISO Net Zero Guidelines (IWA 42).
- The action plan will include specific activities to reduce GHGs in line with targets.
- Note – as the ISO Net Zero Guidelines (IWA 42) is a guidance document it is not possible to become certified to them outside of the BSI Net Zero Pathway.

Step 3 — BSI audit

- BSI will audit the emissions reduction action plan against the key principles of the ISO Net Zero Guidelines (IWA 42) to confirm that the organization is committed to achieving net zero and that action plans are appropriate.

Step 4 — Target evaluation

- Using the data that has been verified in step 1 the BSI Target Evaluator Report is used to show if planned emission reductions will achieve net zero by 2050, or sooner if the organization has set a more challenging target.
- The BSI Target Evaluator Report also shows the potential costs of delaying action and the social cost of your GHG emissions.

Step 5 — Formal approval

- Once the footprint verification, target setting and satisfactory audit against the key principles of the ISO Net Zero Guidelines (IWA 42) have been completed BSI issue a certificate and Mark of Trust confirming the organization has been assured against the BSI Net Zero Pathway.
- This certificate and Mark of Trust can be used by the organization to showcase their commitment to net zero to its stakeholders.
- The organization will also be added to the list of approved companies on the BSI website.

Step 6 — Yearly audit

- Once approved the organization will receive an annual audit to confirm the carbon reduction action plan is being maintained and that the organization is making progress with emission reduction targets.
- This audit includes an update to the Target Evaluator Report to replace forecast with actual data and reset reduction targets where necessary.

Step 7 — Reverification

- On the third anniversary of the initial carbon footprint verification BSI conducts a full verification to ISO14064-1 where a new accredited Verification Opinion will be issued.
- The annual audit against the key principles of the ISO Net Zero Guidelines (IWA 42) will be conducted following the reverification. A new certificate will be issued provided the requirements continue to be met.

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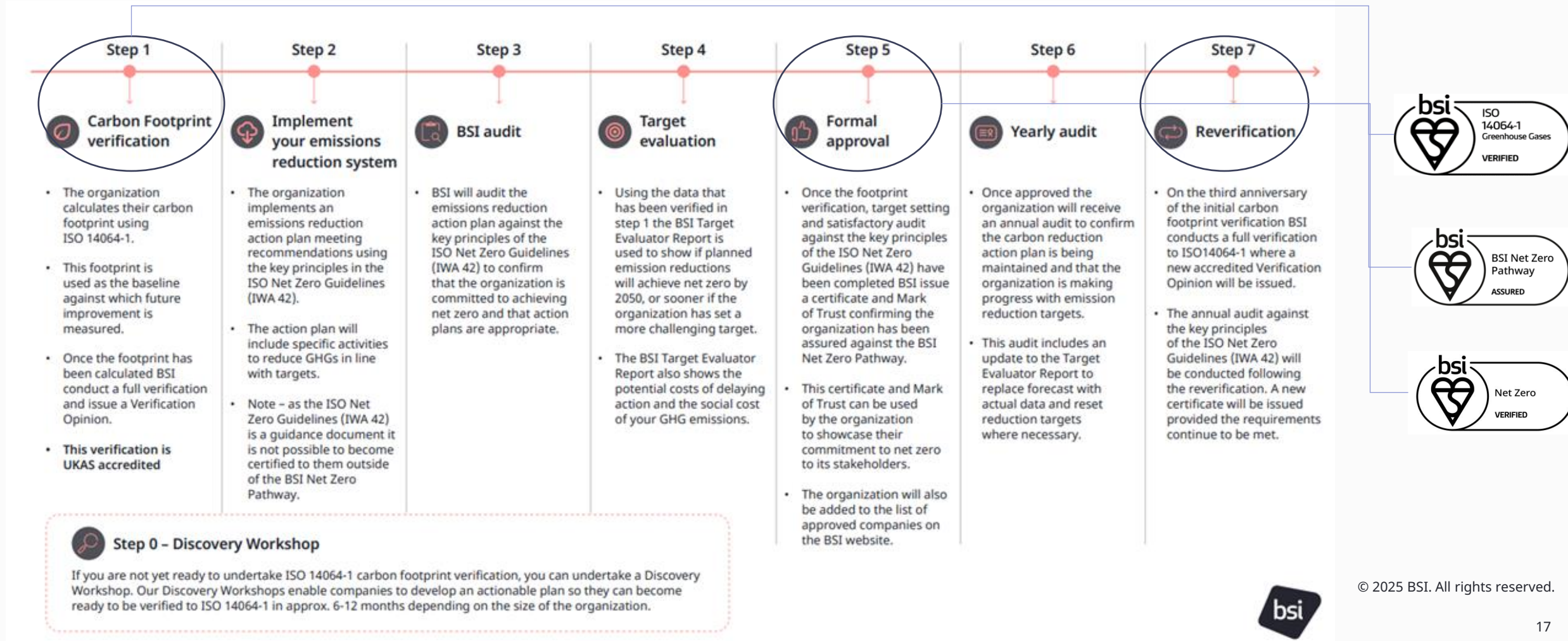bsi ISO 14064-1 Greenhouse Gases VERIFIED

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bsi Net Zero VERIFIED

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Consensus *

general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments

NOTE Consensus need not imply unanimity.

* PAS 0:2022

THANK YOU

Q&A

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