International Standard

ISO 32212

Sustainable finance — Net zero transition planning for financial institutions

Finance durable — Planification de la transition vers le zéro émission nette pour les institutions financières

First edition
2026-06

Reference number
ISO 32212:2026(en)

COPYRIGHT PROTECTED DOCUMENT

ISO copyright office
CP 401 • Ch. de Blandonnet 8
CH-1214 Vernier, Geneva
Phone: +41 22 749 01 11
Email: copyright@iso.org
Website: www.iso.org

Published in Switzerland

Contents

Page

Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO document should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

ISO draws attention to the possibility that the implementation of this document may involve the use of (a) patent(s). ISO takes no position concerning the evidence, validity or applicability of any claimed patent rights in respect thereof. As of the date of publication of this document, ISO had not received notice of (a) patent(s) which may be required to implement this document. However, implementers are cautioned that this may not represent the latest information, which may be obtained from the patent database available at www.iso.org/patents. ISO shall not be held responsible for identifying any or all such patent rights.

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 322, *Sustainable finance*.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

0.1 General

Article 2.1(a) of the Paris Agreement[23] sets the ambition of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1,5 °C, recognizing that this would significantly reduce the risks and impacts of climate change. Article 2.1(b) sets this ambition alongside the objective to increase the ability to adapt to the adverse effects of climate change and foster climate resilience and low greenhouse gas (GHG) emissions development.

The Paris Agreement[23] states it will be implemented in accordance with the principles of equity, common but differentiated responsibilities, and respective capabilities in different parts of the world (see Article 2.2), and in the context of sustainable development and the goal of eradicating poverty. To deliver on the objectives of the Paris Agreement[23], each Party undertakes to prepare, communicate and maintain nationally determined contributions (NDCs) (see Article 4) and to engage in adaptation planning processes (see Article 7).

Specifically related to finance, Article 2.1(c) of the Paris Agreement[23] states that finance flows must be consistent with a pathway towards low GHG emissions and climate-resilient development. Article 9 elaborates on the role of climate finance. The Glasgow Climate Pact[107] reaffirmed the goals of the Paris Agreement[23]. It highlighted that every increment of global warming beyond 1,5 °C intensifies the risks and impacts associated with climate change. It also emphasized that limiting global warming to 1,5 °C requires reducing global carbon dioxide (CO_2) emissions by 45 % by 2030 relative to the 2010 level and to net zero around mid-century, as well as deep reductions in other GHGs. In addition, it underlined the critical role of scaling up private finance in achieving global climate goals.

0.2 Objective of this document

This document specifies requirements and recommendations for strategic net zero transition planning by financial institutions, designed to protect and enhance value by supporting institutions' response and contribution to the transition to a global net zero and climate-resilient economy. The requirements and recommendations are designed to enable financial institutions to develop and maintain transition planning objectives and targets that advance the temperature and resilience goals of the Paris Agreement[23], and establish robust policies and processes to integrate these into their financial activities. The document builds on existing guidance, including materials developed by international organizations, jurisdictional authorities, industry initiatives and others.

This document aims to support financial institutions in responding to and contributing towards the transition to a global net zero and climate-resilient economy in a systematic and iterative manner, pursuing continual improvement in their transition planning. This includes mobilizing and reallocating capital to enable both decarbonization and climate adaptation activities in the real economy. It also aims to support economic growth and competitiveness and a resilient financial system by enabling financial institutions to capture opportunities for themselves (and their shareholders) and for their clients and beneficiaries in the real economy, while minimizing current and future risks.

This document recognizes that there are limits to the influence financial institutions can have over the real economy climate mitigation and adaptation outcomes resulting from the implementation of their transition plans. Outcomes can be impacted by a range of external dependencies, including dependencies related to public policy, regulation, scientific and climatic developments, and the actions of clients and investees.

0.3 Interaction with other standards

This document does not consider financial institutions' operational emissions, nor does it provide detailed guidance on the credibility of net zero commitments. In this regard it is designed to complement ISO 14060[6], as well as other relevant third-party resources (e.g. the Financial Institutions Net Zero Standard developed by the Science Based Targets Initiative (SBTi)[111]). ISO 14060 will provide a comprehensive framework for organizations to credibly set out their ambitions, transition planning and progress towards net zero GHG emissions, in their own operations and their value chains. A financial institution that aims to achieve net zero GHG emissions in both its operations and its financial activities may therefore choose to apply the requirements and recommendations in this document alongside those in ISO 14060.

This document utilizes a hybrid approach to identifying GHG categories, drawing on both existing ISO and Greenhouse Gas Protocol GHG Protocol (GHG Protocol) standards, reflecting the more accurate alignment of the GHG Protocol with the scope of this document and the ISO and GHG Protocol partnership,[160] which will combine their respective GHG standards into harmonized co-branded international standards.

0.4 Foundations of this document

0.4.1 Role of net zero transition planning by financial institutions and the theory of change

With connections to actors in all sectors of the real economy, financial institutions have an important role to play in advancing the goals of the Paris Agreement[23]. By engaging in transition planning, developing and maintaining transition planning objectives and targets, and establishing robust policies and processes to integrate these into their financial activities, financial institutions can play a critical enabling role in supporting their clients and investees to manage risk and capture opportunities associated with the global transition to a net zero and climate-resilient economy.[23]

Informed by forward-looking assessment of climate-related risks and opportunities, a financial institution can integrate transition planning objectives and targets into its strategy. It can set policies for its lending, investment or insurance activities, as well as its engagement activities with clients and investees, informed by analysis of their climate mitigation and climate adaptation strategies.

NOTE 1 In its report on the need for scaling climate finance, the UN-convened Independent Expert Group on Climate Finance states that “Every financial decision should take climate risk into account”.[26]

This document is therefore grounded in a theory of change which recognizes that robust, credible processes for net zero transition planning, undertaken as a strategic exercise as part of wider business planning, can help an institution protect and enhance its own long-term value and that of its clients and beneficiaries, while scaling the provision of finance to advance the goals of the Paris Agreement[23]. This can include providing finance to help developing countries both mitigate and adapt to climate change (see Article 9.1). At the same time, an institution’s financing strategy can minimize adverse impacts and capture opportunities for stakeholders, society, communities, the economy and the natural environment.

In developing a strategic approach to net zero transition planning, it is important to recognize the need for financial institutions to consider not only the reduction of financed, facilitated and insurance associated emissions, but also their contribution to the decarbonization and adaptation efforts of their clients and investees in the real economy (e.g. by financing the abatement of emissions in high-emitting sectors or by financing climate mitigation and adaptation solutions). This document’s focus on forward-looking strategies, policies and processes that support real economy transition pathways is aligned with the United Nations Environment Programme (UNEP) Theory of Change for Climate Mitigation[24].

NOTE 2 The Net Zero Investment Framework (NZIF)[100] identifies the importance within net zero strategies of maximizing efforts to “finance reduced emissions” rather than focusing solely on efforts to “reduce financed emissions”.

NOTE 3 Other guidance and disclosure frameworks for transition planning and transition plans recognize the role of the private sector in both responding to, and contributing towards, the transition to a net zero and climate-resilient economy (GFANZ (2022)[30] and TPT (2023)[41].

This document recognizes that climate-related risks can be viewed as both exogenous and endogenous to the financial system. That is, financial institutions are exposed to proximate climate-related financial risks, which are already influencing asset values today and will continue to crystallize within traditional time horizons, and also contribute to future system-wide risks, such as those that could arise from a disorderly transition or extreme warming scenarios that exacerbate physical climate risks, the precise timing and magnitude of which can be uncertain. Effective transition planning within financial institutions can therefore be expected to support greater resilience at both institution and system levels, while also capturing commercial opportunities associated with mobilizing the USD 8,6 trillion in capital needed annually until 2050 to advance the goals of the Paris Agreement[23] (based on estimates by the Climate Policy Initiative, CPI[112]).

Of course, it is also important to acknowledge that the finance sector has an enabling, as opposed to controlling, role in the transition. The principal decarbonization and adaptation efforts will take place under the control of real economy actors, subject to supportive policy environments. Identification of the

interconnections and external dependencies that can impact the effectiveness of a financial institution's transition plan represents an important ongoing element of the transition planning process.

NOTE 4 Supervisory statements recognize the distinctive characteristics of climate risk, the need for a strategic approach and the role of financial institutions in stewarding the transition (Financial Stability Board[113]).

NOTE 5 The results of climate stress testing exercises, undertaken within the central banking community, have evidenced the benefits of an early and orderly transition (European Central Bank (ECB)[114]).

0.4.2 Accommodating national circumstances

The Paris Agreement[23] explicitly acknowledges the need to accommodate national circumstances in the pursuit of its goals. Article 2.2 states that its implementation must reflect equity and the principle of common but differentiated responsibilities and respective capabilities in the light of different national circumstances. Article 13.2 explicitly allows for flexibility for developing countries, complementing Article 9.1 which highlights the need for finance flows from developed to developing countries in supporting a global transition.

NDCs and national adaptation plans reflect this approach, describing climate plans that outline a country's mitigation, adaptation, finance and technology needs, and impacts from response measures, thereby acting as the foundation for implementing the Paris Agreement[23]. NDCs, national adaptation plans, national transition plans, industrial policies or strategies, and national sector and/or technology plans and pathways can accordingly provide locally relevant reference points for financial institutions in their transition planning activities.

The Enhanced Transparency Framework (ETF)[99] builds on existing reporting and review processes established in the Paris Agreement[23], specifically addressing ongoing concerns around credibility and flexibility in a way that is respectful of national sovereignty.

The G20 also acknowledges the challenge for organizational transition planning in balancing credibility and consistency with the need to remain flexible as organizations align their own planning with jurisdiction-specific circumstances.[90] Such proportionality is essential for global applicability. Where jurisdiction emissions reduction pathways do not exist or are incomplete, financial institutions can apply international sector guidance, global standards or targets. These can incorporate exemptions, flexibilities or proportionality approaches.[94] This can mean, for example, differing transition priorities with a greater focus on adaptation activity and operational emissions in some jurisdictions.[47]

0.4.3 Looking beyond decarbonization

The Paris Agreement[23] considers issues beyond decarbonization. For example, it recognizes that adaptation is a key component of, and makes a contribution to, the long-term global response to climate change to protect people, livelihoods and ecosystems including country specific flexibility (see Article 7). The preamble acknowledges both the need for a just transition taking into account "…the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities" as well as nature-related implications, noting "the importance of ensuring the integrity of all ecosystems, including oceans, and the protection of biodiversity…".

This document therefore addresses the need to look beyond decarbonization, taking into account adaptation activity as well as potential co-benefits and trade-offs with societal and nature-related impacts and dependencies. For example, Article 5 of the Paris Agreement[23] emphasizes the need to conserve and enhance forests as carbon sinks, encouraging action to reduce deforestation. This document accordingly provides a strategic framework for supporting the financial sector to respond to and contribute towards the global transition, while considering nature, adaptation and a just transition.[27]

Also, recognizing the interconnected nature of climate, nature and human systems, it is important to identify and mitigate unintended impacts of potential decarbonization actions (e.g. the potential trade-offs between climate action, energy access and affordability, and economic development).[28] This aligns with the Paris

Agreement[23] requirement (see Article 4.1) that climate action is undertaken "on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty".

NOTE 1 The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct[115] set recommendations to "enhance the business contribution to sustainable development and address adverse impacts associated with business activities on people, planet, and society."

NOTE 2 Network for Greening the Financial System (NGFS) in its guidance on integrating adaptation and resilience into transition plans[116] indicates that "[w]hile mitigation remains indispensable to limit future damages, integrating adaptation into climate transition plans is also crucial, given their interconnectedness. Adaptation efforts help reduce vulnerability, strengthen resilience, and unlock economic opportunities".

NOTE 3 A CFRF report[121] describes an approach to adaptation-related decision-making for financial institutions utilizing a range of future warming scenarios (ABC Framework).

NOTE 4 TNFD[122] identifies integrated transition planning activities as providing a "coherent structure" for managing both nature-related dependencies, impacts, risks and opportunities, and climate mitigation and adaptation efforts, thereby contributing to the transition envisaged by both the Kunming-Montreal Global Biodiversity Framework and the Paris Agreement[23].

NOTE 5 Artificial intelligence (AI) and other technology can help identify and quantify the interconnected nature of climate, nature and human systems.

NOTE 6 Decarbonization in the context of this document extends beyond consideration of carbon dioxide to consider all GHGs.

0.4.4 Building on existing guidance and expectations

The requirements for credible transition planning as described in this document are designed to be compatible with, and build on, existing guidance and expectations relevant to transition planning by financial institutions. This includes:

— the iterative development and practical experience reflected in international finance sector initiatives, such as the Glasgow Financial Alliance for Net Zero (GFANZ) and the Institutional Investors Group on Climate Change (IIGCC);

— jurisdictional and international work on public disclosure of transition plans, such as the International Sustainability Standards Board (ISSB) guidance on disclosing information about an entity's transition plan;[123]

— non-governmental organization (NGO) initiatives on matters such as target setting, emissions measurement and transition plan assessment, including SBTi, the Partnership for Carbon Accounting Financials (PCAF) and The TPI Global Climate Transition Centre (TPI Centre);

— finance sector supervisory expectations around transition planning and the management of climate-related financial risk, including the work of the NGFS.

The document also draws on (and references where appropriate) ISO documents including IWA 42[22], ISO 32210[15] and ISO/TS 32211[16]. A number of documents on environmental management developed by ISO/TC 207 are also relevant, including ISO 14001[1], the ISO 14019 series[2], ISO 14030-1[3], ISO 14100[11], ISO 14054[5], ISO 14064-1[7], ISO 14068-1[8] and ISO 14097[10]. ISO 55001[19] on asset management and ISO 37000[17] on governance are also relevant. The ISO 14019 series[2] provides guidance on the validation and verification of sustainability information. Furthermore, this document is designed to complement ISO 14060, as described in 0.3.

Sustainable finance — Net zero transition planning for financial institutions

1 Scope

This document specifies requirements and recommendations for strategic transition planning by financial institutions, designed to protect and enhance value by supporting institutions' response and contribution to a global net zero and climate-resilient economy. The requirements and recommendations are designed to enable financial institutions to develop and maintain transition planning objectives and targets that advance the temperature and resilience goals of the Paris Agreement[23], and establish robust policies and processes to integrate these into their financial activities.

This document is applicable to any financial institution, regardless of size, type and geographic location, with a particular focus on banking, insurance and investment institutions. Its provisions are applied in the context of the institution's particular business model.

NOTE 1 Some considerations specific to particular institution types are included in guidance notes. Additional guidance on product attributes specific to different types of financial institution can be found in Annex A.

This document is applicable to all financial activities (including lending, insurance, asset owner investing, asset manager investing and capital market activities) that the institution determines it can either control or influence, using a life cycle perspective (e.g. those described in 7.2.2). It can also be applicable to relevant financial activities within real economy institutions and emerging financial institution types, many of which leverage digital technologies and can be subject to different or bespoke regulatory frameworks (e.g. decentralized finance (DeFi) platforms).

NOTE 2 This document is intended for global application, recognizing that some financial institutions, including those in some emerging market and developing economies (EMDEs), can face constraints in the local enabling regulatory environment and data availability. It therefore seeks to ensure flexibility and proportionality in application, as appropriate.

NOTE 3 Documents on asset management developed by ISO/TC 251, including ISO 55000[18], ISO 55001[19] and detailed guidance in ISO 55002[20], can be useful for financial institution asset management activity, particularly as it relates to alignment of asset management with business objectives (e.g. those related to transition planning).

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at https://www.electropedia.org/

3.1 Terms related to transition

3.1.1
transition plan
output of *transition planning* (3.1.2), often a published disclosure, which details how the entity plans to achieve its stated goals

Note 1 to entry: Established frameworks for disclosing transition plans include formalized pillars such as metrics and targets, engagement strategy, and governance processes.

[SOURCE: PRI (2026)[124]]

3.1.2
transition planning
dynamic, iterative process through which an entity develops an organization-wide approach to the broader economic transition to *net zero* (3.1.9), including by defining how they will adapt or transform operations, strategies, and business models to align with their stated goals, and integrating these goals across the organization

Note 1 to entry: NGFS (2024) state that transition planning (and transition plans) capture climate mitigation and adaptation.[125]

Note 2 to entry: As noted in the Introduction and set out in the Scope (see Clause 1), the focus of this document is the application of transition planning in the context of *financial institutions'* (3.2.8) *financial activities* (3.2.9). This focus acknowledges that the overwhelming majority of financial institutions' *greenhouse gas emissions* (3.1.15) are associated with their financial activities, and recognizes the critical enabling role that financial institutions can play in supporting their clients and investees to manage risk and capture opportunities associated with the global transition to a net zero and climate-resilient economy. A financial institution that aims to achieve net zero greenhouse gas emissions in both its operations and its financial activities may therefore choose to apply the requirements and recommendations in this document alongside those in ISO 14060.

[SOURCE: PRI (2026)[124], modified — Notes 1 and 2 to entry added.]

3.1.3
transition finance
lending, financing, investment, insurance, and related products and services that are critical to delivering *real economy* (3.1.5) emissions reduction to support an orderly, real economy transition to *net zero* (3.1.9)

Note 1 to entry: GFANZ identifies four key transition financing strategies, each of which aims to generate positive real economy impacts:

a) *climate solutions* (3.1.7): entities and activities that develop and scale climate solutions;

b) aligned: entities that are already aligned to a 1,5 °C pathway;

c) aligning: entities committed to transitioning in line with 1,5 °C-aligned pathways;

d) managed phaseout: the accelerated managed phaseout of high-emitting physical assets.

Note 2 to entry: For the purposes of this document, a broad definition of transition finance has been adopted.

[SOURCE: GFANZ, 2022[30], modified]

3.1.4
adaptation finance
lending, financing, investment, insurance and related products and services that are critical to delivering *real economy* (3.1.5) adjustments in ecological, social or economic systems in response to actual or expected climate change and its effects

[SOURCE: UNFCCC[126], modified]

3.1.5
real economy
economic activity that concerns the production, purchase and flow of goods and services outside of the financial sector

Note 1 to entry: *Financial institutions* (3.2.8) are significant intermediaries that support activity in the real economy (production and consumption by households, businesses and government) through their lending, investing, underwriting, and advising activities.

[SOURCE: GFANZ, 2022[30], modified]

3.1.6
climate change adaptation
process of adjustment to actual or expected climate change and its effects

Note 1 to entry: In human systems, adaptation seeks to moderate or avoid harm or exploit beneficial opportunities.

Note 2 to entry: In some natural systems, human intervention can facilitate adjustment to expected climate and its effects.

[SOURCE: ISO Guide 84:—[21][1)], 3.1.3, modified — "climate change" replaced "climate" in the definition.]

3.1.7
climate solution
technologies, services, tools, or social and behavioural changes that directly eliminate, remove, or reduce *real economy* (3.1.5) *greenhouse gas emissions* (3.1.15) or that directly support adaptation to the impacts of climate change

Note 1 to entry: Climate solutions have two attributes:

— they represent a significant contribution to real economy emissions reduction and removal or climate resilience;

— the solution's own emissions are reasonably expected to progress toward net-zero over time.

Note 2 to entry: Nature-based solutions are a category of climate solution. Such solutions represent actions to protect, sustainably manage, and restore natural and modified ecosystems in ways that address societal challenges effectively and adaptively, to provide both human well-being and biodiversity benefits.

[SOURCE: GFANZ, 2023[108], modified]

3.1.8
climate enabler
technologies, services, tools, or social and behavioural changes that indirectly contribute to, but are critical for, *real economy* (3.1.5) *greenhouse gas emission* (3.1.15) reductions by facilitating the deployment and scaling of *climate solutions* (3.1.7)

[SOURCE: GFANZ, 2023[108], modified]

3.1.9
net zero
net zero greenhouse gases
condition in which human-caused *residual emissions* (3.1.20) are balanced by human-led removals over a specified period and within specified boundaries

Note 1 to entry: Human-led removals include ecosystem restoration, direct air carbon capture and storage, reforestation and afforestation, biochar and other effective methods.

Note 2 to entry: The words "human-caused" and "human-led" are intended to be understood as synonymous with the word "anthropogenic" in IPCC definitions.

[SOURCE: IWA 42:2022[22], 3.1.1]

1) Under preparation. Stage at the time of publication: ISO/DGuide 84.2:2025.

3.1.10
carbon credit
tradeable intangible instrument issued by a GHG/carbon-crediting programme, representing a *greenhouse gas emission* (3.1.15) reduction to, or removal from, the atmosphere equivalent to one metric tonne of carbon dioxide equivalent

Note 1 to entry: Carbon credits can be retired without being used for offsetting, as a contribution to global climate action or global *net zero* (3.1.9). Credits and offsets are not interchangeable terms.

Note 2 to entry: Carbon credits can be of different types: avoidance/reduction credits or removal credits.

Note 3 to entry: Carbon credit projects are validated and their impacts verified by carbon-crediting programmes. Carbon credits are uniquely serialized, issued, tracked and retired or administratively cancelled by means of an electronic registry operated by an administrative body, such as a carbon-crediting programme.

3.1.11
carbon lock-in
estimates of future *greenhouse gas emissions* (3.1.15) that are likely to be caused by an undertaking's key assets or products sold within their operating lifetime

[SOURCE: EFRAG, 2022[38], Table 2, modified — "carbon lock-in" replaced "locked-in GHG emissions" as the term.]

3.1.12
facilitated emission
indirect *greenhouse gas emission* (3.1.15) arising as a consequence of capital market transactions, i.e. those associated with services provided by *financial institutions* (3.2.8) to support the issuance of capital market instruments

[SOURCE: PCAF, 2023[51], modified]

3.1.13
financed emission
indirect *greenhouse gas emission* (3.1.15) arising as a consequence of the financing activities, such as lending and investment, of *financial institutions* (3.2.8)

[SOURCE: PCAF, 2025[50], modified]

3.1.14
insurance associated emission
indirect *greenhouse gas emission* (3.1.15) arising as a consequence of the re/insurance underwriting activities of *financial institutions* (3.2.8)

[SOURCE: PCAF, 2025[127], modified]

3.1.15
greenhouse gas emission
GHG emission
release of a GHG into the atmosphere

[SOURCE: ISO 14050:2020[4], 3.9.8]

3.1.16
direct greenhouse gas emission
direct GHG emission
Scope 1 emission
greenhouse gas emission (3.1.15) from a GHG source owned or controlled by an organization

Note 1 to entry: Direct GHG emissions do not include those occurring from natural ecosystems owned or controlled by the organization.

[SOURCE: ISO 14050:2020[4], 3.9.9, modified — Admitted term added. "source" changed to singular in the definition. Note 1 to entry added.]

3.1.17
energy indirect greenhouse gas emission
energy indirect GHG emission
indirect GHG emission from imported energy
Scope 2 emission
greenhouse gas emission (3.1.15) from the generation of imported electricity, heat, cooling or steam consumed by an organization

Note 1 to entry: This category includes only GHG emissions due to the fuel combustion associated with the production of final energy and utilities, such as electricity, heat, steam, cooling and compressed air. It excludes all upstream emissions (from cradle to power plant gate) associated with fuel, emissions due to "imported" the construction of the power plant, and "facility" changed emissions allocated to "organization" transport and distribution losses.

[SOURCE: ISO 14050:2020[4], 3.9.11, modified — Admitted terms added. "cooling" added in the definition. Note 1 to entry added.]

3.1.18
other indirect greenhouse gas emission
other indirect GHG emission
Scope 3 emission
greenhouse gas emission (3.1.15), other than *energy indirect GHG emissions* (3.1.17), that is a consequence of an organization's activities, but arises from GHG sources that are owned or controlled by other organizations

Note 1 to entry: Other indirect GHG emissions include all attributable value chain GHG emissions not included in direct GHG emissions or energy indirect GHG emissions. These emissions are referred to as categories 3 to 6 in ISO 14064-1:2018,[7] Annex B.

[SOURCE: ISO 14050:2020[4], 3.9.12, modified — Admitted term added. Note 1 to entry added.]

3.1.19
avoided emission
greenhouse gas emission (3.1.15) reductions that occur outside the organizational boundaries of the reporting organization as a direct consequence of changes in the organization's activity

Note 1 to entry: Avoided emissions are typically forward looking and assessed against a baseline *scenario* (3.1.23).

3.1.20
residual emission
residual greenhouse gas emission
residual GHG emission
anthropogenic *greenhouse gas emission* (3.1.15) remaining at the *net zero* (3.1.9) target date after implementing all technically feasible activities to achieve GHG emission reductions across the value chain

Note 1 to entry: Estimation of residual emissions takes into account emission reductions associated with all mitigation actions that are technically and economically feasible.

3.1.21
greenwashing
providing false or misleading information, either intentionally or inadvertently, regarding the environmental or sustainability attributes of an entity, product, asset and activity

[SOURCE: ISO 14100:2022[11], 3.1.15, modified — "providing" and "entity" added, and "which can have consequences on the assessment of financial and non-financial materiality" deleted.]

3.1.22
high-emitting asset
real or physical assets in sectors of the economy that account for significant direct or indirect production of emissions

[SOURCE: GFANZ, 2022[109], Box A, modified — "that provide important functions" and "GHG" deleted.]