

CLIENT INFORMATION NOTE

ISO 14068-1:2023

CIN (097)

Introduction

Carbon neutrality is a pathway of continual improvement that reduces carbon offset over time. An assurance provides credibility to carbon neutrality claims.

This Client Information Note explains the LRQA Verification process to provide an assurance of your claim towards commitment or achievement of carbon neutrality.

It also highlights key changes from PAS 2060.

What was the need for this standard

Body copy Calibri 10pt To address effective and transformative responses to urgent threat of climate change.

Builds upon existing International Standards in ISO 1406x series that provides a standardized approach to achieving and demonstrating carbon neutrality.

Principles underlying carbon neutrality

Environmental integrity:

The carbon neutrality claim must reflect a real and verifiable contribution to climate change mitigation.

Transparency:

All relevant information communicated and publicly accessible.

Traceability:

Emissions, reductions, and offsets must be traceable throughout the life cycle and mitigation process.

Additionality:

Mitigation actions must go beyond business-as-usual

Avoidance of double-counting:

Emissions and mitigation outcomes must not be counted more than once.

Permanence:

Removals must be maintained over time and protected against reversal.

Scientific approach:

Quantification of emissions and removals are based on robust and up-to-date scientific methods.

Continual improvement:

improve their decarbonization plans and mitigation strategies over time.

Responsible use of carbon credits:

Credits must meet quality criteria, be verified by recognized standards, and be properly retired.

Life cycle perspective:

consider all relevant stages of the product, service, or activity life cycle.

Mitigation hierarchy:

Prioritize avoidance and reduction of emissions before offsetting residual emissions.

Decarbonization plan:

A structured approach to reduce GHG emissions over time, aligned with climate goals.

Verification Process

The verification process follows a two-stage approach, which may be conducted remotely or on-site depending on the verification risks and client preferences.

Application

Upon receipt of a completed Questionnaire with the organization's data, LRQA will issue a Proposal outlining:

- Scope of verification
- Level of assurance
 - Limited or Reasonable
- Materiality threshold
- Costs

After approval, LRQA will formalize the contractual terms and initiate the verification.

Carbon Neutrality Verification

Stage 1: Preparation and Initial Assessment

Opening meeting to explain LRQA's approach and confirmation of

Terms of Engagement that includes

- Subject and Boundary
- Functional unit (eg. Organization, Product, Event, Financed emissions)
- Audit criteria (ISO 14064-1, ISO 14067 or GHG Protocol)
- Verification criteria (ISO 14064-3 or ISAE 3410)
- -Level of Assurance and Materiality threshold
- Understanding the Claim (whether it relates to carbon neutrality commitment or achievement)

In addition, the Stage 1 audit will involve a review of the Carbon Neutrality Plan and Report in order to prepare a verification plan and the data and information sampling plan.

Objectives of Stage 1:

- Review conformity with ISO 14068-1 principles
- Prepare Verification and Sampling Plans
- Identify areas requiring attention before Stage 2

A Stage 1 report will be issued summarizing findings and recommendations.

Stage 2: Verification of Data, Methodology, and Claim

- Verification of GHG emissions, removals, and offsets data.
- Evaluation of mitigation plan implementation.
- Review of carbon credits used to offset residual emissions.
- Conformance check against ISO 14068-1 requirements.

Our Findings log grades include:

- Material mis-statement
- Mis-statement
- Material non-conformity
- Non-conformity
- Observation.
- Findings are reviewed towards closure prior to issuance of Verification Report

Objectives of Stage 2:

- Execute the Verification Plan
- Assess robustness of GHG quantification and mitigation actions
- Verify quality and retirement of carbon credits
- Confirm transparency and credibility of public claims
- Preparing a draft LRQA Assurance Statement for internal review prior to release.

Reporting:

- LRQA provides a formal verification report that details the verification approach, details of audit/functional areas audited along with samples taken and its supporting evidence that forms the basis for the opinion reached.
- If agreed earlier, the Lead Verifier will make a presentation to the client's top management to effectively communicate on matters of governance, areas for improvement, and other interests arising from the engagement.

LRQA Assurance Statement

The final Assurance Statement relates to the subject, boundary, audit criteria, verification criteria, level of assurance and materiality and includes LRQA verification approach, Observations, Recommendations and an opinion on the claim.

The Assurance Statement is released after completion of an independent technical review. An outstanding material non-conformity or material mis-statement (omission, misrepresentation or error) in an assertion, data, or information will result in a negative assurance.

A mis-statement or non-conformity to the requirements would result in either a qualified opinion or Observations/ Recommendations.

Confidentiality:

LRQA treats client data in confidence and not released to any other party without our client's written consent.

Client's responsibilities and commitments

- In signing this agreement, the Client confirms that to the best of their knowledge and belief:
- all relevant data and information records have been made available to LRQA for assurance engagement and not willfully withheld;
- all such data and information are accurate and complete in all material respects;
- the calculation methodology is complete and accurate and conforms to the principles of ISO 14068
- processes related to management of data collection, collation of data and any other system or mechanism related to GHG emissions and/or removals are robust.
- An internal verification has been conducted prior to offering it for assurance to LRQA.

Clients confirm that they are aware that any incomplete evidence may compromise the overall effectiveness of the assurance process and result in it not being completed within the contracted timescales. LRQA reserves the right to request further days, as necessary, to complete the assurance engagement. Additional days may also be necessary if errors, omissions or misstatements are identified during the assurance engagement.



Your Risk Management
Advantage

Get in touch

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