

**Due Process Protocol  
for the mandate implementation of the Impact Value Standards Board**

**1 Introduction**

- a) This protocol sets out the due process followed by the Impact Value Standards Board (IVSB) to:
- b) Oversee a governance framework for valuation that organizations can consistently apply to build confidence in the development and use of methods of valuation.
- c) Develop and expand a common and comprehensive Impact Accounting Methodology for value creation, including standardized pathways and value factors, that organizations can consistently apply to empower them to understand the value they create, preserve, and erode through their activities.
- d) Advise on and provide standardized guidance on implementation and best practices for valuation.
- e) This Due Process Protocol has been approved by the Audit and Risk Committee of the Capitals Coalition Supervisory Board and has been adopted by the technical staff, effective November 2025. For official methodologies approved prior to October 31, 2025, the [Due Process Protocol](#) of the IFVI and VBA has been applied.
- f) This Due Process Protocol and the Terms of Reference together establish the governance for how the IVSB operates to fulfill its mandate.
- g) The due process followed for overseeing the mandate, including the application of the Governance for Valuation and Impact Accounting Methodology development, is outlined in the key phases below. In the case of the development of best practices (in achieving mandate d)), the IVSB may select to apply the below due process in its entirety or opt to delegate development to different bodies. In each of these steps, the IVSB plays a central role as the overseeing body.

<b>2</b>	<b>Overview of the Impact Value Standards Board</b>	<b>3</b>
<b>3</b>	<b>Responsibilities</b>	<b>3</b>
3.1	Responsibilities of the Audit and Risk Committee	3
3.2	Responsibilities of the Chairs	4
3.3	Responsibilities of IVSB Members	4
3.4	Responsibilities of the Secretariat	5
<b>4</b>	<b>Due Process</b>	<b>5</b>
4.1	Meetings and Procedures	5
4.2	Preparation Phase: Establishing the Annual Work Plan & Initiating Projects	7
4.3	Phase 1: Developing Methodologies	8
4.4	Phase 2: Public Consultations and Piloting	9
4.5	Phase 3: Approving and Issuing Methodologies	10
4.6	Post Implementation Phase: Review and Maintenance	10
<b>5</b>	<b>Public Goods and Commercial Use</b>	<b>12</b>
<b>6</b>	<b>Comments and Concerns Regarding Due Processes</b>	<b>12</b>

## 2 Overview of the Impact Value Standards Board

- h) The Impact Value Standards Board is established and managed by the Capitals Coalition. It brings together the Value Commission (previously managed by the Capitals Coalition) and the Valuation Technical and Practitioners Committee (previously managed by the International Foundation for Valuing Impacts (IFVI) in partnership with the Value Balancing Alliance, VBA). The Valuation Standards Commission aims to establish and oversee a consistent governance framework and standardized methodologies for valuing the impacts and dependencies of all capitals, enabling organizations to make informed decisions that reflect the value they create, preserve, or erode by translating social and environmental impacts into the language of currency. We believe that providing a common, public good approach to impact accounting<sup>1</sup> significantly improves transparency, understanding, and decision-making about how companies create value — for all stakeholders.
- i) This work strives to be business relevant, pragmatic, scalable, and transferable — building on frameworks and protocols published by leading organizations in the impact management ecosystem and sustainability-related disclosures required by governing jurisdictions and international standard setters, Value Balancing Alliance (VBA), the European Financial Reporting Advisory Group (EFRAG), Global Reporting Initiative (GRI), IFRS Foundation, Impact Economy Foundation (IEF), Impact Management Platform (IMP), and Social Value International (SVI).

## 3 Responsibilities

### 3.1 Responsibilities of the Audit and Risk Committee

- a) Due process of the mandate is overseen by the Audit and Risk Committee of the Capitals Coalition Supervisory Board.
- b) The Audit and Risk Committee annually reviews the due process and its implementation and makes improvements on a timely basis when it considers it to be necessary.
- c) The Audit and Risk Committee does not review or consider technical matters in the development and approval of the mandate.
- d) Stakeholders may submit grievances first to the IVSB and then to the Audit and Risk Committee, as outlined in the section 6 below.

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<sup>1</sup> A system for measuring and valuing the impacts of corporate entities and generating impact information to inform decisions related to an entity's effects on sustainability.

### **3.2 Responsibilities of the Chairs**

- a) As members, both the Chair and Vice-Chair are responsible for adhering to the following responsibilities, while also fulfilling the duties specific to their roles:
  - i. Chairs are responsible for chairing the Board, ensuring good governance and the delivery of outputs;
  - ii. The Chairs will advocate for and represent the Board in external meetings and events.
- b) The Co-Chairs will (with support of the Secretariat):
  - i. Adhere to the terms of reference and due process as laid out in this document;
  - ii. Set and agree on agendas and background materials for meetings;
  - iii. Host the meetings and facilitate engagement with members, vested interest groups, and third parties;
  - iv. Work collaboratively with members, allowing each to contribute and considering concerns, ensuring these are dealt with fairly;
- c) Be responsible for final outputs from the Board, including recommendations and guidance;
- d) The Chair and Vice-Chair will (with the support of the Secretariat) report back annually on the implementation of the due process to the Audit and Risk Committee.
- e) Co-chairs are not employees of the Capitals Coalition and act independently of the Capitals Coalition.

### **3.3 Responsibilities of IVSB Members**

- a) As set out in the Terms of Reference, section 3.4, members are responsible for attending meetings and participating fully.
- b) In supporting the mandate, IVSB members adhere to the ISO Code of Conduct. These principles are:
  - i. Respect others.
  - ii. Behave ethically.
  - iii. Escalate and resolve disputes.
  - iv. Work for the net benefit of the international community.
  - v. Uphold consensus and governance.
  - vi. Agree to a clear purpose and scope.
  - vii. Participate actively and manage effective representation.
- c) IVSB members are expected to complete an annual conflict of interest form and agree to a confidentiality agreement ensuring that the principles of transparency are met.

### **3.4 Responsibilities of the Secretariat**

- d) An Executive Team member from the Capitals Coalition will provide oversight over the IVSB Secretariat and will be present at IVSB meetings, without voting rights.
- e) The Capitals Coalition will host and act as Secretariat for the IVSB, providing at least two supporting members, a project manager, and a Technical Director, all without voting rights.
- f) A Project Manager will be appointed to coordinate and record meetings, share meeting minutes, keep members updated on progress, and support as the primary contact point.
- g) A Technical Director will be appointed to establish the work plan and processes as set out in the Due Process Protocol, to develop the agreed outputs, following the procedures as set out in this Protocol.
- h) The Secretariat will resource and manage any supporting staff as required.
- i) The Secretariat will facilitate the creation of a webpage with information on the IVSB ambition, activities, and progress, as well as listing all members involved in the work of the IVSB. Content creation will align with the Public Transparency outlined in section 4.1.1.
- j) The Secretariat and Members must obtain written permission before using another member's name, logo, or image.

## **4 Due Process**

- a) This process includes the following key sequential steps, beginning with the development of the workplan through to the issuing methodologies. The final review phase is considered continuous and ongoing. Meeting procedures are an overarching process that details the transparency around how decisions are made. Each phase, as well as how meetings are conducted, is outlined in further detail below:
  - b) Meetings Procedures
    - i. Establishing the Annual Work Plan and Initiating Projects
    - ii. Developing Methodologies and Overseeing Governance for Valuation
    - iii. Public Consultations and Piloting
    - iv. Approving & Issuing Methodologies
    - v. Post Implementation, Review, and Maintenance

### **4.1 Meetings and Procedures**

- a) The IVSB will meet a minimum of four times a year, with the possibility of additional meetings as required or if requested by at least five members.

- b) Meetings will be held either in person or virtually, utilizing the Capitals Coalition resources to host the meeting. The Chair and Vice Chair may agree to hold meetings in other locations.
- c) Meetings must be conducted with a quorum of voting members in attendance. Quorum is defined as 50% of voting members, who must be present. At least the Chair or Vice Chair must be present at all meetings.
- d) The Chair and Vice Chair of the IVSB will have a direct link to the Capitals Coalition technical team to approve meeting agendas, facilitate feedback, and incorporate the IVSB's advice and decisions into the research and publications of outputs from the Mandate.
- e) If the above requirements (a-d) are not met, the IVSB meeting will be rescheduled within 30 days.
- f) IVSB members are not permitted to send a representative to participate and to vote by proxy at meetings.
- g) Members and the Secretariat may propose the participation of additional guests and/or other external representatives, without voting rights, in specific meetings to speak to and/or support discussions on specific technical matters, at the approval of the Chair and Vice Chair.
- h) The Technical Director will attend all IVSB meetings as a non-voting member. The Technical Director will:
  - i. propose an agenda for each meeting to be approved by the Chair and Vice Chair;
  - ii. be responsible for presenting progress of the approved work plan, research, and governance updates and areas for discussion, issues of debate in the impact valuation ecosystem, and any areas of disagreement within the team with relevance to the mandate;
  - iii. be responsible for answering key questions from the IVSB and following up with members on items on which more research or confirmation is needed.
- i) The agenda and any supporting papers or materials will be provided with a minimum of 5 working days in advance of the meetings to ensure IVSB members are prepared and capable of active participation in discussions and decision-making.
- j) IVSB members are allowed, on a confidential basis, to share the materials under consultation as soon as they are received (a minimum of 5 working days) with the stakeholders they represent, and whose consultation is important to how they vote or to the kinds of questions they will raise in the meetings. For purposes of clarification, this is not a pre-check or pre-vote with these stakeholders.

#### 4.1.1 *Public Transparency*

- a) IVSB meetings are not open to the public, though meeting dates and agendas will be publicly announced on the website in advance of meetings. Aggregated meeting minutes will be publicly available on the website after the meetings. Individual speakers will not be identified. This is commonly referred to as “Chatham House Rule.” Minutes will reflect the final aggregated vote of all present IVSB Members.
- b) The aggregated public minutes will be published to provide an accurate depiction of discussions and decisions made. Notes will include the rationale for conclusions reached during meetings. Areas of disagreement or objection will be recorded as part of a *Basis for Conclusions* Document at the conclusion of a development process once a final resource is released.
- c) Outside of meetings, the technical staff and IVSB members may convene on matters that are consultative, educational, or administrative. Significant deliberations by a majority of the IVSB voting members are to be conducted in official meetings.
- d) Formal votes of the IVSB are conducted in meetings and reported in meeting minutes or reported publicly if balloted outside of a meeting.

#### 4.1.2 *Decision-Making*

- a) The Chair, Vice Chair, and each member of the IVSB will be entitled to one vote (“voting members”).
- b) The Chair and Vice Chair are responsible for achieving consensus among IVSB members to provide clear directions to the mandate. In case consensus cannot be reached, decisions will be made by vote. Decisions require a simple majority, or 51% of voting members to pass, though the Chair and Vice Chair shall endeavor to achieve a 2/3 majority.

#### **4.2 *Preparation Phase: Establishing the Annual Work Plan & Initiating Projects***

- c) Work plans are critical for achieving transparency, and ensuring methodologies are stakeholder informed.
- d) Work plans are informed by available research and data, projects and deliverables of relevant peer organizations, and stakeholder needs, in alignment with the principles for the due process outlined above.
- e) The work plan encompasses active projects that are overseen by the IVSB to help the IVSB prioritize its work and manage resources effectively

- f) The Secretariat, in alignment with technical staff and the IVSB member recommendations, proposes an annual work plan to the IVSB in the final meeting of the calendar year and is approved by the IVSB in the first meeting of the following year.
- g) Any changes to the work plan are shared with the IVSB and updated publicly.
- h) Capitals Coalition technical staff will maintain the work plan that is available on the website and update it if changes are made throughout the year.

#### **4.3 Phase 1: Developing Methodologies**

- a) As the core phase of work, Impact Accounting Methodology development includes several essential components to ensure it is aligned with the core principles of Impact Accounting.
- b) To initiate the work plan, the technical staff develops project proposals for the IVSB's consideration and approval to commence and execute projects on the work plan. The proposal typically includes a rationale for the project recommendation, a summary of findings from research and consultations conducted to develop the proposal, and other information or data as deemed necessary.
- c) The IVSB and/or technical staff will pursue a variety of activities, centered on research and stakeholder consultation, to support the development of an Impact Accounting Methodology and to inform the IVSB's decision-making process.
- d) Stakeholder consultations may be carried out through various means, including but not limited to the issuance of public briefing documents or discussion papers, consultation with advisory groups<sup>2</sup>, and/or with other interested persons and organizations.
- e) The technical staff and/or IVSB may also convene roundtable meetings or forums, when they deem it may be necessary or advisable for the IVSB to make an informed decision.
- f) Stakeholder engagement will strive to achieve participation from a balanced and diverse group of global stakeholders, including those who have been traditionally under-engaged or under-represented.
- g) A summary of stakeholder input may be published separately and/or incorporated in the explanatory note accompanying the exposure drafts of methodologies.
- h) Prior to balloting items within IVSB meetings, all projects are required to be discussed at least once in an IVSB meeting with the presence of a majority of the IVSB voting members.

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<sup>2</sup> Advisory groups include the Capitals Coalition Advisory Panel as well as sector of topic specific experts and potential users of the proposed methodology.

#### **4.4 Phase 2: Public Consultations and Piloting**

- a) Both public consultation and piloting feedback complement each other. Feedback from stakeholders will be incorporated impartially (without preference to inputs from specific stakeholders), and in accordance with the core principles of Impact Accounting.
- b) The IVSB will work with the Secretariat and technical staff to conduct public consultations for all major publications.
- c) The IVSB will work with the Secretariat to incorporate feedback and learnings from market uptake and piloting of the methodologies into its recommendations, including learnings from piloting activities.
- d) The IVSB Secretariat technical staff are responsible for incorporating input from stakeholder engagement and public consultations and proposing revisions to the IVSB to research and methodologies as appropriate.
- e) The Secretariat will be responsible for providing public meetings/webinars discussing how various pieces of feedback were incorporated by the IVSB and why.

##### **4.4.1 Public Consultations**

- a) Public Consultation is a vital step in the IVSB due process to ensure the development of high-quality methodologies that reflect stakeholder input.
- b) When the IVSB has reached general agreement on the methodology, the IVSB votes on whether to proceed with releasing a proposed methodology. Approval by a simple majority of the IVSB is required to proceed with releasing an exposure draft of a proposed methodology.
- c) An exposure draft is a proposal of a methodology and will be accompanied by an explanatory note that explains the IVSB's rationale for the proposal, and an invitation to comment to the public on issues that are of particular interest to the IVSB. All interested parties can submit feedback during a public comment period.
- d) Comment letters are a matter of public record and are published on the website.
- e) Public comment periods are generally 60-90 days but may be determined by the IVSB to be longer or shorter, as necessary to ensure opportunity for representative stakeholder participation.
- f) Comment periods will be announced on the website, newsletter, and relevant social media platforms.
- g) The IVSB and/or technical staff may develop supporting material, including but not limited to presentations, question and answer documents, and webcasts, to accompany the exposure draft.

- h) During public comment periods, any meetings with technical staff in which feedback is shared on Exposure Drafts will be acknowledged on record at the conclusion of the public comment period.
- i) Individuals and organizations present, along with the topics discussed, will be acknowledged without reference to specific feedback provided, unless submitted in writing.
- j) To the extent that any feedback informs further revisions or decisions by the technical staff and/or the IVSB, the nature of the feedback shared will be acknowledged in the *Basis for Conclusions*, without attribution.

#### **4.4.2 Piloting**

- a) Piloting by corporates and market testing with investors will provide essential feedback on the practical applicability of the proposed methodology.
- b) Feedback from piloting and market testing will be considered as input by the IVSB for proposed new or revised methodologies and future work plans.
- c) Results of piloting, as they inform methodology development, will be made transparent through incorporation into public comment responses and any basis for conclusion publications. Feedback from the piloting bodies will be presented without attribution.

#### **4.5 Phase 3: Approving and Issuing Methodologies**

- a) After the conclusion of the Public Consultation period, the IVSB reviews the received comment letters and pilot feedback. To support the IVSB's considerations, the technical staff prepares a summary of all comments and relevant piloting feedback. The summary provides an overview of the significant issues raised, and any additional related research and/or consultations.
- b) The summary is published on the website, and significant matters are deliberated at an IVSB meeting. After review and deliberation of the comments and feedback, the IVSB will decide to:
- c) Proceed with a vote to approve the methodology as proposed in the exposure draft;
- d) Evaluate and proceed with a vote on a revised methodology with limited modifications based on public input and/or piloting;
- e) Direct technical staff to conduct additional research and consultation on issues raised through public comments and/or piloting.
- f) The IVSB may determine that an additional public comment and/or piloting period may be appropriate if the extent of modifications and evidence considered is fundamentally different compared to the proposed methodology in the exposure draft. In some circumstances, the IVSB may consider removing a project from the work plan based on its deliberations.

- g) All deliberations to approve, re-expose, or remove a proposal are to be documented in IVSB meeting minutes. All decisions require a simple majority vote of the IVSB.
- h) Upon an affirmative majority vote by the IVSB to issue a methodology, the methodology will be made available to the public on the website in a timely fashion. The issued methodology will be accompanied by a published basis for conclusions containing a rationale for the methodology, a summary of research and consultation, and other supporting information as determined by the IVSB.

#### **4.6 *Post Implementation Phase: Review and Maintenance***

- a) Recognizing the limits of any due process, the complexity of the topics being addressed, and the dynamically changing ecosystem of impact, continuous improvement of the methodology is essential, even after a methodology is finalized.
- b) The IVSB and technical staff conduct post-implementation reviews for each issued methodology through additional research and consultation with relevant market stakeholders.
- c) The technical staff and IVSB will regularly monitor and assess the market use and implementation of issued methodologies to assess how effectively they are achieving the intended impact and in continued alignment with the General Methodology and Governance for Valuation.
- d) Post-implementation review insights will be used to inform future work plans, including whether previously finalized topics warrant official revision, which will follow the due process as described above.
- e) In addition to formal revisions that may be included in the work plan, methodologies will also undergo periodic updates that do not comprise revisions to the methodology itself but include updated value factors based on newly released data, such as inflation rates and updates to models underlying the methodologies.
- f) After a methodology is issued, Capitals Coalition may publish educational materials, develop webinars, and/or host meetings to support implementation and consistent application of the methodologies. Such educational and implementation materials will not change the content of the methodology and are not subject to the due process as described above for the development of methodologies.
- g) Technical staff may make editorial corrections to issued methodologies to remedy spelling errors, grammatical mistakes, or other drafting errors that do not alter the technical meaning of the methodology.
- h) The Secretariat will consider preparing translations of issued methodologies to requests received from interested stakeholders. Please submit translation requests to [info@capitalscoalition.org](mailto:info@capitalscoalition.org).

## **5 Public Goods and Commercial Use**

- a) Resources, including Impact Accounting Methodologies, produced by the IVSB are designed as a public good, and are therefore accessible to all for evaluation and use, with reasonable restrictions particularly related to commercial use to ensure the sustainability of their development and maintenance.

## **6 Comments and Concerns Regarding the Due Process**

- a) Concerns with the due process procedures or the IVSB's execution of its due process by any interested stakeholder can be shared directly with the IVSB or the Risk and Audit Committee of the Capitals Coalition Board.
- b) When a concern over adherence to due process is raised with the IVSB, the IVSB shall assess the concern and seek appropriate resolution. The IVSB's decision on the matter will be communicated to the party raising the concern.
- c) If the IVSB is unable to achieve a mutually satisfactory resolution of the concern, then the complainant may request that the concern be assessed by the Risk and Audit Committee of the Capitals Coalition Board directly, by sending a formal complaint to the Chair of the Risk and Audit Committee of the Capitals Coalition Board.
  - i. Specifically, formal complaints may be addressed to the Chair and the Vice Chair of the IVSB, and the Chair of the Risk and Audit Committee of the Capitals Coalition Board and sent to [info@capitalscoalition.org](mailto:info@capitalscoalition.org).
- d) Comments and suggestions on how to enhance the IVSB's due process may also be shared directly with the IVSB Chair and Vice Chair or the Risk and Audit Committee of the Capitals Coalition Board at the address above.