



## **Template for submitting proposals related to GHG Protocol's *Corporate Standard*, *Scope 2 Guidance*, *Scope 3 Standard*, *Scope 3 Calculation Guidance* and market-based accounting approaches**

(Optional)

### Proposal instructions

GHG Protocol is conducting four related surveys in reference to the following GHG Protocol standards, guidance and topics:

1. Corporate Accounting and Reporting Standard (Revised Edition, 2004) ("Corporate Standard")
2. Scope 2 Guidance (2015)
3. Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) ("Scope 3 Standard"), and Technical Guidance for Calculating Scope 3 Emissions, version 1.0, 2013 ("Scope 3 Calculation Guidance")
4. Market-based accounting approaches

**The survey is open until February 28, 2023.** To fill out the survey, [click here](#).

As part of the survey process, respondents may provide proposals for potential updates, amendments, or additional guidance to the *Corporate Standard*, *Scope 2 Guidance*, *Scope 3 Standard*, or *Scope 3 Calculation Guidance*, by providing the information requested in this template. You may also use this template to provide justification for maintaining a current approach on a given topic.

Submitting proposals is optional. Respondents may submit multiple proposals related to different topics.

Proposals should be as concise as possible while providing the requested information. Submissions that are outside of the template may not be considered. Proposals may be made publicly available.

To submit the proposal, please save this file and fill out the fields below. When you've completed your proposal, please upload the file via this [online folder](#). Please name your file STANDARD\_Proposal\_AFFILIATION, e.g., *Scope 2\_Proposal\_WRI*.

## Proposal and supporting information

1. Which standard or guidance does the proposal relate to (Corporate Standard, Scope 2 Guidance, Scope 3 Standard, Scope 3 Calculation Guidance, general/cross-cutting, market-based accounting approaches, or other)? If other, please specify.

Scope 3 Standard and the Scope 3 Calculation Guidance.

2. What is the GHG accounting and reporting topic the proposal seeks to address?

This proposal asks The GHG Protocol to provide further guidance on the current category 15 or 'investments' under its scope 3 inventory. It also suggests technical recommendations for formal inclusion under any category 15 guidance issued by The Protocol and as candidates for incorporation into The Protocol's web-based calculation tools and Scope 3 Evaluator.

3. What is the potential problem(s) or limitation(s) of the current standard or guidance which necessitates this proposal?

In the current edition of The Standard, it is unclear how a company or institution should classify and account for the set of emissions (direct and indirect) from that entity's financial assets, activities, and relationships (their financial supply chains) that don't neatly fit into the named sub-set of 'investments' but which carry an emissions footprint and are *relevant (as defined on page 26 of The Standard)* to the decision making of an organization and to an organization's clients.

Activities and financial instruments like employee 401Ks and pension funds, cash deposits in banks, endowments, treasury bonds, and securities generate an emissions footprint that is substantial, material, and can represent one of an entity's largest contributors to its overall emissions, even when compared to that entity's various other product supply chains. However, these activities are not easily classifiable under any of the other scope 3 categories. As they pertain to finance, their most logical home is category 15, but they are not strictly 'investments' and do not neatly fit under the current sub-taxonomy of category 15 of 'equity investments' 'debt investments' or 'project finance'. The result is that they are broadly omitted from the current Standard and for any organization that is committed to reporting on these 'financed emissions', it is ambiguous how and where they should register and disclose those emissions.

4. Describe the proposed change(s) or additional guidance.

In new updates to The Reporting Standard, **The GHG Protocol should expand its guidance for reporting emissions from financial supply chains and clarify what financial activities are and are not covered by category 15 ‘investments’ and whether companies or institutions with large cash holdings, investment structures, or endowments are also eligible and encouraged to report under category 15, in addition to more traditional financial institutions.** Our view is that the financial activities of a company and institution (no matter the size but especially if they possess large cash holdings and / or large investment portfolios) is material to their carbon footprints. Additionally, it is our view that these entities should be encouraged to disclose their emissions that issue from their finances and urge their financial institutions, as they would any other supplier, to better disclose and reduce their emissions.

**Clarifying what financial activities are and are not covered by The GHG Protocol’s category 15 ‘investments’**

**This submission recommends that The GHG Protocol widens its Category 15 definition to cover the following financial activities: cash deposits in banks, 401Ks and pension funds, bonds, securities, insurance coverage, and derivatives.** Currently these financial instruments, which are not exclusive to financial institutions, are unaffiliated or ambiguously affiliated to any of The Standard’s scope 3 categories. Category 15, thematically a financial category, is the most logical home for these activities, which all carry a material and relevant emissions impact.

Endowments are another distinct financial structure containing a portfolio of assets that are not explicitly covered by any categories in The Standard. Considering the importance of divesting endowments and the need to further decarbonize the full net worth of endowments (beyond disentangling them from directly financing fossil fuel or power sector projects), **this submission recommends that The Protocol designate endowments as part of Category 15.**

**Clarifying who The GHG Protocol advises report in Category 15**

Another dimension of Category 15 that needs further clarification is which entities are eligible or expected to report for this category. The current summary text used by The Protocol advises on page 52 that *“this category is applicable to investors (i.e., companies that make an investment with the objective of making a profit) and companies that provide financial services.”* The current text further specifies that *“Category 15 is designed primarily for private financial institutions (e.g., commercial banks), but is also relevant to public financial institutions (e.g., multilateral development banks, export credit agencies, etc.) and other entities with investments not included in scope 1 and scope 2.”*

However, the wording *“other entities with investments not included in scope 1 and scope 2”* is vague and ambiguous language. Every company and every institution has a financial supply chain and could fit under that broad description.

**It would be more helpful if The GHG Protocol could unpack this phrasing and articulate more clearly how entities other than private and public financial institutions can understand the relevance and materiality of their financial activities to their climate goals and account for their investment and cash-related emissions. In particular, as the widened financial instruments listed in the previous paragraphs are not exclusive to financial institutions, The GHG Protocol could make explicit that companies (or indeed any institution) with large cash holdings or sizable investments are advised to measure and account for their ‘financed emissions’ as they are very likely to be substantial. The**

**Protocol could clarify that institutions with sizable endowments, such as universities and foundations, are also likely to have a large and material ‘financed emissions’ footprint.** As these emissions-generating activities and assets are hard to classify under other scope 3 or scope 1 or 2 categories, entities reporting under The GHG Protocol will benefit from clearer explanation on the applicability and coverage by Category 15 of these financial instruments and their attributed emissions.

**5. Please explain how the proposal aligns with the GHG Protocol decision-making criteria and hierarchy (A, B, C, D below), while providing justification/evidence where possible.**

**A. GHG Protocol accounting and reporting approaches shall meet the GHG Protocol accounting and reporting principles (see Annex for definitions):**

- Accuracy, Completeness, Consistency, Relevance, Transparency
- Additional principles for land sector activities and CO<sub>2</sub> removals: Conservativeness, Permanence, and Comparability if relevant

Companies and institutions already regularly account and are expected to report emissions from their numerous material supply chains, including from the life cycle of their products, their vendors, services, and other dimensions of their value chains.

The set of emissions (direct and indirect) from a company’s financial assets, activities, and relationships comprise an entity’s *financial supply chain* and should be treated in the same manner in reporting and emissions accounting.

The concept of an entity’s financial supply chain is already inscribed in The Reporting Standard. For instance, on page 55 of The Standard, the Protocol advises that companies that have investments but “*neither financial control nor significant influence over the emitting entity...account for proportional scope 1 and scope 2 emissions of equity investments that occur in the reporting year in scope 3, category 15 (Investments). Companies may establish a threshold (e.g., equity share of 1 percent) below which the company excludes equity investments from the inventory, if disclosed and justified.*” This excerpt acknowledges that the financial assets, activities and partnerships of some entities, other than strict financial institutions, have emissions implications that should be considered and measured. However, this same excerpt illustrates an incomplete consideration of the relationships and activities that constitute an entity’s financial supply chain.

For large companies with sizable cash deposits in banks and / or large investment portfolios or institutions that have large endowments their financial supply or value chains are not negligible and can in fact be one of an organization’s most important supply chains and a major emissions source. For these entities the emissions enabled by their financial supply chains are, in our view, **relevant** and **material** to a comprehensive inventorying, accounting, and management plan for their emissions. If these entities are not reporting on their financial supply chains, then the **completeness** of their emissions disclosure within their inventory boundary is insufficient. Incomplete disclosure, in turn, decreases the **accuracy** of the emissions footprint that entities are reporting, which impairs the ability of internal and external decision-makers to make informed decisions in their own emissions accounting and consumer choices.

Updated guidance from the GHG Protocol should not only encourage organizations with large and complex or robust financial supply chains to account and disclose their financed emissions, but it should also recommend that entities with these characteristics that choose not to report, should provide written justification for why they are not reporting in this category.

**B. GHG Protocol accounting and reporting approaches shall align with the latest climate science and global climate goals (i.e., keeping global warming below 1.5°C). To support this objective (non-exhaustive list):**

- Direct emissions reported in a company's inventory should correspond to emissions to the atmosphere. Reductions in direct emissions reported in a company's inventory should correspond to reductions in emissions to the atmosphere.
- Indirect emissions reported in a company's inventory should in the aggregate correspond to emissions to the atmosphere. Reductions in indirect emissions reported in a company's inventory should in the aggregate correspond to reductions in emissions to the atmosphere.

Within scope 3, all categories of emissions both map to real economy activities that produce actual emissions as well as describe emissions whose provenance and management can be attributed to more than one entity (creating a risk that emissions can be double-counted). Financial assets that are channeled through financial institutions and the financial system and used to fund real economy activities are no exception. While category 15 emissions and the larger family of 'financed emissions' are susceptible to being double counted if claimed by both the financial institution and the original depositor or consumer of the financial asset or service, an arguably greater source of inaccuracy is the omission of taking into account the emissions impact of financial assets and activities.

Not only can financial activity be a major driver of emissions, which are often under-reported and therefore inadequately addressed, but as institutions tackle the emissions from their other supply chains, the current projection is that financial-related emissions will become a larger and larger proportion of their remaining overall emissions. This projection is, in part, predicated on the fact that the financial sector is not decarbonizing at a rate aligned with Paris goals of limiting global temperature rise to 1.5°C or even to well below 2°C. In contravention to the advice of both the Intergovernmental Panel on Climate Change and the International Energy Agency, the financial sector is still financing existing and new fossil fuel projects and development at rates that are closing the door (and arguably have already closed the door) on limiting global warming to 1.5°C.

All companies and institutions are enmeshed in the financial system. As a result, the financial system's failure to decarbonize holds up and undermines the ability of any and all other entities to decarbonize their financial supply chains. Taken together, the role of the financial system in driving climate change and the entanglement of all institutions in the financial system means that the financial supply chains of all entities are material to their carbon accounting. For companies that have smaller operational footprints or are cash rich, understanding the effect their finances have on their emissions footprint is particularly important and *material*.

Therefore, measuring and reducing an entity's 'financed emissions' is critical to accurately targeting and charting a credible pathway to attain net zero.

**C. GHG Protocol accounting frameworks should support ambitious climate goals and actions in the private and public sector.**

- Would this proposal enable organizations to pursue more effective GHG mitigation/decarbonization efforts as compared to the existing standards and guidance? If so, how?
- Would this proposal better inform decision making by reporting organizations and their stakeholders (e.g. related to climate-related financial risks and other relevant information associated with GHG emissions reporting)?

In the process of analyzing data on corporate 10Ks of major corporations with massive cash earnings and investment portfolios and conducting research into the translation process of that cash into carbon-intensive real economy activity, the core research team of the Carbon Bankroll report consulted with members of the management team of the GHG protocol. During these conversations, the research team was told that corporate cash and investments have always been considered in scope for Category 15. However, there has been a dearth of data and methods for calculating these emissions, so they have never been emphasized or highlighted by the GHG Protocol.

The landscape has changed now, thanks to the advancement in emissions reporting by banks through frameworks like the Paris Agreement Capital Transition Assessment (PACTA) and the Partnership for Carbon Accounting Financials (PCAF), which makes financial data far more available. Additionally, the methodology established in the Carbon Bankroll report presents a replicable and scalable approach any entity can take to measure their financed emissions. As a result, the GHG Protocol can now provide critical guidance to its users on what research, data, and methodologies exist for measuring and managing their ‘financed emissions.’

This new guidance will, in turn, allow the organizations that use it to develop more comprehensive and effective climate action and decarbonization plans. Companies and institutions that go through the process of measuring their financed emissions will gain a much clearer picture of their climate-related financial risks and how these risks are more pronounced when engaged with banks and other financial supply chain partners that are exposed to fossil fuels and actively funding carbon intensive activities. Additionally, any company that might want to enter into a supplier relationship with that company and that company’s customers will also have more information they can use to make better climate-aligned decisions.

**D. GHG Protocol accounting frameworks which meet the above criteria should be feasible. (For aspects of accounting frameworks that meet the above criteria but are difficult to implement, GHG Protocol should provide additional guidance and tools to support implementation.)**

- What specific information, data or calculation methods are required to implement this proposal (e.g., in the case of scope 2, data granularity, grid data, consumption data, emission information, etc.)? Would new data/methods be needed? Are current data/methods available? How would this be implemented in practice?
- Would this proposal accommodate and be accessible to all organizations globally who seek to account for and report their GHG emissions? Are there potential challenges

which would need to be further addressed to implement this proposal globally? What would be the potential solutions?

Please find an expanded description and set of instructions for measuring a company's investments and cash-related emissions below (as laid out in the Carbon Bankroll methodology).

*\*\*Please note that these documents are peer-reviewed and fact-checked. \*\**

#### Methodology Overview for Measuring Corporate Cash-Related Emissions

The following methodological approach outlines the method we used in the Carbon Bankroll report to calculate the financed emissions that stem from a company's investments and cash.

To replicate and tailor the report's estimate for an individual company take the following steps (the company's treasury team should be core participants in the process).

1. Identify a company's specific breakdown of cash and investments, which includes cash, cash equivalents, marketable securities, short-term investments and, additionally, its long-term investments (save for equity investments).
  - a. To tailor your estimate beyond what the Carbon Bankroll report could accomplish, take the analysis to the most granular level of each asset category. *The Carbon Bankroll report built its calculations using publicly available corporate data and is thus limited to the high-level asset class listed in a company's 10k. This means that the calculations used by the report do not differentiate between the potential for different banks or subdivisions within asset classes. However, a company will possess this more granular level of detail about its own holdings so they will be able to identify more precise data inputs and specific multipliers for their calculations*
2. Multiply each asset category's total dollar amount by your specific bank(s)' carbon intensity metric for that asset category. If the emissions intensity does not exist for your bank, use the most comparable equivalent via a national average or an intensity for a bank with similar lending/investing profiles
  - a. *BankFWD & The Outdoor Policy Outfit can also help plug in your bank(s)' specific carbon intensity metric which are sourced from the publicly available [Wall Street Carbon Bubble Report](#).*
3. Sum all subtotals for each asset class's emissions together to generate a total footprint for a company's financed emissions.

To the extent possible, this methodology and the subsequent data should be made available in both an online resource bank and incorporated into the Protocol's online 'web-based calculation tools' and scope 3 evaluator. Where possible multiple methods should be accessible for motivated entities to use to calculate their financed emissions. No single methodology should be mandated or promoted over any other tested, validated method. However, the authors of this proposal suggest that the methodological approach for calculating a company's 'financed emissions' published in the May 2022 Report titled "The Carbon Bankroll: The Climate Impact and Untapped Power of Corporate Cash" be listed as one of the recommended methodologies that entities reporting to the GHG Protocol can use to estimate their financed emissions.

A certain level of bank reporting is needed for companies and institutions to estimate their cash-related emissions. While banks in every geography are still not reporting their emissions at the levels needed, some geographies are further behind in the reporting of their banks than others. European banks have the highest rates of reporting, followed by North American banks, whereas banks from the global south still have low rates of disclosure. However, as banks are being made to disclose more and more, this obstacle to widespread adoption of this proposal will lessen.

**6. Consistent with the hierarchy provided above, are there potential drawbacks or challenges to adopting this proposal? If so, what are they?**

Until recently the lack of data and methodologies for tracking and calculating financial supply chain emissions have prevented measurement, analysis, and reporting of financed emissions by most organizations. As a result, not only have most organizations neglected to track the carbon footprint generated by their finances, they do not even have the expectation that they should be measuring this emissions source. While there is a growing body of data now, big data holes still exist, which complicates entities' abilities to create reliable indicative estimates of their financed emissions, especially if their financial institution(s) are not accurately and regularly disclosing the entirety of their emissions.

It will be challenging to educate organizations about the climate impact of their finances, and some entities will likely resist their incorporation into their overall carbon footprint because factoring in financed emissions would increase the overall size of an organization's carbon footprint. Most organizations will not react well to being informed that their carbon footprints today are bigger than they were yesterday. In reality, their carbon footprints have not changed but a portion of them that had been undetected is now being illuminated.

Adopting this proposal will mean that an organization's carbon footprint is being more fully and accurately detected and addressed, but some organizations might feel blindsided. It will be important to point out the precedent that companies and institutions have been alerted to and adapted and become habituated to newly defined sources of greenhouse gasses before, whether when instructed to adjust their carbon footprints to include the emissions from their suppliers or asked to measure emissions from land use change, etc. Companies and institutions have encountered, digested, and accepted changes in how emissions have been defined and categorized before. Expanding reporting to include financed emissions is not unprecedented.

There are workarounds that can be explored to encourage institutions to measure the carbon footprint of their finances but to hold that measurement separate and not add it immediately to their carbon footprint totals. The aim is not to punish companies that start to measure their financed emissions but rather to drive towards a more accurate and comprehensive analysis of an entity's carbon footprint.



Another challenge this dimension of emissions accounting faces that is common to emissions throughout Scope 3 value chains is double counting. Should financed emissions solely be counted as part of the footprints of strict financial institutions or do the entities that use financial institutions and financial services also need to account for emissions that emanate from those services? As with other supplier relationships, we believe that the responsibility is shared between the supplier and the procurer of the service (in this case the consumer). Assigning shared responsibility in this case will also motivate consumers to pressure their financial institutions to report more transparently and accurately so they are able to generate a clearer picture of their own attribution. A shared responsibility system around financed emissions is a better insurance policy to make sure that these emissions get transparently reported and counted. In our view, the risk that emissions are claimed by two institutions and reported twice is a lesser problem than the risk that no institution is held accountable for reporting them. Unfortunately, bank regulation is not currently strong enough to compel banks and other financial institutions to provide accurate, timely, and regular updates on their emissions data and too many banks are shirking or curtailing this responsibility. A shared responsibility system between consumers and financial institutions is an important method for ensuring these emissions do not stay hidden from the accounting of what carbon is reaching the atmosphere.

**7. Would the proposal improve alignment with other climate disclosure rules, programs and initiatives or lead to lack of alignment? Please describe.**

Yes, it would improve alignment. This methodology has also been submitted to other carbon accounting and disclosure frameworks and rubrics including CDP disclosure surveys, Salesforce's net zero cloud, the Science-Based Targets Initiative, the UN High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities, and the Securities and Exchange Commission. It is under consideration or is being incorporated into various emissions reporting and reduction action guides currently in production.

The methodology has also been shared widely with companies and investors.

Moreover, if companies and institutions increasingly measure and report on their financed emissions then these institutions will start insisting that their banks and financial institutions improve their reporting, which will drive more alignment with PCAF and PACTA as well as the net zero targets and TFCF reporting of financial institutions. By increasing the pressure on financial institutions to provide better data, this proposal can improve the performance of other reporting frameworks that are already in operation. With more information, companies and investors will be able to more accurately assess climate-related financial risks and make more informed choices.

**8. Please attach or reference supporting evidence, research, analysis, or other information to support the proposal, including any active research or ongoing evaluations. If relevant, please also explain how the effectiveness of the proposal can be evaluated and tracked over time.**

A growing body of research and data is illustrating the magnitude of emissions that are generated from various financial activities. Companies are facing increased regulatory,

financial and reputational risk, and growing demand from employees and consumers to manage the climate impact of their financial activities. The Protocol is a critical resource that companies and other institutions will look to for guidance on how to respond.

Research and documents to support this proposal are listed and linked below:

- [The Carbon Bubble Report](#)
- [The Carbon Bankroll Report](#)
- [Exponential Roadmap Initiative 1.5°C Business Playbook](#)
- [Seventh Generation Fingerprints Report: Our 2021 Climate Impact in Full Disclosure](#)
- [The Big Smoke Report](#)

The GHG Protocol will be able to assess the performance and impact of this proposal (provided they integrate its recommendations into the next update of the Standard) according to several different metrics. An increase -year on year - of the number of companies and institutions that start to report their financed emissions in category 15 following new guidance will indicate that the proposal is driving results. If the GHG Protocol chooses to include a modified cash emissions calculator as part of its e-toolkit, then The Protocol can also collect user stats on the number of times and duration of use of the calculator and possibly even who has used it. If companies and other institutions who internalize this proposal begin to not just measure and report their financed emissions but start taking steps to manage them, this progress can be tracked through company annual reports, public announcements, and surveys administered by NGO partners and shared with the GHG Protocol. If companies and institutions start taking successful actions to decrease the fossil fuel exposure of their cash and investments, then we should start to see the reported cash-related emissions number start to fall - year on year - for reporting companies.

This proposal will perform better and will power a positive feedback loop with reporting frameworks like PCAF and PACTA: the more banks feel pressure from their clients, regulators, and their peers to report their emissions, the easier it will become for bank clients to formulate increasingly accurate estimates of their own financed emissions, which in turn will incentivize them to apply pressure on their banks for greater disclosure and faster decarbonization, and the cycle will repeat.

**9. If applicable, describe the process or stakeholders/groups consulted as part of developing this proposal.**

BankFWD and The Outdoor Policy Outfit consulted many and varied stakeholders and partners as we developed this proposal. These partners included companies that use the GHG Protocol to inform their reporting, climate and finance data scientists, former sustainable finance department leaders at banks, and climate NGOs that routinely work with businesses. The data and methodologies used in this proposal are built on data and research published in two reports [Wall Street's Carbon Bubble](#) and the [Carbon Bankroll](#), which were produced in partnership between major climate NGOs and the climate data firm South Pole. We have also used publicly disclosed data from the PCAF and PACTA reporting frameworks to successfully test the viability of estimating an institution's financed emissions.

The companies that have voiced a desire for expanded guidance on category 15 include companies from home goods, apparel, food and beverage, tech, and fin tech sectors.

We also prepared a sign on letter asking the Secretariat to expand and clarify its guidance on category 15 in its next update. The letter has been signed by a combination of large and small companies, investors, business and climate NGOs and advocacy organizations. It will be delivered directly to the Secretariat of the GHG Protocol by the deadline of the public comment period.

**10. If applicable, provide any additional information not covered in the questions above.**

N/A

## Proposal Annex

### GHG Protocol Decision-Making Criteria and Hierarchy

- A. First, GHG Protocol accounting and reporting approaches shall meet the GHG Protocol accounting and reporting principles:**
- Accuracy, Completeness, Consistency, Relevance, Transparency
  - Additional principles for land sector activities and CO<sub>2</sub> removals: Conservativeness, Permanence, and Comparability if relevant
  - (See table below for definitions)
- B. Second, GHG Protocol accounting and reporting approaches shall align with the latest climate science and global climate goals (i.e., keeping global warming below 1.5°C). To support this objective (non-exhaustive list):**
- Direct emissions reported in a company's inventory should correspond to emissions to the atmosphere. Reductions in direct emissions reported in a company's inventory should correspond to reductions in emissions to the atmosphere.
  - Indirect emissions reported in a company's inventory should in the aggregate correspond to emissions to the atmosphere. Reductions in indirect emissions reported in a company's inventory should in the aggregate correspond to reductions in emissions to the atmosphere.
- C. Third, GHG Protocol accounting frameworks should support ambitious climate goals and actions in the private and public sector:**
- Accounting framework/s would enable organizations to pursue more effective GHG mitigation/decarbonization efforts as compared to the existing standards and guidance
  - Accounting framework/s would better inform decision making by reporting organizations and their stakeholders (e.g. related to climate-related financial risks and other relevant information associated with GHG emissions reporting)
- D. Fourth, GHG Protocol accounting frameworks which meet the above criteria should be feasible to implement for the users of the frameworks.**
- For aspects of accounting frameworks that meet the above criteria but are difficult to implement, GHG Protocol should provide additional guidance and tools to support implementation.

### GHG Protocol Accounting and Reporting Principles

Principle	Definition
Accuracy	Ensure that the quantification of GHG emissions (and removals, if applicable) is systematically neither over nor under actual emissions (and removals, if applicable), and that uncertainties are reduced as far as practicable. Achieve sufficient accuracy to enable users to make decisions with reasonable assurance as to the integrity of the reported information.
Completeness	Account for and report on all GHG emissions (and removals, if applicable) from sources, sinks, and activities within the inventory boundary. Disclose and justify any specific exclusions.

<b>Consistency</b>	Use consistent methodologies to allow for meaningful performance tracking of emissions (and removals, if applicable) over time and between companies. Transparently document any changes to the data, inventory boundary, methods, or any other relevant factors in the time series.
<b>Relevance</b>	Ensure the GHG inventory appropriately reflects the GHG emissions (and removals, if applicable) of the company and serves the decision-making needs of users – both internal and external to the company.
<b>Transparency</b>	Address all relevant issues in a factual and coherent manner, based on a clear audit trail. Disclose any relevant assumptions and make appropriate references to the accounting and calculation methodologies and data sources used.
<b>Conservativeness</b> (Land Sector and Removals Guidance)	Use conservative assumptions, values, and procedures when uncertainty is high. Conservative values and assumptions are those that are more likely to overestimate GHG emissions and underestimate removals, rather than underestimate emissions and overestimate removals.
<b>Permanence</b> (Land Sector and Removals Guidance)	Ensure mechanisms are in place to monitor the continued storage of reported removals, account for reversals, and report emissions from associated carbon pools.
<b>Comparability (optional)</b> (Land Sector and Removals Guidance)	Apply common methodologies, data sources, assumptions, and reporting formats such that the reported GHG inventories from multiple companies can be compared.