



Corporate Standard Technical Working Group

CS Meeting #1

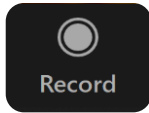
GHG Protocol Secretariat team:

Iain Hunt, Hande Baybar, Allison Leach

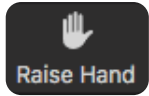
October 22nd, 2024



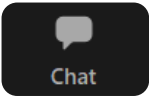
Meeting information



This meeting is **recorded**.



Please use the **Raise Hand** function to speak during the call.



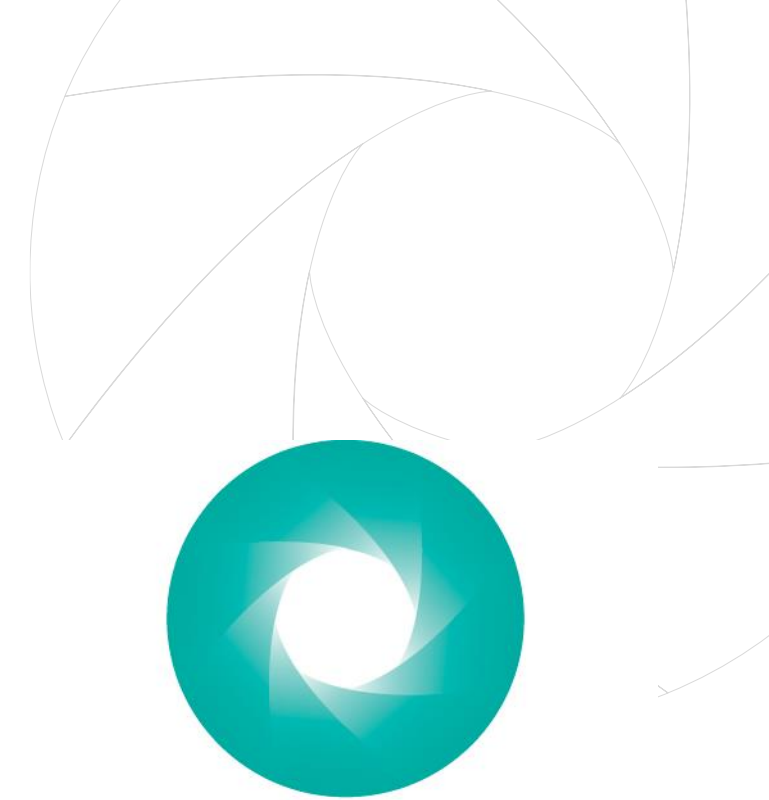
You can also use the **Chat** function in the main control.



Recording, slides, and meeting minutes will be shared after the call.

Agenda

- Welcome and housekeeping (25 minutes)
- Standard Development Plan overview (45 minutes)
- *Break (5 minutes)*
- Decision-making criteria (15 minutes)
- What to expect as TWG members (15 minutes)
- Next steps and Q&A (15 minutes)



GREENHOUSE GAS PROTOCOL

Agenda

- **Welcome and housekeeping (25 minutes)**
- Standard Development Plan overview (45 minutes)
- *Break (5 minutes)*
- Decision-making criteria (15 minutes)
- What to expect as TWG members (15 minutes)
- Next steps and Q&A (15 minutes)



Setting the scene
TWG housekeeping

Welcome



GREENHOUSE GAS PROTOCOL



WORLD
RESOURCES
INSTITUTE



World Business
Council
*for Sustainable
Development*

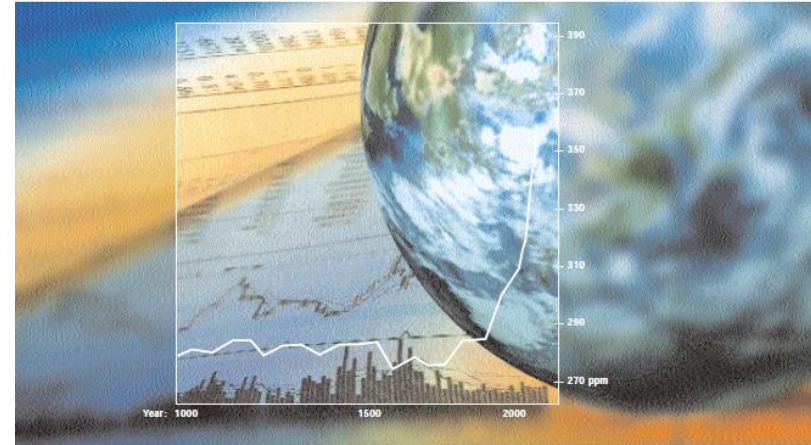


WORLD
RESOURCES
INSTITUTE



World Business
Council
*for Sustainable
Development*

The Greenhouse Gas Protocol



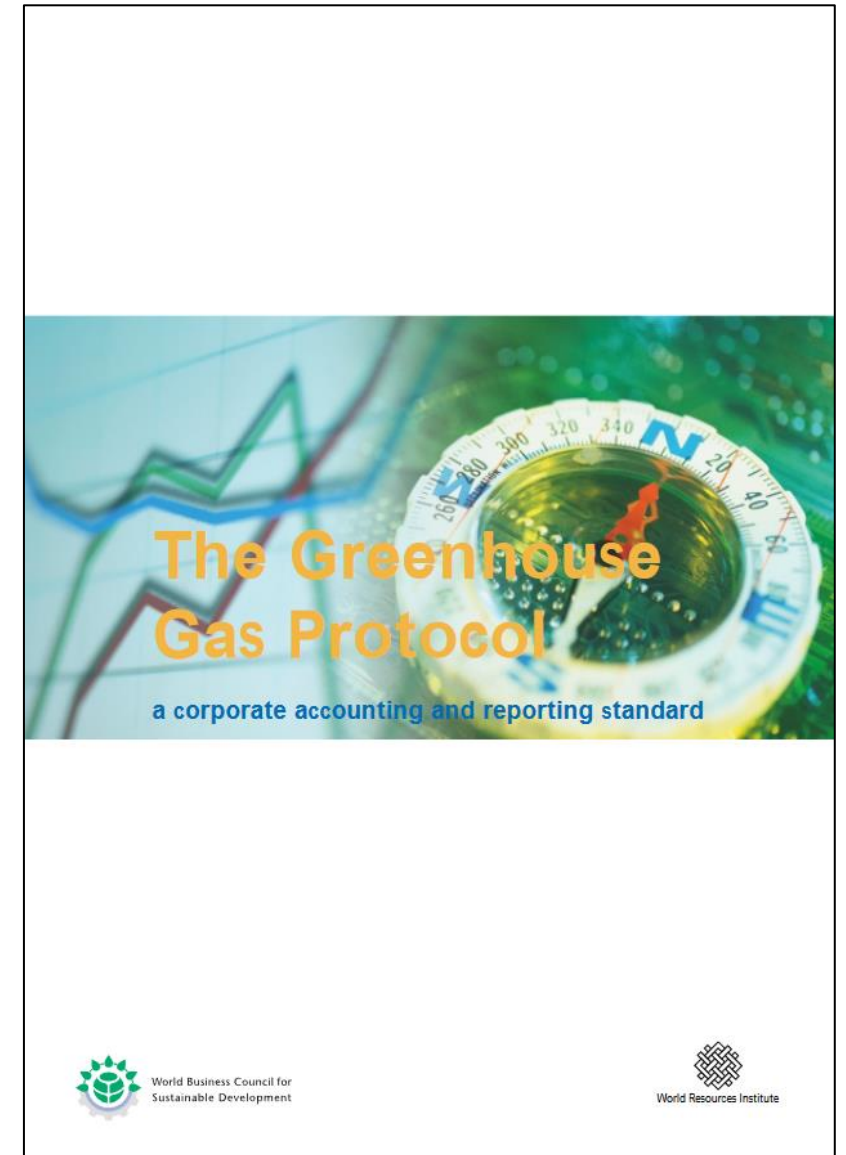
A Corporate Accounting and Reporting Standard

REVISED EDITION

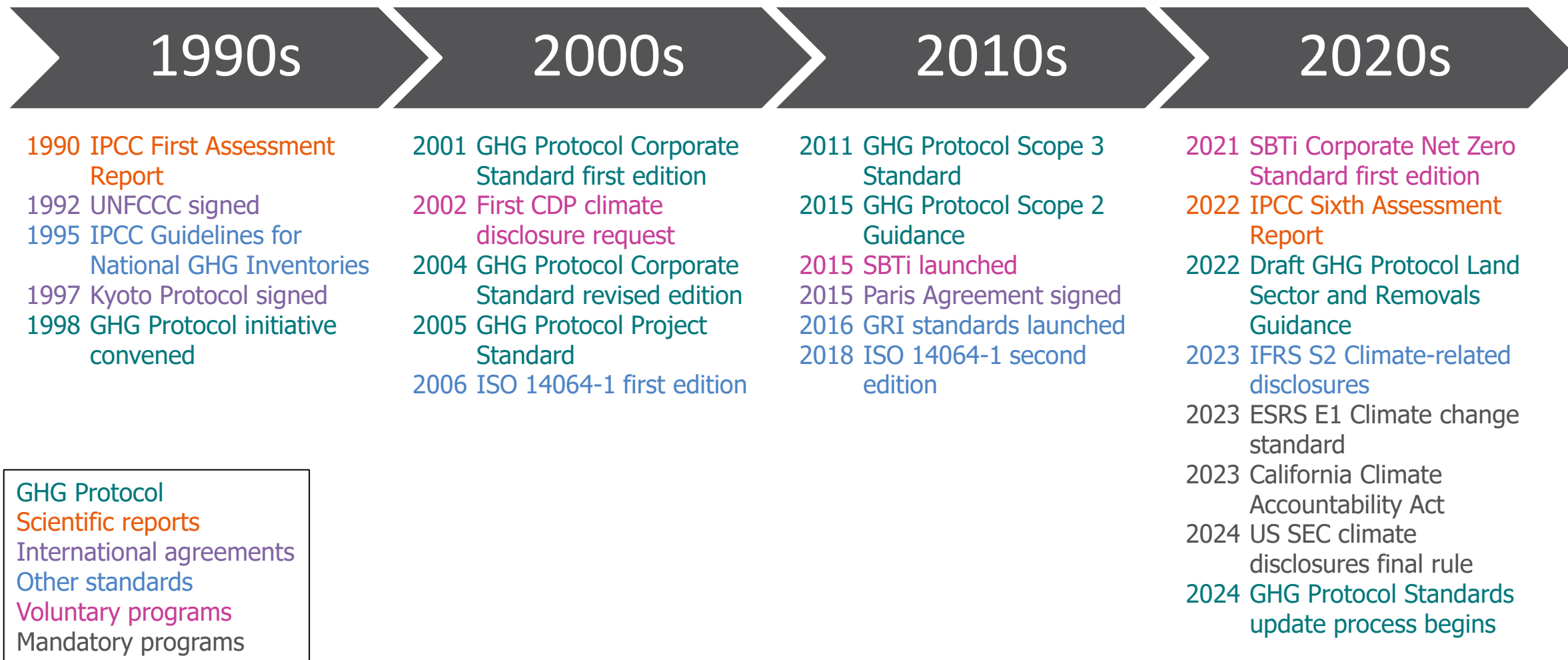
Zoom poll 1

In what year was the **first edition of the GHG Protocol Corporate Standard** published?

- 1995
- 1998
- 2001
- 2004



Historical context: selected milestones



GHG Protocol
 Scientific reports
 International agreements
 Other standards
 Voluntary programs
 Mandatory programs

GHG Protocol provides the GHG accounting foundation that underpins key standards, regulations, and target setting programs



Voluntary climate disclosure standards and reporting platform



Mandatory climate disclosure



Target setting



GHG accounting standard setting



Zoom poll 2

How many companies responded to CDP's climate questionnaire in 2023?

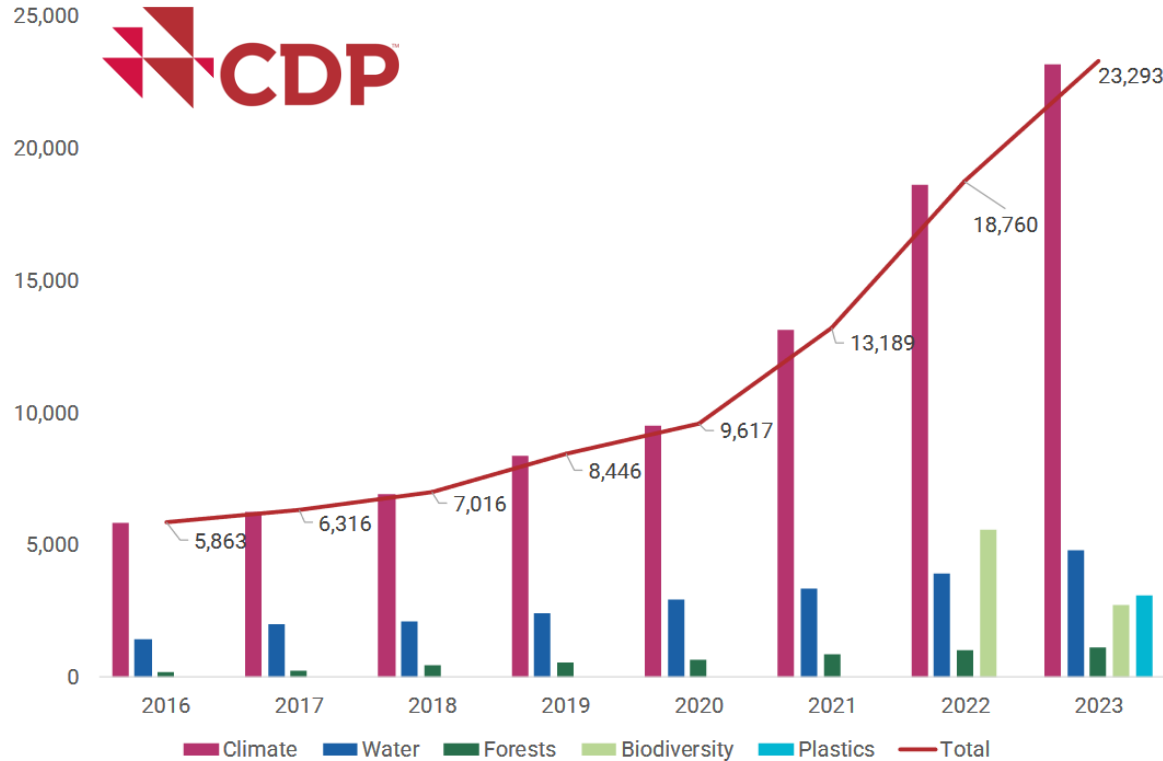
- 3,000
- 13,000
- 23,000
- 33,000

How many companies are expected to become subject to mandatory GHG emissions disclosure requirements through the EU CSRD, the US SEC rule, California's legislation, and IFRS?

- Over 10,000
- Over 25,000
- Over 50,000
- Over 100,000

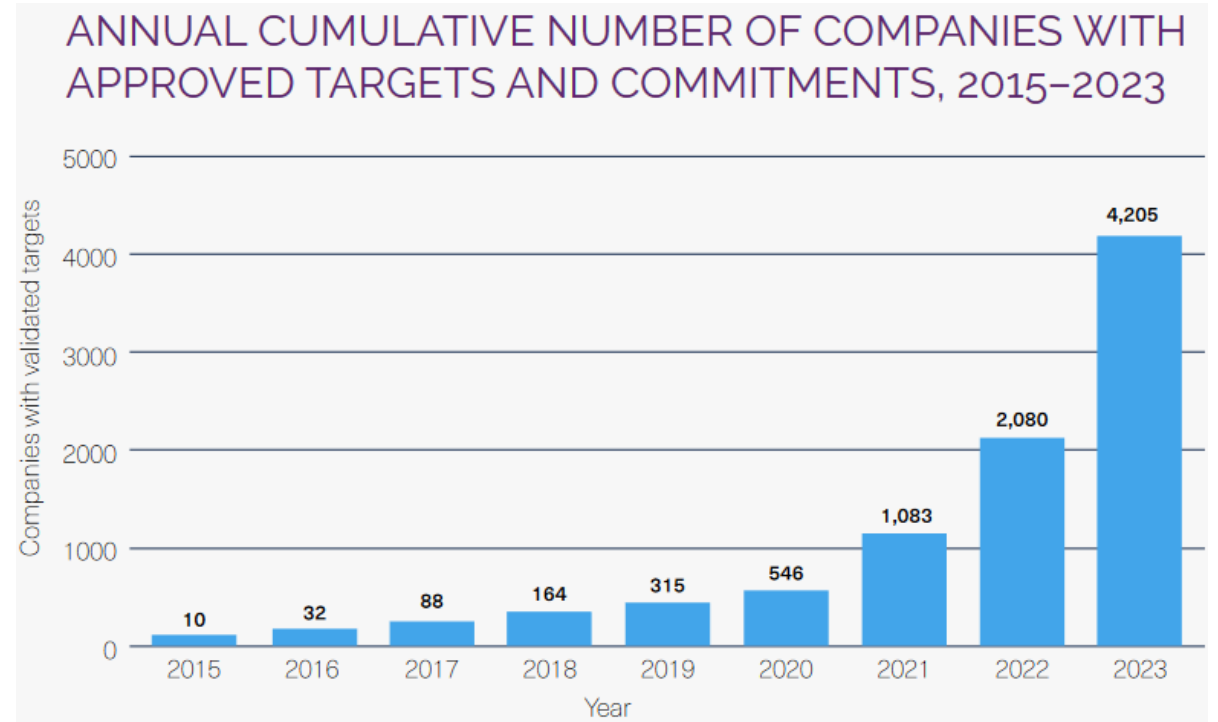
Growth in voluntary climate disclosures/commitments

Over [23,000 companies](#) responded to the CDP climate questionnaire in 2023.







[CDP 2024 Beginner Disclosure Workshop](#)

Over [6,000 companies](#) have approved Science Based Targets.



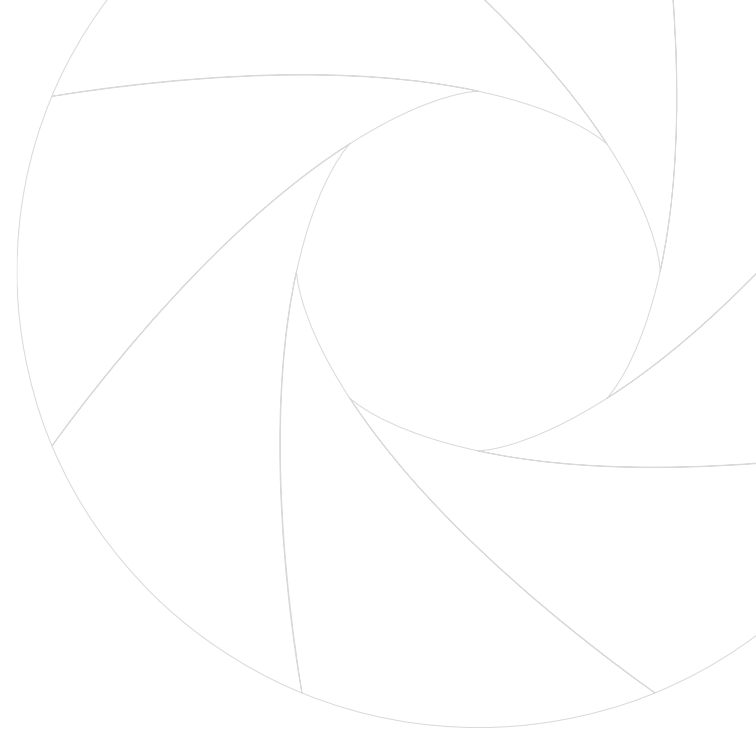
[SBTi Monitoring Report 2023](#)

Mandatory GHG disclosure frameworks

	<p><u>International Financial Reporting Standard (IFRS) S2 Climate-related Disclosures</u></p> <ul style="list-style-type: none"> References the GHG Protocol Corporate Standard Several jurisdictions adopting or planning to adopt into regulatory frameworks Estimated to impact between 100,000-130,000 companies globally
	<p><u>European Sustainability Reporting Standards (ESRS) E1 Climate Change</u></p> <ul style="list-style-type: none"> References the GHG Protocol Corporate Standard European Union Corporate Sustainability Reporting Directive (CSRD) Expected to affect approximately 50,000 companies not currently reporting
	<p><u>United States Securities and Exchange Commission (SEC) The Enhancement and Standardization of Climate-Related Disclosures for Investors Rule</u></p> <ul style="list-style-type: none"> Will require 4,000 publicly-traded companies in the US to disclose information on climate-related risks and opportunities.
	<p><u>California Corporate Climate Accountability Act (CA Senate Bill 253)</u></p> <ul style="list-style-type: none"> Signed into law in 2023 Requirement to disclose emissions using the GHG Protocol Corporate Standard Estimated to impact 5,400 companies

Housekeeping

- Shared values
- GHGP policies



WORLD
RESOURCES
INSTITUTE



World Business
Council
for Sustainable
Development

Activity: How we want to run our meetings



Whiteboard Activity:

What **shared values** should we have in our Corporate Standard Technical Working Group meetings?

For example: Respect; maintain basis in science

Instructions:

- 1.** Type your answer(s) into the Zoom Whiteboard
- 2.** **Star/flag** any you agree with

Housekeeping: TWG meetings

- We want to make **TWG meetings a safe space** – our discussions should be open, honest, challenging status quo, and ‘think out of the box’ in order to get to the best possible results for GHG Protocol
- Always **be respectful**, despite controversial discussions on content



Housekeeping: Guidelines and procedures

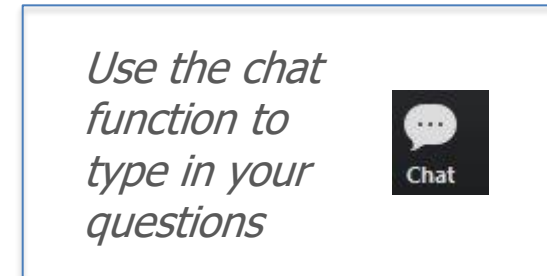
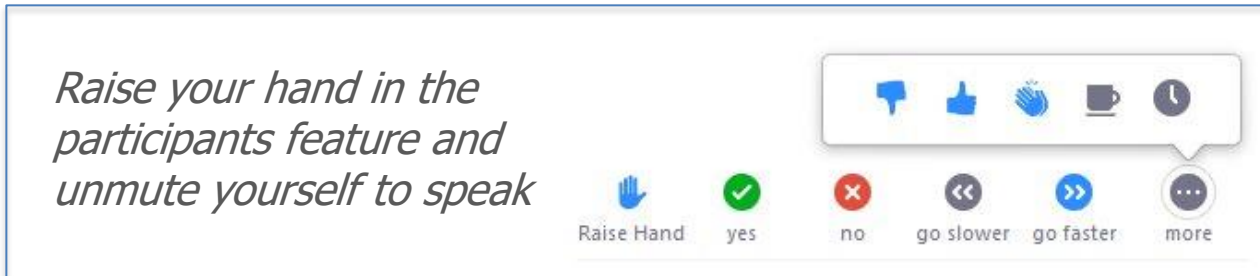
- TWG members should **not disclose any confidential information** of their employers, related to products, contracts, strategy, financials, compliance, etc.
- In TWG meetings, **Chatham House Rule** applies:
 - “When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.”
- **Compliance and integrity** are key to maintaining credibility of the GHG Protocol
 - Specifically, all participants need to follow the **conflict-of-interest policy**
 - **Anti-trust rules** have to be followed; please avoid any discussion of competitively sensitive topics*

* Such as pricing, discounts, resale, price maintenance or costs; bid strategies including bid rigging; group boycotts; allocation of customers or markets; output decisions; and future capacity additions or reductions

Zoom logistics and recording of meetings

Zoom Meetings

- All participants are muted upon entry
- Please turn on your video
- Please include your full name and company/organization in your Zoom display name



Meetings will be recorded and shared with all TWG members for:

- Facilitation of notetaking for Secretariat staff
- To assist TWG members who cannot attend the live meeting or otherwise want to review the discussions

*Recordings will be available for a limited time after the meeting; **access is restricted to TWG members only.***

Documents sharing with TWG members

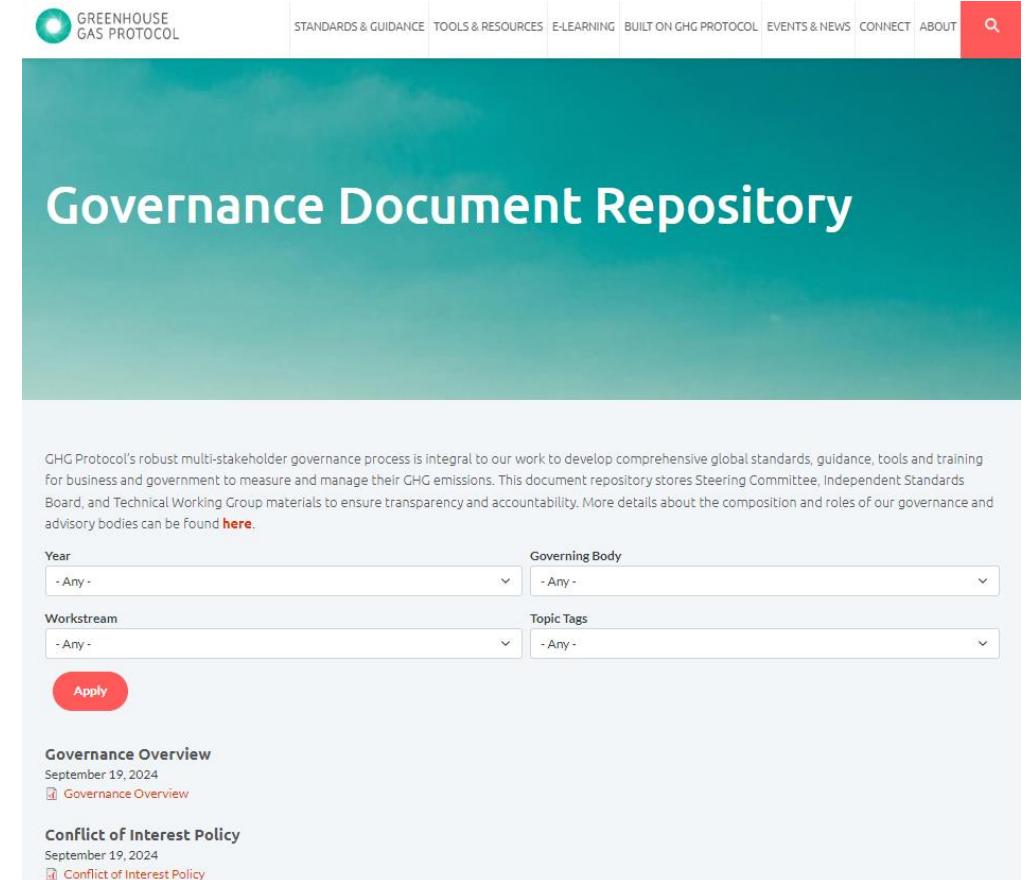
TWG members (SharePoint):

- **SharePoint with restricted access** (TWG members and Secretariat – internal use only) will be used for all relevant documents for TWG members.
- TWG members **are granted view only access** for their TWG's folder and cannot make changes to sub folders and documents.
- Documents will be uploaded by Secretariat **in pdf format** as default five days prior to a TWG meeting.
- Documents for TWG member track change edits or comments to be uploaded as .docx.
- Documents not posted to the GHG Protocol website are for **internal use only** and should not be circulated.

Documents sharing with public

Public (GHG Protocol Website):

- **Selected TWG documents** will be posted on the [Governance Document Repository](#) on the GHG Protocol website after TWG meetings. These include:
 - Meeting agendas
 - Meeting slides
 - Meeting minutes
 - Discussion papers
- Not to be published: Internal working documents of TWGs



The screenshot shows the 'Governance Document Repository' page on the GHG Protocol website. The page features a teal header with the title 'Governance Document Repository'. Below the header, there is a navigation menu with links for 'STANDARDS & GUIDANCE', 'TOOLS & RESOURCES', 'E-LEARNING', 'BUILT ON GHG PROTOCOL', 'EVENTS & NEWS', 'CONNECT', and 'ABOUT'. A search bar is located in the top right corner. The main content area contains a paragraph explaining the repository's purpose: 'GHG Protocol's robust multi-stakeholder governance process is integral to our work to develop comprehensive global standards, guidance, tools and training for business and government to measure and manage their GHG emissions. This document repository stores Steering Committee, Independent Standards Board, and Technical Working Group materials to ensure transparency and accountability. More details about the composition and roles of our governance and advisory bodies can be found [here](#).' Below this text are four dropdown menus for filtering: 'Year' (set to '- Any -'), 'Governing Body' (set to '- Any -'), 'Workstream' (set to '- Any -'), and 'Topic Tags' (set to '- Any -'). A red 'Apply' button is positioned below the filters. Two document entries are listed: 'Governance Overview' dated September 19, 2024, and 'Conflict of Interest Policy' dated September 19, 2024, each with a small icon and a link to the document.

Meeting participation, quorum, and consensus

- **Meeting participation** (TWG ToR 5.4)
 - Active participation and attendance is expected; let the Secretariat know if you will miss a meeting
- **Quorum** (TWG ToR 6.1)
 - Defined as a majority of members present. Any member that is unable to take part in a meeting but chooses to provide written input to the Secretariat in advance shall be counted towards fulfilling the quorum
 - Recommendations shall not be formally agreed upon during a TWG meeting unless there is a quorum present
- **Consensus** (TWG ToR 6.2)
 - Aim is to develop consensus standards and reach maximum level of agreement possible
 - Consensus defined as lack of sustained objection, as determined by the Secretariat
 - If consensus cannot be reached, options will be presented to the ISB
 - Members are expected to make recommendations based on established *Decision-making Criteria*

Agenda

- Welcome and housekeeping (25 minutes)
- **Standard Development Plan overview (45 minutes)**
- *Break (5 minutes)*
- Decision-making criteria (15 minutes)
- What to expect as TWG members (15 minutes)
- Next steps and Q&A (15 minutes)

Topics in this section:

- **SDP overview**
- **Scope of work**

Pop quiz:
GHG Protocol Acronyms!



Standard Development Plan overview

1. Introduction
2. Background and context
- 3. Summary of feedback from global stakeholder survey and consultation**
- 4. Objectives and scope**
- 5. Scope of work for standard revision**
6. Deliverables
7. Approach
8. Standards governance approach
- 9. Workplan and timeline**
10. Stakeholder engagement opportunities
11. Secretariat team and contact information



Summary of feedback from global stakeholder survey and consultation

- **375 responses** received to *Corporate Standard* stakeholder survey
 - Responses from **43 countries and 6 continents** (most from North America or Europe)
 - Responses from companies, consultants, industry groups, NGOs, academics and governments (most from companies or consultants)
 - **Over 40 proposals** also received related to topics in the *Corporate Standard*
- Survey questions included:
 - **General questions** related to user satisfaction with the *Corporate Standard*, the overall need for revisions, and specific challenges faced in complying with the Standard along with proposed solutions
 - **Questions on specific topics** including organizational boundaries, operational boundaries, tracking emissions over time, and verification and assurance
- **Most survey respondents** indicated that they were **either somewhat satisfied or very satisfied** with the *Corporate Standard* and that only **minor updates** to the standard are needed.
- Please see the *Corporate Standard* [Detailed Survey Summary](#) and [Proposals Summary](#) for further detail.

The objectives of the revision of the *Corporate Standard* include:

- Ensure the standard's **continued effectiveness** in meeting its objectives.
- **Promote interoperability** with key mandatory and voluntary climate disclosure and target setting programs and standards and with financial accounting and reporting standards, where relevant.
- **Incorporate advancements** in research and science, current uses of the standard and of resulting GHG inventory data, stakeholder feedback, and **best practices** in implementing the standard since it was published.
- **Improve coherence and integration** across GHG Protocol standards and guidance.
- **Provide additional guidance and clarifications** to reduce the need for interpretation, where possible.
- **Improve structure and presentation** where needed to improve user-friendliness, legal interpretation and ease of verification.
- **Editorial revisions** including refreshing presentation and design; deleting or replacing outdated text, references, case studies; and integrating amendments/annexes, where applicable.

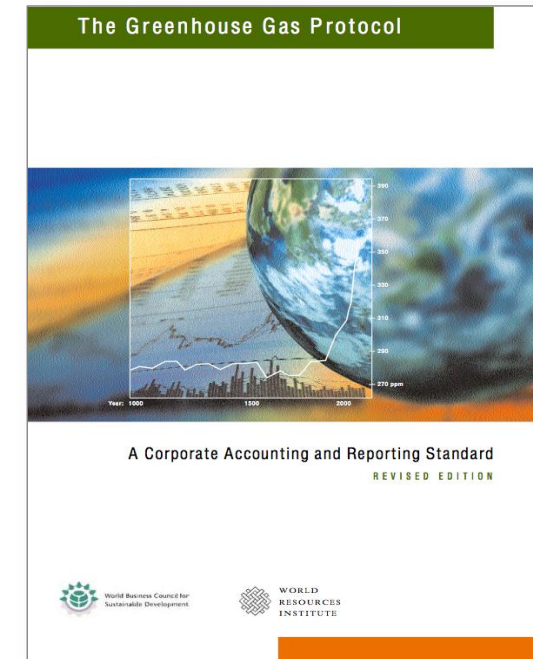
Scope of Work Overview

Scope of work:

- A. Objectives and principles
- B. Organizational boundaries
- C. Operational boundaries
- D. Tracking emissions over time
- E. Verification/assurance
- F. Data/calculation methodology
- G. Organization of the standards and internal/external harmonization

Out-of-scope items:

- H. Items addressed elsewhere by GHG Protocol
- I. Items for future consideration after standard revision
- J. Items outside of GHG Protocol's purview



Corporate Standard

→ **Third Edition**

How was the scope of work developed?



Scope of work: Overview

During the development of the draft revised Corporate Standard, the Technical Working Group will operate in 3 parallel subgroups to address major topics over two phases as follows:

Subgroup	Phase 1 topics	Phase 2 topics
Subgroup 1 (lead: Iain)	Objectives and principles	Tracking emissions over time
Subgroup 2 (lead: Hande)	Organizational boundaries	Verification/assurance
Subgroup 3 (lead: Alley)	Operational boundaries	Data/calculation methodology

Subgroup 1 - Scope of work

- Phase 1: Objectives and principles
- Phase 2: Tracking emissions over time





A. Objectives and principles (Subgroup 1, Phase 1)

Relevant chapters: Introduction, chapter 1 (GHG Accounting and Reporting Principles), and chapter 2 (Business Goals and Inventory Design)

A.1. Revisit stated objectives of the Corporate Standard in consideration of the following:

- Use of the standard in voluntary and mandatory **GHG reporting programs**.
- Use of the standard in **target-setting programs** (e.g., Science Based Targets Initiative – SBTi).
- Increased **integration** of sustainability and financial information.
- Increased demands for GHG inventories to be **verified/assured**.
- **Use of the standard by stakeholders** including reporting organizations, preparers, assurance providers, and policymakers.
- **Use of GHG inventory data by stakeholders** including reporting organizations, investors, customers, and regulators.
- Better facilitating **comparability** across inventories from different reporting organizations.
- The **range of reporting organizations** using the standard globally.

A.2. Develop **clarifying language** for uses that the Corporate Standard and GHG inventory data are not intended for and delineate the respective roles of the GHG Protocol and reporting programs, target setting programs, etc.



A. Objectives and principles (Subgroup 1, Phase 1)

Relevant chapters: Introduction, chapter 1 (GHG Accounting and Reporting Principles), and chapter 2 (Business Goals and Inventory Design)

A.3. Revisit **GHG accounting and reporting principles** defined in chapter 1 of the Corporate Standard in consideration of the following:

- Any updates to stated **objectives**.
- Use of the term “**materiality**” in the Corporate Standard beyond the current use case related to verification/assurance and reconciliation of the terms “materiality” and “significance” vis-à-vis the principle of relevance.
- Principles introduced in the draft GHG Protocol **Land Sector and Removals Standard**: conservativeness, permanence (of removals), and comparability (optional).
- **Financial accounting principles** such as those from the Financial Accounting Standards Board’s Generally Accepted Accounting Principles of the United States of America (U.S. GAAP) or the International Accounting Standards Board’s International Financial Reporting Standards (IFRS).



D. Tracking emissions over time (Subgroup 1, Phase 2)

Relevant chapters: chapter 5 (Tracking Emissions Over Time), chapter 8 (Accounting for GHG Reductions), chapter 11 (Setting GHG targets)

- D.1. Updates to requirements and guidance for **selecting a base year**.
- D.2. Updates to requirements and guidance for developing a **base year recalculation policy** and defining a **significance threshold** and related disclosure requirements.
- D.3. Revisit **optionality of reporting emissions for all years included in a GHG statement** in addition to the base year to enable tracking of an emissions profile over time.
- D.3. Integration and update of **2005 amendment** "[Base Year Recalculation Methodologies for Structural Changes](#)" ([Appendix E](#)).
- D.4. Additional **guidance for estimating base year emissions** for acquired assets where records of emissions activities are limited or non-existent.
- D.5. Revisit **reporting requirements for base year recalculation** including whether changes due to structural changes versus methodological changes should be reported separately.
- D.6. Requirements and guidance for **tracking emissions intensity metrics over time**.
- D.7. Additional guidance on how to appropriately disclose the **reason(s) for changes in emissions over time**.
- D.8. Updates to **target-setting guidance** to bring up to date and facilitate interoperability with target setting programs (including SBTi).



Subgroup 1 members

Name	Organization
Robert Anderson	Department of Infrastructure, Transport, Regional Development, Communications and the Arts, Australia
Catherine Atkin	Carbon Accountable and Stanford CodeX Climate Data Policy Initiative
Erika Barnett	Greenhouse Gas Management Institute
Tatiana Boldyreva	CDP
Victoria Evans	SCS Engineers
Robert Gray	DuPont
Henk Harmsen	SustainCert
Burkhard Huckestein	German Environment Agency
Micheline Khan	World Resources Institute
Dedy Mahardika	International Finance Corporation (IFC)
Martina Massei	Science Based Targets Initiative (SBTi)
Philippe Missi Missi	UNFCCC Regional Collaboration Center West and Central Africa
Ann Marie Moohan-Sidhu	ESGright
Sachin Nimbalkar	Oak Ridge National Laboratory
Joanne Richmond	CK Hutchison
Victoria Sullivan	Duke Energy
Gernot Wagner	Columbia Business School



Subgroup 1: Topics to be covered in the first quarter

Meeting 1

November 12th, 2024

- Introduce discussion paper on objectives of Corporate Standard
- Uses of the Corporate Standard by different stakeholders
- Business goals of GHG inventory
- Uses of GHG inventory data by different stakeholders

Meeting 2

December 3rd, 2024

- Updates to objectives in Corporate Standard introduction
- Updates to business goals (Corporate Standard chapter 2)

Meeting 3

January 14th, 2025

- Introduce GHG accounting and reporting principles (Corporate Standard chapter 1)
- Review of terminology related to materiality, significance and relevance and their usage in Corporate Standard and other standards and programs

Subgroup 2 - Scope of work

- Phase 1: Organizational boundaries
- Phase 2: Verification/assurance





B. Organizational boundaries (Subgroup 2, Phase 1)

Relevant chapters: chapter 3 (Setting Organizational Boundaries) and sections in chapter 4 (Setting Operational Boundaries) on leased assets.

B.1. Revisit options for defining organizational boundaries to consider:

- Whether to **maintain the three consolidation options** currently available (operational control, financial control, equity share), **eliminate any of the three options, or narrow to a single required approach** to promote consistency and comparability.
- Adjusting an existing approach or introducing a new approach that better **harmonizes with financial accounting** and/or with requirements of voluntary and mandatory reporting programs.
- Specifying a **preferred consolidation approach** or **hierarchy of preferred options**.
- Developing criteria to **guide organizations in selecting the most appropriate consolidation approach** for different situations.



B. Organizational boundaries *continued* (Subgroup 2, Phase 1)

- B.2. Updates, clarifications, and additional guidance** related to existing consolidation approaches including:
- Further clarification on defining **operational control**, addition of specific indicators to facilitate more consistent application, and **definitions for different types of assets** (e.g., leases, licenses, franchises).
 - Reconsideration of **multi-party arrangements** to consider factors beyond who controls a facility.
 - Updates and clarifications related to **joint ventures and minority interests**.
 - Integration and revision of [2006 amendment “Categorizing GHG Emissions Associated with Leased Assets” \(Appendix F\)](#).
 - Additional **guidance on classification of leased assets**, including allocation of emissions between lessor and lessee, emissions from purchased heating for leased assets, and in cases of multi-tenant buildings and co-locations.
- B.3.** Update terminology used in chapter 3 of the *Corporate Standard* to be **more consistent with current terminology used in financial accounting** (e.g., terminology used by U.S. GAAP and IFRS).



E. Verifications/assurance (Subgroup 2, Phase 2)

Relevant chapters: chapter 7 (Managing Inventory Quality) and chapter 10 (Verification of GHG Emissions)

- E.1.** Consider introducing a **verification or assurance requirement** to the *Corporate Standard* (based on criteria such as scope coverage, level of assurance, frequency and phase-in period, and differentiation by company size or sector).
- E.2.** Consider whether a **verification/assurance standard or guidance document for assurers** should be developed by the GHG Protocol.
- E.3. Additional clarifications** in chapter 10 of the *Corporate Standard* including:
- Clearer distinctions between verification and assurance.
 - More detailed descriptions of what different levels of assurance (e.g., limited assurance, reasonable assurance) entail and related procedures performed by assurance provider.
 - Clarity regarding the concept of materiality and materiality thresholds.
 - How and when historical data should be reassured when there are structural and methodological changes.
- E.4.** Additional **guidance related to data credibility and internal controls** to help companies prepare for assurance.
- E.5.** Consider **reference to verification or assurance standards** in use that have been developed since the last revision of the *Corporate Standard*.
- E.6.** Guidance related to **qualifications for third-party** verification or assurance **providers**.



Subgroup 2 members

Name	Organization
Christina Abbott	KPMG
John Altomonte	WWF-Philippines, Ateneo School of Government, and Verne Climate Solutions
Debbie Crawshawe	Department of Business and Trade, UK Government
Mónica Oleo Domínguez	Redeia
Rubens Ferreira	Carbonauta Ltda
Kia Hong Goh	Nanyang Technological University, Singapore
Gijs Kamperman	Koninklijke Luchtvaartmaatschappij (KLM)
Eric Knachel	Deloitte
Vincent Kong	Sun Hung Kai Properties
Bonar Laureto	Ernst & Young Philippines
Claire McCarthy	We Mean Business Coalition
Judy Ryan	External Reporting Board, New Zealand
Sheila Scott	Jacobs
Alisa Shumm	PricewaterhouseCoopers
Heather Vainisi	Google
Margaret Weidner	Impact Pathways



Subgroup 2: Topics to be covered in the first quarter

Meeting 1

November 19th, 2024

- Consolidation approaches
Discussion Paper overview
- Options for consolidation
approaches (initial)
- Better alignment with financial
accounting (initial)

Meeting 2

December 10th, 2024

- Relevant disclosure programs
and standards
- Better alignment with financial
accounting (main discussion)
- Options for better aligning with
financial accounting
(consolidation approach)

Meeting 3

January 21st, 2025

- Relevant guidance from
disclosure programs and
standards
- Options for consolidation
approaches

Subgroup 3 - Scope of work

- Phase 1: Operational boundaries
- Phase 2: Data/calculation methodology



WORLD
RESOURCES
INSTITUTE



World Business
Council
for Sustainable
Development



C. Operational boundaries (Subgroup 3, Phase 1)

Relevant chapters: chapter 4 (Setting Operational Boundaries)

- C.1. Revisit current operational boundary requirements in chapter 4 of the *Corporate Standard* to **consider requiring scope 3 emissions reporting**, such as through a comprehensive requirement across reporting organizations and scope 3 categories, or with a differentiated or phased approach based on criteria such as an organization's size or sector, the significance of a company's scope 3 emissions, or by scope 3 categories.

- C.2. Consider providing more prescriptive requirements or additional guidance regarding **justifiable exclusions** from an inventory boundary and expanding disclosure requirements related to exclusions.



F. Data/calculation methodology (Subgroup 3, Phase 2)

Relevant chapters: chapter 6 (Identifying and Calculating GHG Emissions), chapter 7 (Managing Inventory Quality), and chapter 9 (Reporting GHG Emissions)

F.1. Updates to address **data quality and uncertainty** to consider:

- Data quality requirements and additional guidance related to the use of proxies or estimates.
- A data quality hierarchy.
- Additional disclosure requirements related to data quality and uncertainty.
- Additional guidance on developing uncertainty estimates.

F.2. Additional **guidance on calculation methods** and their applicability and consider providing a hierarchy of calculation methods.

F.3. Guidelines for **selecting appropriate emission factors** and disclosure requirements for emission factor sources.

F.4. Expanded **disclosure requirements** related to data sources, significant assumptions, descriptions of methodologies used, and disaggregating emissions obtained using different data collection and calculation methods (e.g., primary versus secondary data).

F. Data/calculation methodology, continued (Subgroup 3, Phase 2)



F.5. Updates to current requirements in the *Corporate Standard* on **required GHGs and global warming potential (GWP) values**:

- Integration and update of [2013 amendment on required GHGs](#) into *Corporate Standard*.
- Revisit which GHGs companies are required to report on, considering GHGs not governed by the United Nations Framework Convention on Climate Change (UNFCCC).
- Revisit requirement for companies to report emissions from each required GHG individually.
- Clarification regarding which Intergovernmental Panel on Climate Change (IPCC) Assessment Report (AR) should be used for GWP values.
- Revisit the 100-year GWP as the only required metric and consider additionally a 20-year GWP, particularly for short-lived GHGs such as methane.

F.6. Accounting for **indirect climate forcors including radiative forcing in aviation**.



Subgroup 3 members

Name	Organization
Christa Anderson	WWF
Samuel Anuga	Academy of International Affairs (AIA), Germany
Rebecca Berg	The Climate Registry
Rogelio Campos	Ministry of Environment, Peru
Jasper Chan	The Hong Kong and China Gas Company Limited
Gonzalo Chiriboga	Central University of Ecuador
Ron-Hendrik Hechelmann	University of Kassel
Suresh Krishna Ishwara Palar	Infosys Limited
Felipe Martínez Rodríguez	Hydro
Alexis McGivern	University of Oxford
Brandon McNamara	Northern Arizona University
Ann Radil	Watershed
Jay Shi	Procter & Gamble
Monika Shrivastava	JSW Cement
Daniel Tutu Benefoh	Ghana Environmental Protection Agency



Subgroup 3: Topics to be covered in the first quarter

Meeting 1

November 26th, 2024

- Scope 3 requirement Discussion Paper overview
- Relevant climate disclosure programs and standards
- Options for a scope 3 requirement in the *Corporate Standard*

Meeting 2

December 17th, 2024

- Current scope 3 requirements in *GHGP Scope 3 Standard*
- Topics under consideration for *Scope 3 Standard* revision
- Options for alignment with *Scope 3 Standard*

Meeting 3

January 28th, 2025

- Relevant guidance from programs and standards
- Options for scope 3 reporting requirements varying by company

Organization of the standards and internal/external harmonization



G. Organization of the standards and internal/external harmonization

- G.1. Consider **reorganization** of *Corporate Standard* including how requirements and guidance on a given topic are integrated versus separated and use of numbered requirements and paragraphs.
- G.2. **Integration of outputs from other workstreams** in the standards updates process (Scope 2, Scope 3, Actions and Market Instruments, Land Sector and Removals) as appropriate to ensure internal harmonization across GHG Protocol standards and guidance.
- G.3. **Consolidation of all core requirements** across the suite of standards into *Corporate Standard*.
- G.4. Holistic review of **interoperability** with voluntary and mandatory disclosure programs.

Out-of-scope items



H. Out-of-scope items addressed elsewhere in GHG Protocol

- H.1. Specific updates to accounting and **reporting for scope 2 emissions** included in Scope 2 Standard Development Plan.
- H.2. Specific updates to accounting and **reporting for scope 3 emissions** included in Scope 3 Standard Development Plan.
- H.3. Accounting for **emissions of biogenic CO₂**, addressed in the *Land Sector and Removals Standard* process.
- H.4. Accounting for **CO₂ removals**, addressed in the *Land Sector and Removals Standard* process.
- H.5. Role of **market-based instruments** in GHG reporting, included in Actions and Market Instruments Standard Development Plan.
- H.6. Role of **project or intervention accounting methods** in GHG reporting, included in Actions and Market Instruments Standard Development Plan.
- H.7. User **manual for compiling and calculating GHG inventories** according to the *Corporate Standard*, under development separately via GHG Protocol Technical Support in coordination with the standards updates process.
- H.8. Updates to **emission factors and calculation tools**, under development via GHG Protocol Technical Support in coordination with the standards updates process.

I. Out-of-scope items for future considerations after standard revision

- I.1. Development of a **new scope 1 calculation guidance document**.
- I.2. Development of new standard and/or guidance **document for assurance providers**.
- I.3. Development of **new case studies**, to be published separately from the Third Edition of the *Corporate Standard*.

J. Out-of-scope items outside of GHG Protocol's purview

- J.1. Development of **new emission factors**.
- J.2. Development of program-specific rules and requirements for **GHG reduction targets**.
- J.3. Development of **sector-specific guidance**.

During the break, please answer this question in the **Zoom whiteboard**:

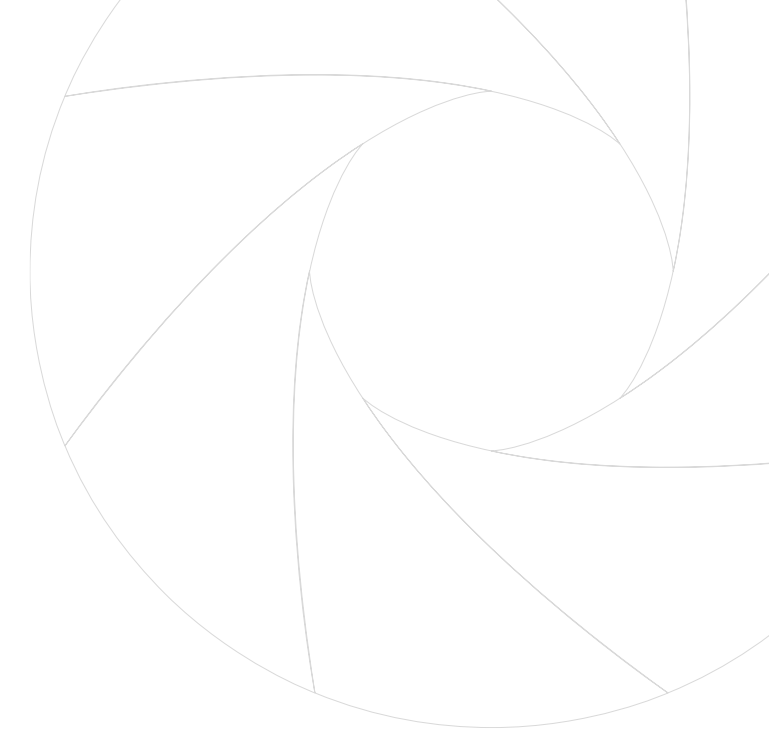
What topics in our scope of work are you most excited about?



Short break
5 minutes

Agenda

- Welcome and housekeeping (25 minutes)
- Standard Development Plan overview (45 minutes)
- *Break (5 minutes)*
- **Decision-making criteria (15 minutes)**
- What to expect as TWG members (15 minutes)
- Next steps and Q&A (15 minutes)



GHG Protocol Decision-Making Criteria

- Purpose: Support the GHG Protocol Secretariat, Technical Working Groups, and Independent Standards Board in evaluating GHG Protocol accounting and reporting approaches to determine which option among a defined set of options best adheres to the criteria and should be pursued.
- Summary version:

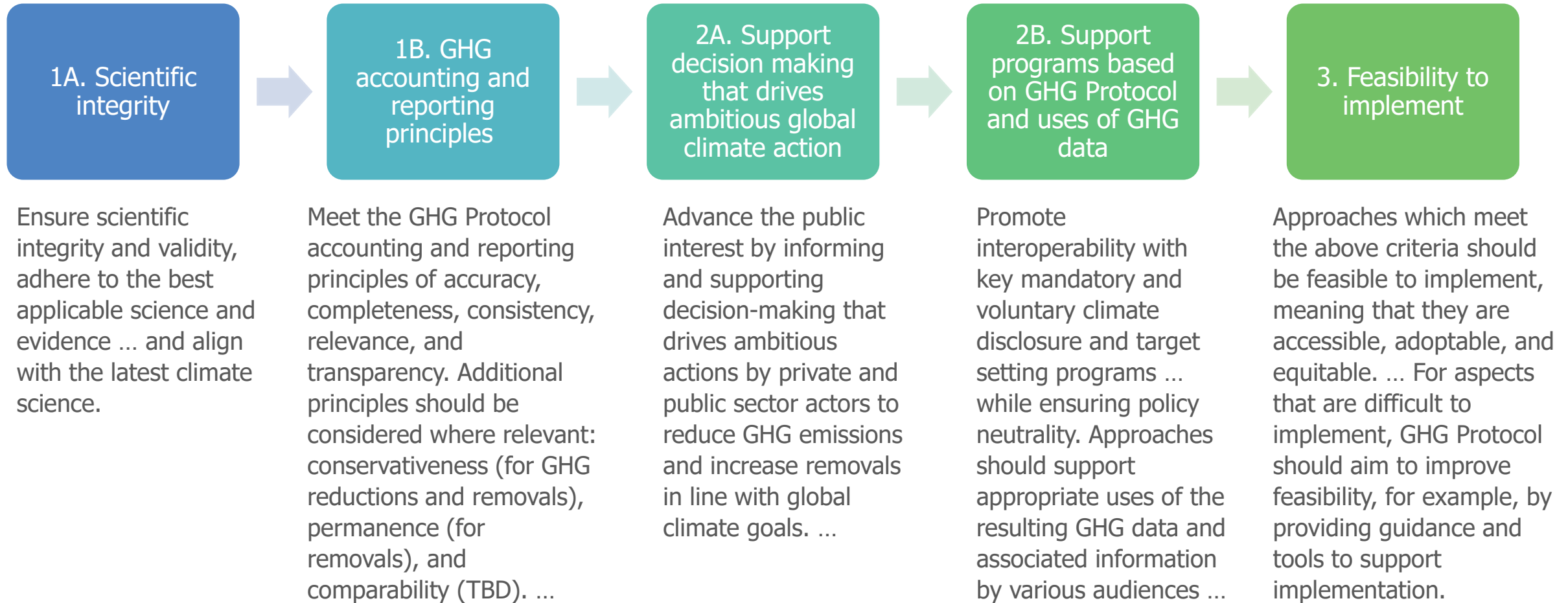


- Full version:



Note: This is a summary version. For further details, refer to the full decision-making criteria included in the annex to the Governance Overview, available at <https://ghgprotocol.org/our-governance>.

GHG Protocol Decision-Making Criteria



Note: This is a summary version. For further details, refer to the full decision-making criteria included in the annex to the Governance Overview, available at <https://ghgprotocol.org/our-governance>.

Applying the decision-making criteria

<i>Illustrative example</i>	Option A: Name	Option B: Name	Option C: Name
1A. Scientific integrity	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons
1B. GHG accounting and reporting principles	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons
2A. Support decision making that drives ambitious global climate action	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons
2B. Support programs based on GHG Protocol and uses of GHG data	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons
3. Feasibility to implement	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons 	<ul style="list-style-type: none"> • Pros • Cons

- **Evaluating options:** Describe pros and cons of each option relative to each criterion. Qualitatively assess the degree to which an option is aligned with each criterion through a **green** (most aligned), **yellow** (mixed alignment), **orange** (least aligned) ranking system. Some criteria may be not applicable for a given topic; if so, mark N/A.
- **Comparing options:** The aim is to advance approaches that ideally meet all decision criteria (i.e., maximize pros and minimize cons against all criteria). If options present tradeoffs between criteria, the hierarchy should be generally followed, such that, for example, scientific integrity is not compromised at the expense of other criteria, while aiming to find solutions that meet all criteria.

Note: This is a summary version. For further details, refer to the full decision-making criteria included in the annex to the Governance Overview, available at <https://ghgprotocol.org/our-governance>.

Zoom poll 3

Match the below standard setting terminology with the corresponding definitions:

- Shall
- Should
- May

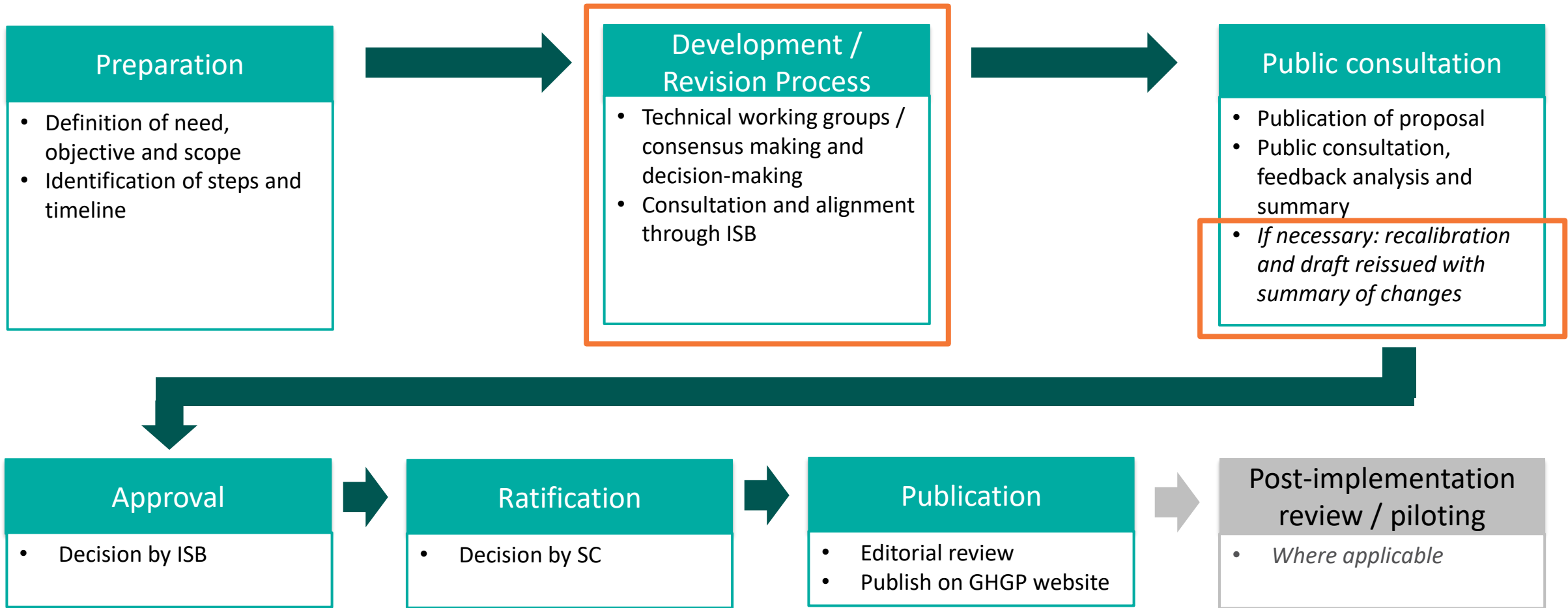
Definitions: GHG Protocol Scope 3 Standard 3.2 (pp.19-20)

Agenda

- Welcome and housekeeping (25 minutes)
- Standard Development Plan overview (45 minutes)
- *Break (5 minutes)*
- Decision-making criteria (15 minutes)
- **What to expect as TWG members (15 minutes)**
- Next steps and Q&A (15 minutes)

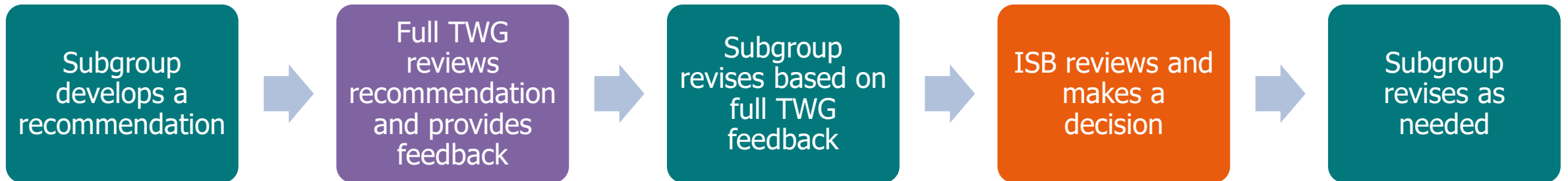
- **Revision process**
- **Meeting schedule**
- **Discussion papers**
- **Time commitment and expected tasks**
- **Communication and feedback options**

General Standard Development and Revision Process (draft)



Process and timelines are currently pending with Independent Standards Board and Steering Committee

Corporate Standard TWG process flow to develop recommendations



Meeting times (to be confirmed)



- Corporate Standard TWG meetings to be held on **Tuesdays**.
- Default meeting duration will be **2 hours** but some meetings may be scheduled for longer as needed.
- **Goals** for scheduling meeting times:
 - Maximize the reasonable* meeting hours for as many TWG members as possible, over the course of the standard revision process.
 - Avoid, to the extent possible, systematically placing some members into unreasonable meeting hours.
- Proposed strategy to achieve goal:
 - **Subgroup meetings** to be scheduled for a time aligning with reasonable hours for most (at least 75%) of members. These may vary by subgroup. *~One meeting per subgroup per month.*
 - **Two time options** to be offered for **full TWG meetings** such that a time within reasonable hours is made available for all TWG members. *~One full TWG meeting per quarter.*

*Reasonable meeting hours defined as 6am – 10pm.

October 2024

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2024

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

January 2025

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

April 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May 2025

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June 2025

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August 2025

S	M	T	W	T	F	S
						2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

No meetings in August

September 2025

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Discussion papers to be shared at subgroup meetings

- **Objective:** Consolidate relevant information on priority topics for TWG agenda for members to review and help facilitate common background knowledge.
- **Contents:**
 - Current GHG Protocol requirements and guidance
 - Background and context
 - Requirements and guidance from other relevant programs and frameworks
 - Summary of relevant research
 - Summary of stakeholder feedback
 - Options under consideration
 - Analysis of options according to decision-making criteria
- **First discussion papers** for each subgroup to be presented during and shared following first subgroup meetings:
 - **Subgroup 1:** Objectives of Corporate Standard
 - **Subgroup 2:** Consolidation approaches
 - **Subgroup 3:** Scope 3 requirement

Time commitment and example tasks

Estimated time commitment: 10-15 hours per month (TWG ToR 7.1.2)

- ~One subgroup meeting per month, ~one full TWG meeting per quarter, 2-hour default duration
- Coming prepared for and actively participating in meetings is critical to the success of the TWG process
- Please inform the Secretariat in advance when unable to attend a meeting

TWG meetings



- Reviewing discussion papers and other background materials provided
- Providing written feedback on meeting discussions and related materials
- Reviewing and providing feedback on draft standard text

Example
activities outside
of meetings



Communication and feedback options

1. In meetings

- Verbal feedback
- Chat (we will always save this)
- Informal polls

1. Requested written feedback

- To be shared as survey form by Secretariat as needed

2. General written feedback

- Please send via CS TWG feedback form (*to be shared*)
- Can be sent before or after TWG meetings
- Written feedback should not be sent via email



Agenda

- Welcome and housekeeping (25 minutes)
- Standard Development Plan overview (45 minutes)
- *Break (5 minutes)*
- Decision-making criteria (15 minutes)
- What to expect as TWG members (15 minutes)
- **Next steps and Q&A (15 minutes)**

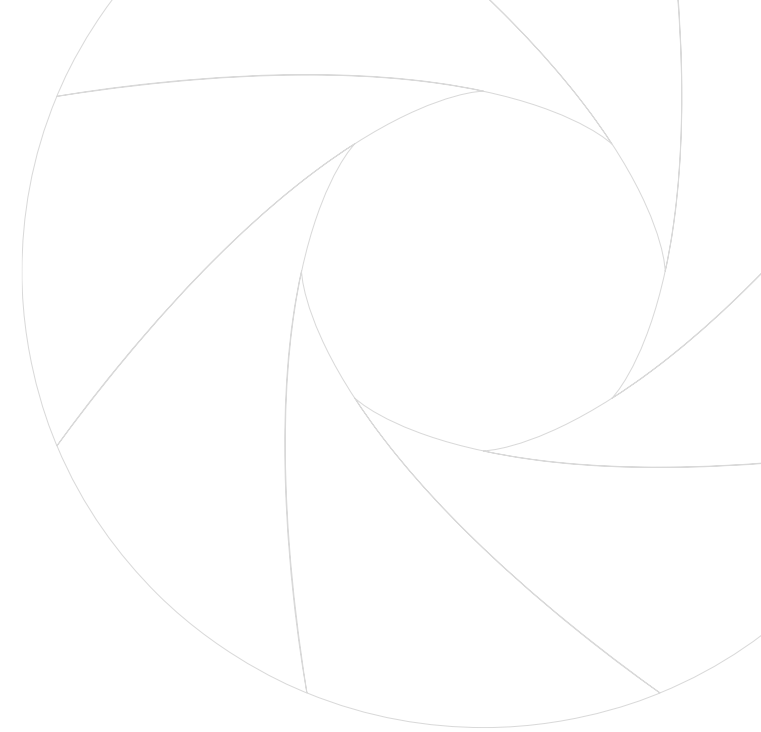


Q&A



GREENHOUSE
GAS PROTOCOL

Next steps



GREENHOUSE
GAS PROTOCOL



WORLD
RESOURCES
INSTITUTE



World Business
Council
for Sustainable
Development

Next steps

Documents for review

- Standard Development Plan
- Discussion Papers (*to be shared following first subgroup meetings*)

First subgroup meetings

Subgroup	Date	Time
Subgroup 1 (lead: Iain)	November 12th, 2024	9:00 – 11:00 ET / 15:00 – 17:00 CET / 22:00 – 0:00 CHN
Subgroup 2 (lead: Hande)	November 19th, 2024	8:00 – 10:00 ET / 14:00 – 16:00 CET / 21:00 – 23:00 CHN
Subgroup 3 (lead: Alley)	November 26th, 2024	9:00 – 11:00 ET / 15:00 – 17:00 CET / 22:00 – 0:00 CHN

Calendar holds for the full TWG and subgroup meetings will be shared for the upcoming 12 months

Thank you!

Iain Hunt, iain.hunt@wri.org

Hande Baybar, baybar@wbcasd.org

Allison (Alley) Leach, allison.leach@wri.org

