GREENHOUSE GAS PROTOCOL

Scope 3 Technical Working Group Meeting

WORKING DRAFT; DO NOT CITE

Group C (Investments)
Meeting 6
Minimum boundaries & Facilitated emissions

March 6th, 2025

WORLD RESOURCES INSTITUTE

World Business Council for Sustainable Development

Agenda

- Housekeeping and decision-making criteria (5 min)
- Scope of work and recap (10 min)
- Issue 5a: Proportionality (15 min)
- Issue 5b: Relevant scope 3 of investees (15 min)
- Issue 5c: Relevant projects (15 min)
- Issue 5d: Investors with intermediaries (15 min)
- Issue 5e: Total projected lifetime of projects (15 min)
- Optionality of cash activities for FIs (15 min)
- Time planning and next steps (5 min)

Housekeeping and decision-making criteria

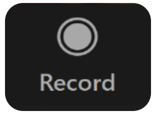
Disclaimer:

- This is a working document to be used as input for discussions of the Technical Working Group (TWG) of the Scope 3 Standard update process. The notes and views, if any, expressed in this document do not reflect a position of the Greenhouse Gas Protocol, WRI, WBCSD, nor members of the TWG or any affiliations thereof, unless otherwise stated explicitly. The options and preliminary comparisons herein are not designed to be final, complete, or all-encompassing.

Notes to reader:

- The online version of this presentation is the official version
- All downloaded or printed material is uncontrolled
- This presentation should be read in conjunction with *Discussion Paper C.1*

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.

Housekeeping

- 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 the 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

Standard setting language

- GHG Protocol standards use precise language to indicate which provisions of the standard are requirements, which are recommendations, and which are permissible or allowable options that companies may choose to follow.
- "**Shall**" indicates what is required to be in conformance with the standard.
- "**Should**" indicates a recommendation, but not a requirement.
- "**May**" indicates an option that is permissible or allowable.

Decision-Making Criteria

- Evaluating options: Describe the 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 the pros and minimize the 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 a solution(s) that meet all criteria.

Decision-making criteria	Option A	Option B	Option C
1A. Scientific integrity	• Pros • Cons	• Pros • Cons	• Pros • Cons
1B. GHG accounting and reporting principles	• Pros • Cons	• Pros • Cons	• Pros • Cons
2A. Support decision making that drives ambitious global climate action	• Pros • Cons	• Pros • Cons	• Pros • Cons
2B. Support programs based on GHG Protocol and uses of GHG data	• Pros • Cons	• Pros • Cons	• Pros • Cons
3. Feasibility to implement	• Pros • Cons	• Pros • Cons	• Pros • Cons

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

Scope of Work & Recap

Key topics for 2025

Meeting	Meeting date	Section*	Issue
C.4	Jan 23	8.5	Issue 4: Optionality; Issue 5: Minimum boundaries
C.5	Feb 13	8.6	Relevant scope 3 emissions of investments (investees)
		8.7	Lifetime emissions of projects
C.6	**Mar 6**	**8.8**	**Facilitated emissions**
C.7	Mar 27	8.9	Insurance-associated emissions
C.8	Apr 17	8.10	Calculation method (for optional investments)
		8.11	Private/unlisted equity or debt (known uses)
C.9	May 8	8.12 & 8.13	Listed equity or debt (with *unknown* uses) & Sovereign debt
		8.14 & 8.15	Revenue- or spend-based method & Portfolio rollups
C.10	May 29	N/A	Licensed IP classification, boundary, and quantification
C.11	Jun 19	N/A	Licensed IP continued…

* Sections correspond with sections in *Discussion Paper C.1* (available online)

Status of previous issues

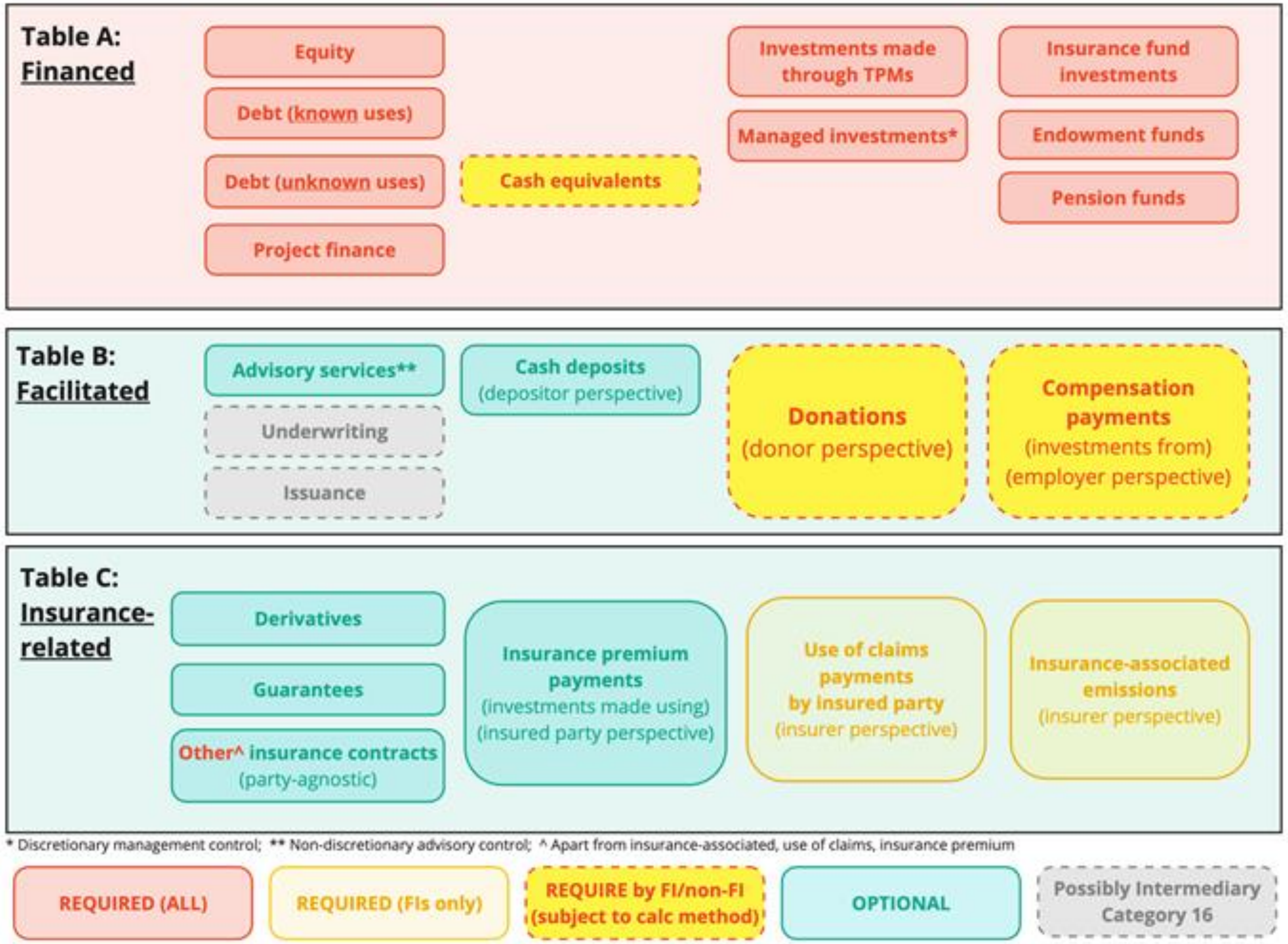
- **Issue 1**: Clarify whether category 15 is applicable for both FIs and non-FIs (**Meeting C.1**)
  - **Status:** Draft language pending from Secretariat

- **Issue 2**: Review harmonization of the requirements and guidance between the *Scope 3 Standard* and the PCAF standards concerning (2.5) consolidation approaches and (2.6) data quality score (**Meeting C.2**)
  - **Status:** Draft language pending from Secretariat

- **Issue 3**: Investment type, classification, and optionality (**Meeting C.3**)
  - **Status:** Indicative polls and *Interim poll implications summary* completed

- **Issue 4**: Optionality (4a) and disaggregated reporting (4b) (**Meeting C.4**)
  - **Status:** Discussion continuing in this Meeting C.6

Status of previous issues: Issue 4a. Classification and optionality



- Indicative polls on the following asset or investment types concerning **optionality** did **not** exhibit consensus:
  - Cash equivalents
  - Donations
  - Compensation payments
- This is in part due to the *absence* of calculation methods and the potential implications on aggregate scope 3 results
- Indicative polls on the following asset or investment types concerning **optionality** did **not** exhibit consensus:
  - Insurance-associated
  - Use of claims payments

Status of previous issues (continued)

- **Issue 4b:** Disaggregated reporting
  - **Status:** TWG members indicated preference for either:
    - 56% – Sub-total (**trinary**) reporting (financed, facilitated, and insurance-related); **OR**
    - 44% – Specific **investment type** (e.g., equity, debt, projects, cash deposits, derivatives, etc.)

- **Issue 5a:** Proportionality (for equity investments)
  - **Status:** TWG members indicated preference for:
    - 50% – Yes, equity proportionality should use **equity and debt** in the denominator
    - 14% – No, it should use simply equity (as is)
    - 7% – Other
    - 29% – Abstain
    - *(Placeholder: results of the asynchronous follow-up poll)*

Status of previous issues (continued)

- **Issue 5b: Relevant scope 3 emissions of investees or projects**
  - **Status:**
    - Most TWG members (55%) recommend ***changing*** the "where relevant" language (p. 54) regarding the inclusion of scope 3 emissions of investees or projects
    - Most TWG members (58-75% depending on the asset type) recommend ***requiring*** that investors report the scope 3 emissions of investees (investments or assets) or projects
    - Most TWG members do ***not*** recommend differentiating this requirement by investment or asset type (42% No; and 25% Yes)
    - *(Placeholder: results of the asynchronous follow-up poll)*
- **Issue 5c: Relevant projects and sector-specific requirements**
  - **Status:**
    - There was no consensus concerning whether to require sector-specific disclosure requirements for investments (25% Yes; 33% No; 17% Other; and 25% Abstain)
    - *(Placeholder: results of the asynchronous follow-up poll)*

5a. Proportionality
(Review of Meeting C.5)

Status of previous issues (continued)

- **Issue 5a:** Proportionality (for equity investments)
  - **Status:** TWG members indicated preference for:
    - 50% – Yes, equity proportionality should use **equity and debt** in the denominator
    - 14% – No, it should use simply equity (as is)
    - 7% – Other
    - 29% – Abstain

    (Placeholder: results of the asynchronous follow-up poll)

Case study, hypothetical (to examine proportionality implications)

- **Investee entity**
  - Scope 1 – 10
  - Scope 2 – 5
  - Scope 3 – 85
  - Total – 100 tCO_2e

- **Investor A**
  - Controlling interest of 60%
  - Operational or financial control consolation approach

- **Investor B**
  - Non-controlling interest of 40%
  - Operational or financial control consolidation approach

Financed emissions by investors (equity only)

Total (Investee GHG inventory)	**100 tCO2e**			
Scope 1	10			
Scope 2	5			
Scope 3	85			
			% equity	
Equity	50%	**100%**	**40%**	**50%**
Investor A (controlling)	30%	60%		
Investor B (non-controlling)	20%		40%	
Debt lender	50%			50%
Total equity + debt	100%			
Investor		**Investor A**	**Investor B**	**Debt lender**
Total		**100**	**40**	**50**
Scope 1		10	-	-
Scope 2		5	-	-
Scope 3 (assumed to be required)		85	40	50
Other scope 3 categories (1 through 14)		85	-	-
Category 15 (scope 1, 2, and 3)		-	40	50

Financed emissions by investors (equity <u>and</u> debt)

<u>Total (Investee GHG inventory)</u>	**<u>100 tCO2e</u>**			
Scope 1	10			
Scope 2	5			
Scope 3	85			
			% equity & debt	
Equity	<u>50%</u>	**<u>100%</u>**	**<u>20%</u>**	**<u>50%</u>**
Investor A (controlling)	30%	60%		
Investor B (non-controlling)	20%		40%	
Debt lender	<u>50%</u>			50%
Total equity + debt	100%			
Investor		**Investor A**	**Investor B**	**Debt lender**
<u>Total</u>		**<u>100</u>**	**<u>20</u>**	**<u>50</u>**
Scope 1		10	-	-
Scope 2		5	-	-
Scope 3 (assumed to be required)		<u>85</u>	<u>20</u>	<u>50</u>
Other scope 3 categories (1 through 14)		85	-	-
Category 15 (scope 1, 2, and 3)		-	20	50

Implications:

Investor A would still report **<u>100%</u>** of investee entity emissions (in scope 1, scope 2, and scope 3) because Investor A has operational and financial control.

Investor B would report **<u>50% less</u>** (20 instead of 40t) emissions because debt accounts for 50% of funding.

Debt lender would report the same emissions (50t).

Implication

- No change
  - Equity holders with **controlling** interest (ownership) would report the same emissions
  - Debt lenders
- Significant change (potentially)
  - Equity holders with non-controlling interest (ownership) would report a **smaller fraction** of emissions
- Note:
  - This is in alignment with PCAF requirements for financial institutions (FIs)

Live analysis using decision-making criteria

Decision-making Criteria	**Option 1** Equity (only) in denominator	**Option 2** Equity and Debt in denominator
1A. **Scientific integrity**	n/a	n/a
1B. GHG accounting and reporting **principles**	To be discussed	To be discussed
2A. Support decision-making that drives ambitious global climate **action**	Non-controlling equity holders would report higher emissions which may drive more ambitious action to decarbonize	Non-controlling equity holders would report lower emissions which may drive less ambitious action to decarbonize
2B. Support **programs** based on GHG Protocol and uses of GHG data	Not aligned with PCAF	Aligned/harmonized with PCAF
3. **Feasibility** to implement	More feasible	May be more challenging for non-controlling equity holders.

5b. Minimum boundaries: scope 3 of investees
(Review of Meeting C.5)

PCAF Part A – investee or asset-type scope 3 optionality

- Asset types that **require** investee scope 3
  - Listed equity (5.1)
  - Corporate bonds parentheses (5.1)
  - Unlisted equity (5.2)
  - Business loans (5.2)
- Asset types that do not require (**optional**) the inclusion of invest the scope 3:
  - Commercial real estate (5.4)
  - Motor vehicle loans (5.6)
- Asset types for which investor scope 3 is listed as **N/A**
  - Mortgages (5.5)
- Asset types for which investor scope three is listed as "**where relevant**"
  - Project finance (5.3)

Poll results concerning investee scope 3 inclusion (previous meeting)

Issue 5b

- Should Equity and Debt (known use of proceeds) **require** the scope 3 emissions of investees?
  - **Yes – 69% (9/13)**
  - No – 31% (4/13)
  - Other – 0% (0/13)
  - Abstain – 0% (0/13)
- Should Debt (unknown use of proceeds) **require** the scope 3 emissions of investees?
  - **Yes – 62% (8/13)**
  - No – 38% (5/13)
  - Other – 0% (0/13)
  - Abstain – 0% (0/13)
- Should Project finance maintain the **requirement** (using "should" language) to include project lifetime emissions "… if the reporting company is an initial sponsor or lender…"?
  - **Yes – 73% (8/11)**
  - No – 9% (1/11)
  - Other – 0% (0/11)
  - Abstain – 18% (2/11)

Poll results (continued)

Issue 5b

- Should facilitators include the scope 3 emissions of investees?
  - **Yes – 75% (9/12)**
  - No – 17% (2/12)
  - Other – 0% (0/12)
  - Abstain – 8% (1/12)
- Should this minimum boundary be differentiated by activity/instrument type?
  - Yes – 25% (3/12)
  - **No – 42% (5/12)**
  - Other – 0% (0/12)
  - Abstain – 33% (4/12)
- Should insurers or other parties of insurance products include the scope 3 emissions of investees?
  - **Yes – 58% (7/12)**
  - No – 17% (2/12)
  - Other – 0% (0/12)
  - Abstain – 25% (3/12)

Feasibility challenge

Prompt: How can investor obtain the scope 3 emissions of investees?

- Primary data: Scope 3 is calculated and reported by the investee
  - Investee is a project: unlimited number of PMs are calculating their scope 3
  - Investee is an organization: a limited number of organizations are calculating their scope 3
  - Investee is a government: data is likely unavoidably macro and secondary
- Secondary data:
  - Known use of proceeds: Modeled by investor (using EEIO and/or other EFs, upstream and downstream) with or without scenario modeling
  - Unknown use of proceeds: Almost entirely comprised of EEIO in emission factors applied to asset value

If the scope 3 of investees is required, should there be an exclusion clause due to lack of data?

If the overall challenge of investee scope 3 calculation is widespread, could reporting of these emissions be made required?

Permissible exclusion due to lack of data

Prompt: If investee scope 3 is required, should there be an exclusion clause for lack of data?

- **Yes** (investors should be permitted to exclude investee scope 3 subject to lack of data)
- **No** (investors should never be permitted to exclude and investee scope 3)
- **Other**
- **Abstain**

Prompt: Should other permissible justifications for exclusion be provided?

- **Yes** (other justifications include…)
- **No** (no other justifications should be provided)
- **Other**
- **Abstain**

5c. Relevant projects
(Continued from Meeting C.5)

Relevant projects scope 3 emissions

- **Issue 5c: Relevant projects and sector-specific requirements**
  - **Status:**
    - There was no consensus (25% Yes; 33% No; 17% Other; and 25% Abstain) concerning whether to require sector-specific disclosure requirements for investments

- Regarding the scope 3 emissions of projects:
  - "**Relevant projects** include those in **GHG-intensive sectors** (e.g., power generation), **projects exceeding a specified emissions threshold** (developed by the company or industry sector), or **projects that meet other** developed by the company or industry sector."

- Note:
  - Many projects are financed via equity (ownership stake), debt (loans, bonds, credit facilities), and/or hybrid (mezzanine, convertible bonds, public-private partnerships)

* Espinosa, Pamela (October 20, 2024). "Private equity market size". Moonfare. <https://www.moonfare.com/>.

Emissions thresholds or criteria for projects

1. If emissions from debt investments (with known use of proceeds), project finance, and debt investments (without known use of proceeds) are **required** subject to a magnitude (5%) threshold – then can "where relevant" or "relevant project" language be **removed**?
   - **Yes** (if yes, should the entire paragraph be removed or should we reiterate that the 5% magnitude threshold applies to project finance and debt)?
   - **No** (if no, what language should be maintained in the *Scope 3 Standard*?)
   - Other
   - Abstain

2. Should and could thresholds or other criteria be defined and stipulated for the inclusion of **projects**?
   - **Yes** (if yes, what specific thresholds or criteria should be stipulated?)
   - **No** (if no, should the *Scope 3 Standard* language be revised?)
   - Other
   - Abstain

Emissions thresholds or criteria for projects (continued)

- Depending on the response to question 2 (previous slide), consider discussing this follow-up question:

3. Should and could similar thresholds or criteria be defined and stipulated for **equity** and **debt**?
   - Yes (If yes, what language should be introduced?)
   - No (If no, how does this reconcile with the language concerning projects?)
   - Other
   - Abstain

Live analysis using decision-making criteria

Decision-making Criteria	Option 1 …	Option 2 …
1A. **Scientific integrity**		
1B. GHG accounting and reporting **principles**		
2A. Support decision-making that drives ambitious global climate **action**		
2B. Support **programs** based on GHG Protocol and uses of GHG data		
3. **Feasibility** to implement		

5d. Total projected lifetime of projects

Total projected lifetime

- "**Total projected lifetime** emissions are **reported in the initial year the project is financed** [emphasis added], not in subsequent years. Where there is uncertainty around a project's anticipated lifetime, companies **may report a range of likely values** [emphasis added] (e.g., for a coal-fired power plant, a company may report a range over a 30- to 60-year time period). Companies should report the assumptions used to estimate total anticipated lifetime emissions. (*Scope 3 Standard*, p. 54)

- **Minimum boundary** (**required**): "Also account for the total projected lifetime scope 1 and scope 2 emissions of relevant projects financed during the reporting year and report those emissions **separately from scope 3** [emphasis added]."

- "For some categories, **emissions may have occurred in previous years** [emphasis added]. For other scope 3 categories, **emissions are expected to occur in future years** [emphasis added] because the activities in the reporting year have long-term emissions impacts…. For these categories, the reported… emissions are expected to occur **as a result of activities that occurred in the reporting year** [emphasis added]." (*Scope 3 Standard*, Section 5.4, p. 33)

Questions

- Should projected lifetime emissions of financed projects be required to be **reported** in the year the project is financed?
  - Yes
  - No
  - Other
  - Abstain

- Should projected lifetime emissions be reported **separately** from a company's scope 3 inventory (e.g., unlike sold products, category 11)?
  - Yes
  - No
  - Other
  - Abstain

Decision-making criteria

- ❑ 1A. **Scientific integrity**
- ❑ 1B. GHG accounting and reporting **principles**
- ❑ 2A. Support decision-making that drives ambitious global climate **action**
- ❑ 2B. Support **programs** based on GHG Protocol and uses of GHG data
- ❑ 3. **Feasibility** to implement

Live analysis using decision-making criteria

Decision-making Criteria	Option 1 …	Option 2 …
1A. **Scientific integrity**		
1B. GHG accounting and reporting **principles**		
2A. Support decision-making that drives ambitious global climate **action**		
2B. Support **programs** based on GHG Protocol and uses of GHG data		
3. **Feasibility** to implement		

5e. Investors that rely on or use intermediaries

Financial intermediaries (*Scope 3 Standard*, p. 54)

- "Companies should account for emissions from the GHG-emitting project financed by the reporting company, **regardless of any financial intermediaries involved** [emphasis added] in the transaction."

* Espinosa, Pamela (October 20, 2024). "Private equity market size". Moonfare. <https://www.moonfare.com/>.

Should limited partnerships be named explicitly?

- What is a Limited Partnership (LP)
  - LPs typically hold **partnership interest (%)** in a fund
  - This **functions similarly to equity** in a corporation
  - **<u>No</u>** shares are issued for LPs
  - LPs do **<u>not</u>** have direct ownership of the underlying assets
  - LPs are entitled to a **share of the fund's profit**
  - LPs have limited liability

- Potential loophole
  - Limited Partners (LPs) are typically **<u>not</u>** classified as an **associated company, subsidiary, or JVs**

- Size of market
  - Most hedge funds, private equity funds, and venture capital funds use the LP structure
  - The global private equity market (including hedge and VC funds) is around $4.74 trillion*

* Espinosa, Pamela (October 20, 2024). "Private equity market size". Moonfare. <https://www.moonfare.com/>.

LPs

1. Should LPs be identified in the category 15 minimum boundary description for equity investments?

   – Option 1 - Yes (all FIs and non-FIs)
   – Option 2 - Yes (only FIs)
   – Option 3 - No (neither FIs nor non-FIs)
   – Option 4 - Abstain

2. Should it be stipulated that a reporting company should or shall disclose the emissions of any entity to which the reporting company has a legal right to the profits thereof (via equity, debt or any other form of ownership or partnership)? *

   – Option 1 - Yes (all FIs and non-FIs)
   – Option 2 - Yes (only FIs)
   – Option 3 - No (neither FIs nor non-FIs)
   – Option 4 - Abstain

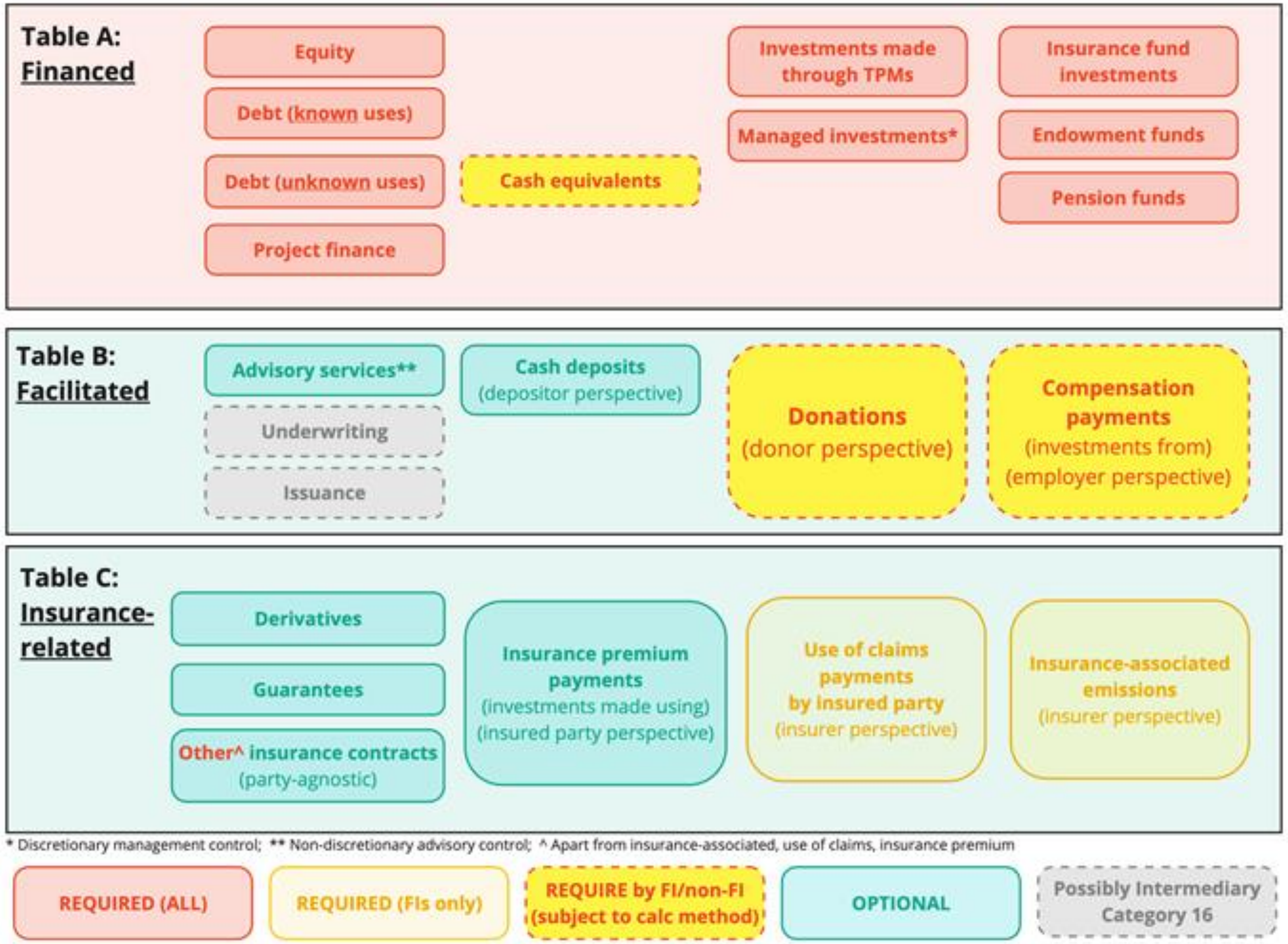
* This would be subject to any magnitude threshold which may or may not be introduced for scope 3 inventories.

Live analysis using decision-making criteria

Decision-making Criteria	Option 1 …	Option 2 …
1A. **Scientific integrity**		
1B. GHG accounting and reporting **principles**		
2A. Support decision-making that drives ambitious global climate **action**		
2B. Support **programs** based on GHG Protocol and uses of GHG data		
3. **Feasibility** to implement		

Optionality of cash equivalents (implications of inclusion)

Indicative classification and optionality (Issue 4a)



- Indicative polls on the following asset or investment types concerning **optionality** did **not** exhibit consensus:
  - Cash equivalents
  - Donations
  - Compensation payments
- This is in part due to the *absence* of calculation methods and the potential implications on aggregate scope 3 results
- Indicative polls on the following asset or investment types concerning **optionality** did **not** exhibit consensus:
  - Insurance-associated
  - Use of claims payments

Cash equivalent requirement (implications of inclusion)

- The impact on (increase in) several repotting companies' scope 3 category 15 (and total scope 3) emissions could be enormous if the disclosure of **cash equivalents** is *required*.

- Refer to *Discussion Paper C.1*:
    - Section 8.2 (other investment/asset types)
        - 2. Cash and cash equivalents
    - Appendix B17 (Financials for large-cap companies)
    - Appendix B18 (The Carbon Bankroll)
    - Appendix B19 (Wall Street's Carbon Bubble)
    - Appendix B20 (Estimated financed emissions plus cash deposits)
    - Appendix B21 (Justifications for the exclusion of category 15)

Cash equivalents

- In short: Including **C&CE** would increase the total GHG inventory (scope 1, 2, and 2) of fifteen (15) publicly listed, large-cap companies by **approximately 43%** (Appendix B20 in *Discussion Paper C.1*)

Company	Reported (scope 1, 2, 3) (ktCO2e)	% total emissions (w/ Cat. 15)	Investments & CC&E ($M)	Financed emissions (ktCO2e)	% total emissions (w/ Cat. 15)	Total
Airbnb	328	11%	9,602	2,600	89%	2,928
Amazon	71,270	83%	70,391	14,697	17%	85,967
Apple	20,600	44%	169,109	26,421	56%	47,021
Atlassian	129	17%	2,104	617	83%	746
Cisco	22,805	81%	25,715	5,466	19%	28,271
Etsy	533	62%	1,201	327	38%	860
Google/Alphabet	10,183	32%	113,762	21,153	68%	31,336
Johnson & Johnson	18,526	74%	23,519	6,576	26%	25,102
Mastercard	563	21%	7,679	2,122	79%	2,685
Meta (Facebook)	8,534	48%	40,738	9,353	52%	17,887
Microsoft	12,998	32%	111,256	28,093	68%	41,091
Netflix	1,146	39%	6,059	1,778	61%	2,924
PayPal	517	14%	14,046	3,285	86%	3,802
Salesforce	1,338	33%	12,508	2,756	67%	4,094
Visa	471	9%	17,456	4,984	91%	5,455
Total	169,941	57%	625,145	130,228	43%	300,169

Source: *The Carbon Bankroll 2.0* (2024), p. 35. (Full citation available in *Discussion Paper C.1*; refer to Annex B20 therein).

Cash equivalents

1. Should reporting scope 3 emissions from **cash equivalents** be mandatory based on the decision-making criteria?

   - Option 1 - Yes (all FIs and non-FIs)
   - Option 2 - Yes (only FIs)
   - Option 3 - No (neither FIs nor non-FIs)
   - Option 4 - Abstain

2. If not (Option 3) or if only FIs (Option 2) – how should or could the requirement to report all financed emissions (Table A) be adjusted? *

* Table A (Financed emissions) is currently **required** (as per near-consensus indicative polling)

Live analysis using decision-making criteria

Decision-making Criteria	**Option 1** Maintain optionality	**Option 2** Require emissions from Cash equivalents (only)	**Option 3** Require emissions from Cash & Cash equivalents (both)
1A. **Scientific integrity**	n/a	n/a	n/a
1B. GHG accounting and reporting **principles**	TBD	TBD	TBD
2A. Support decision-making that drives ambitious global climate **action**			
2B. Support **programs** based on GHG Protocol and uses of GHG data	TBD	TBD	TBD
3. **Feasibility** to implement			

Optionality of some activities for FIs

Optionality considerations tabled until later meetings

- The following will be considered in later meetings:
  - **Meeting C.6** (March 6) and/or **Meeting C.8** (April 17, 2025):
    - Requiring disclosure of **donations** (by donors) and **compensation payments** (of employers)
    - A calculation method(s) needs to be explored/introduced to reconsider this requirement
  - **Meeting C.7** (March 27):
    - Requiring disclosure of the following **insurance-related** emissions
    - A calculation method(s) needs to be explored/introduced to reconsider this requirement for FIs

Questions

- Some non-FIs perform financial activities:
  - Self-insurance (by large corporates)
  - Warranty underwriting (supermarkets and retail chains)
  - Reinsurance and specialty underwriting (reinsurance firms)
  - Government entities (e.g., loan guarantees and public insurance)

1. Should GHG Protocol stipulate exceptions for financial institutions? Specifically:
   - **Require** that **FIs** report emissions from **underwriting**, **issuance**, and **insurance-associated** (and possibly other **insurance-related**) activities irrespective of the optionality available to **non**-FIs?
     - Yes
     - No
     - Other
     - Abstain

* Note that over half (55%) of TWG members believe GHG Protocol should report **by investment type** (similar to PCAF); further,, PCAF has specific guidance on reporting facilitated and insurance-associated scope 3 emissions separately.

Live analysis using decision-making criteria

Decision-making Criteria	Option 1 …	Option 2 …
1A. **Scientific integrity**		
1B. GHG accounting and reporting **principles**		
2A. Support decision-making that drives ambitious global climate **action**		
2B. Support **programs** based on GHG Protocol and uses of GHG data		
3. **Feasibility** to implement		

Time planning

Meeting dates and times

- **Confirm 6-8am EST for two meetings in 2025 to benefit members in APAC time zones**

Group C						
Meeting	**Date**	**Time**				
1	17 Oct 2024 | Thu	06:00 PT	09:00 ET	15:00 CET	18:30 IST	00:00 AET
C.1	07 Nov 2024	06:00 PT	09:00 ET	15:00 CET	19:30 IST	00:00 AET
C.2	27 Nov 2024	06:00 PT	09:00 ET	15:00 CET	19:30 IST	01:00 AET
C.3	19 Dec 2024	06:00 PT	09:00 ET	15:00 CET	19:30 IST	00:00 AET
C.4	23 Jan 2025	06:00 PT	09:00 ET	15:00 CET	19:30 IST	01:00 AET
C.5	13 Feb 2025	03:00 PT	06:00 ET	12:00 CET	16:30 IST	01:00 AET
C.6	06 Mar 2025	06:00 PT	09:00 ET	15:00 CET	19:30 IST	00:00 AET
C.7	27 Mar 2025	06:00 PT	09:00 ET	14:00 CET	19:30 IST	00:00 AET
C.8	17 Apr 2025	03:00 PT	06:00 ET	12:00 CET	18:30 IST	00:00 AET
C.9	08 May 2025	06:00 PT	09:00 ET	15:00 CET	19:30 IST	00:00 AET
C.10	29 May 2025	06:00 PT	09:00 ET	15:00 CET	18:30 IST	23:00 AET
C.11	19 Jun 2025	06:00 PT	09:00 ET	15:00 CET	18:30 IST	23:00 AET

Next steps

Next steps

- GHG Protocol Secretariat:
  - March 7th – Distribute the **Recording**
  - March 13th – Distribute **Meeting Minutes** and the **Feedback Form** (if any)

- Next meeting:
  - March 27th – **Meeting C.7** at **9-11am EST**

Thank you!

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