



Corporate Standard Technical Working Group

Subgroup 3, Meeting #6

GHG Protocol Secretariat team:

Allison Leach, Iain Hunt, Hande Baybar

April 29th, 2025

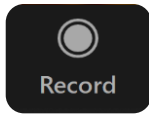


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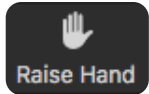


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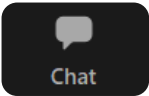
Meeting information



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

Introduction and housekeeping	10 minutes
Early feedback from the ISB	20 minutes
Justifiable exclusions	60 minutes
Operationalizing a differentiated scope 3 requirement	20 minutes
Wrap-up and next steps	10 minutes



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Agenda

Introduction and housekeeping

10 minutes

Early feedback from the ISB

20 minutes

Justifiable exclusions

60 minutes

Operationalizing a differentiated scope 3 requirement

20 minutes

Wrap-up and next steps

10 minutes



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Today's objectives

1. **Review early feedback from the ISB** on a scope 3 reporting requirement
2. Introduce and discuss options for **justifiable exclusions**
3. Determine how a differentiated scope 3 reporting requirement should be **operationalized**

Today, we will wrap up discussion on operationalizing a differentiated scope 3 requirement and introduce a new topic: Justifiable exclusions

Housekeeping: Guidelines and procedures

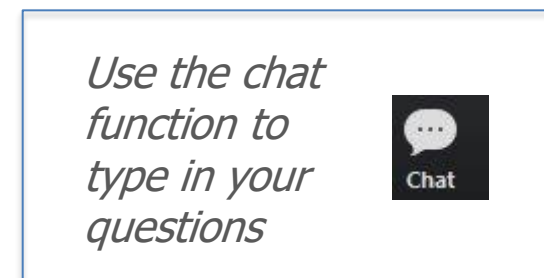
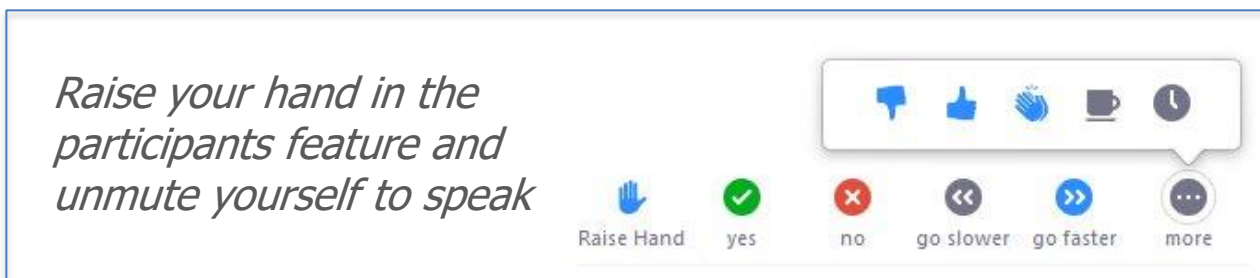
- We want to make **TWG meetings a safe space** – our discussions should be open, honest, challenging status quo, and ‘think out of the box’ in order to get to the best possible results for GHG Protocol
- Always **be respectful**, despite controversial discussions on content
- TWG members should **not 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.***

Housekeeping: Summary of general feedback form responses

25 responses have been received through our general feedback form – thank you! Overarching themes include:

- Feedback on the scope of work presented in the Standard Development Plan
- Feedback on specific topics discussed in TWG meetings (note: this feedback is integrated into TWG meeting materials)
- Feedback related to TWG process

The list of submissions and Secretariat responses are tracked in the Shared TWG Folder in the Admin sub-folder

Please continue using the **Microsoft Form** for all feedback and questions

Agenda

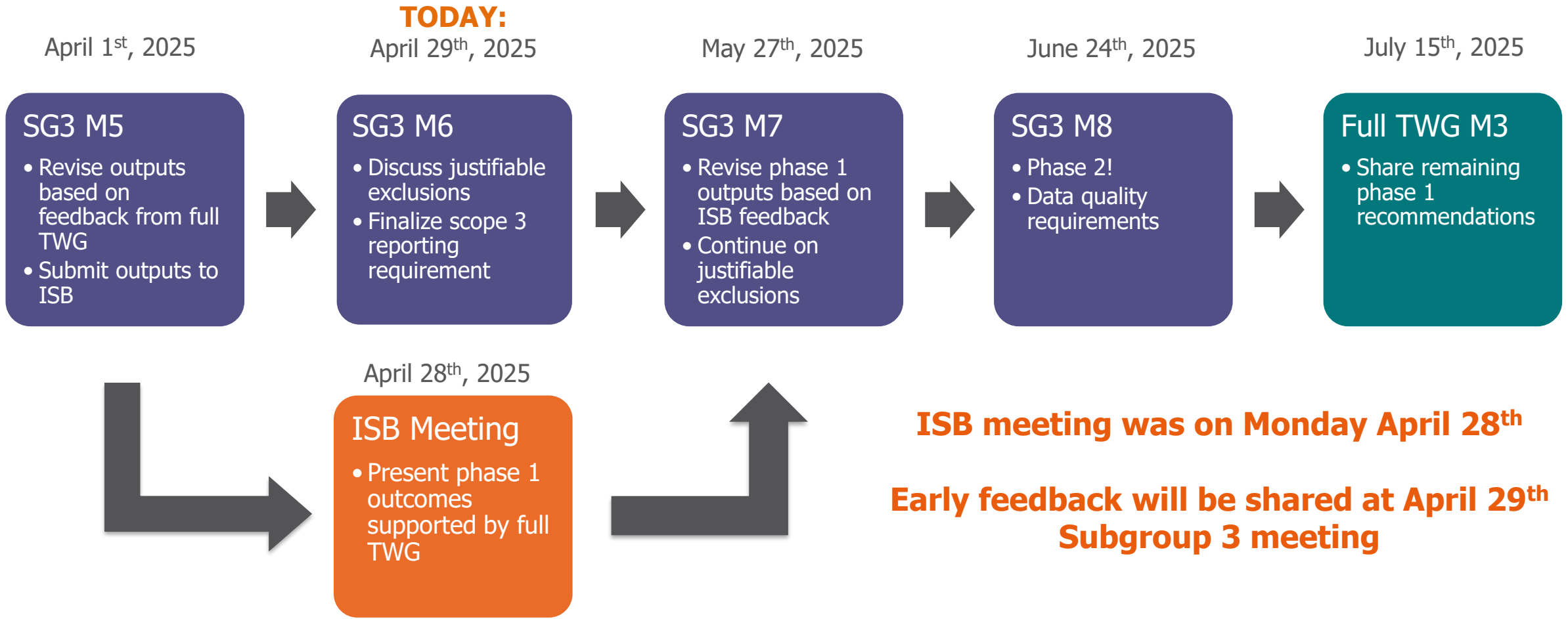
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Upcoming schedule (tentative)



Recommendations presented to the ISB

Topic 3a

Scope 3 reporting shall be **required** in the Corporate Standard

Topic 3b

All significant scope 3 emissions shall be required

Topic 4a

Different scope 3 requirements should be defined for different types of companies

Topic 4b

Different scope 3 requirements should be **defined by GHG Protocol**
(as opposed to external programs)

Subgroup 3: Scope 3 requirement

We will ask for
decisions today on
recommendations for
these 3 questions

*Recommendations
identified with yellow
boxes*

Should there be a scope 3 reporting requirement in the Corporate Standard?

No.

Maintain
optionality

Yes.

Adopt a scope 3 requirement in the Corporate Standard

Topic 3a

**Scope 3
optionality is
maintained
in Corporate
Standard**

What should the scope 3 reporting requirement be?

**All
scope 3
emissions**

**All relevant
scope 3
emissions**

**All
significant
scope 3
emissions**

Other

Topic 3b

**Can the scope 3 reporting requirement be applied
globally across all companies?**

Yes.

All companies have the same
scope 3 reporting requirement

No.

Different scope 3 reporting
requirements should be defined

Topics 4a
& 4b

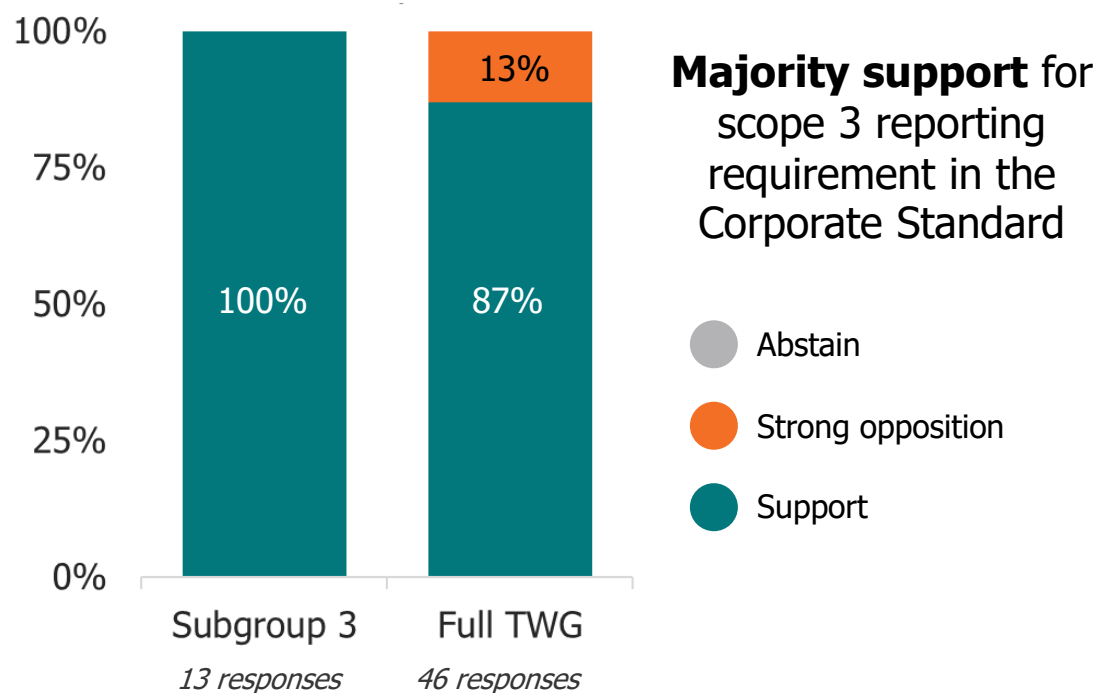
**A global scope 3 reporting
requirement is defined**

*The details will be considered
in future discussions.*

Recommendation 3a
For decision

Scope 3 reporting shall be **required** in the Corporate Standard

Level of support from TWG



Rationale

- Aligns with most **external programs**, which require scope 3
- Promotes more **complete and transparent** reporting of greenhouse gas emissions **to support decision-making that drives ambitious global climate action**

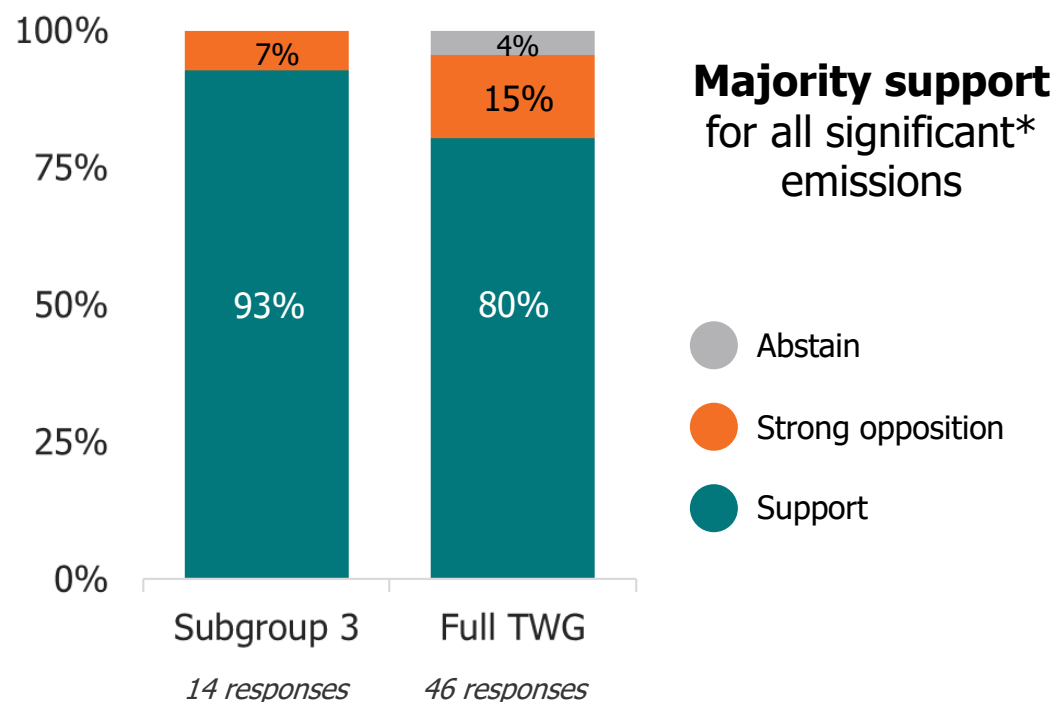
Implications

- Could discourage widespread adoption** of the standard due to feasibility concerns (*To be addressed by topics 4a & 4b*)
- Cross-cutting:** Harmonizes and integrates Corporate Standard and Scope 3 Standard

Recommendation 3b
For decision

All significant* scope 3 emissions shall be required

Level of support from TWG



Rationale

- **Supports decision-making that drives global climate action** through identification and prioritization of significant emissions through an objective and quantitative approach to setting the scope 3 boundary
- **Addresses feasibility concerns** by allowing exclusion of insignificant emissions

Implications

- **Interoperability concerns** with external programs that require all scope 3 emissions (e.g., IFRS S2) or use a qualitative definition of significance (e.g., ESRS E1, ISO)
- **Cross-cutting:** Continued coordination with Scope 3 TWG

*"Significant" is quantitative; equivalent to relevance criterion of size

Scope 3 requirement: **Decision vote**



Decision vote *Topic 3a*

Do you support adopting the following TWG recommendation?

Scope 3 reporting shall be required in the Corporate Standard

Options:

- a. Yes, I support adopting this recommendation*
- b. No, I oppose adopting this recommendation
- c. Abstain, I need more information to decide

**Subject to final details, such as whether different levels of requirements are defined for some companies (see topics 4a & 4b)*



Decision vote *Topic 3b*

Do you support adopting the following TWG recommendation?

All significant scope 3 emissions shall be required

Options:

- a. Yes, I support adopting this recommendation*
- b. No, I oppose adopting this recommendation
- c. Abstain, I need more information to decide

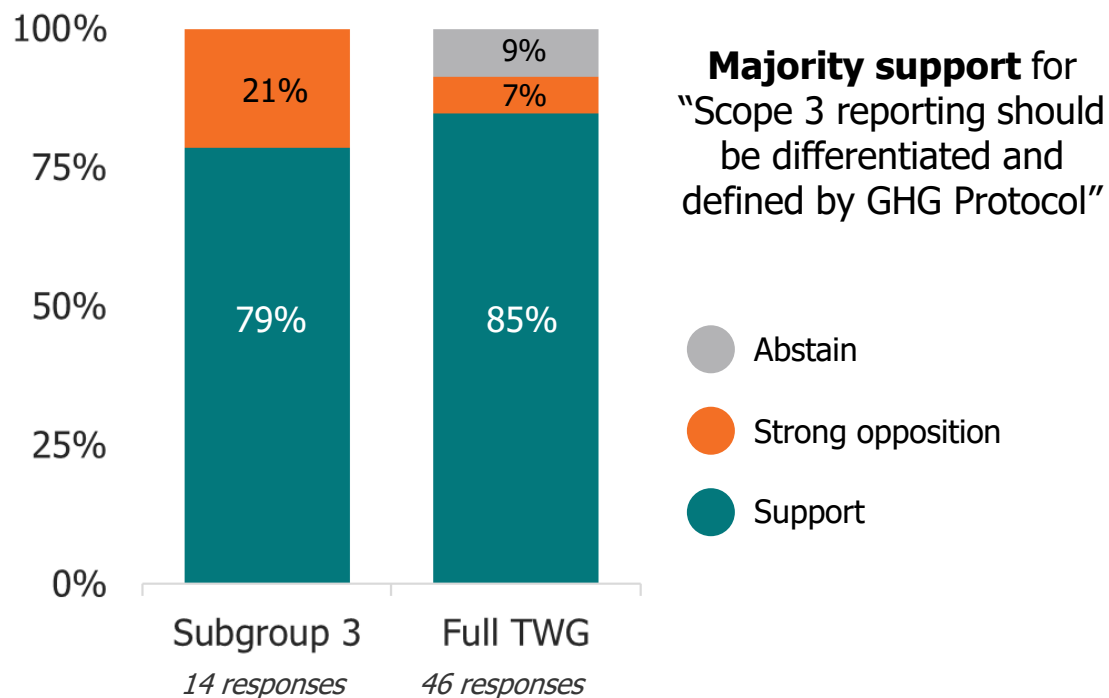
**Subject to final details, such as how "significant" is defined*

Recommendations 4a & 4b For decision

4a. **Different scope 3 requirements** should be defined for different types of companies

4b. Different scope 3 requirements should be **defined by GHG Protocol** (as opposed to external programs)

Level of support from TWG



Rationale

As we move toward more rigorous requirements, the TWG recommends a **more feasible pathway for companies with lower capacity**

Implications

- **Cross-cutting:** Could set a precedent for GHG Protocol defining a different requirement for different types of companies
- **Hinders completeness, relevance, and comparability** for eligible companies
- **Interoperability concerns** with external programs. Proposed solution: If reporters are reporting to a voluntary or mandatory program, then they would need to follow their program requirements.

Preliminary direction:

A differentiated scope 3 reporting pathway should be available for **small companies**, except for small companies in **high-emitting sectors**

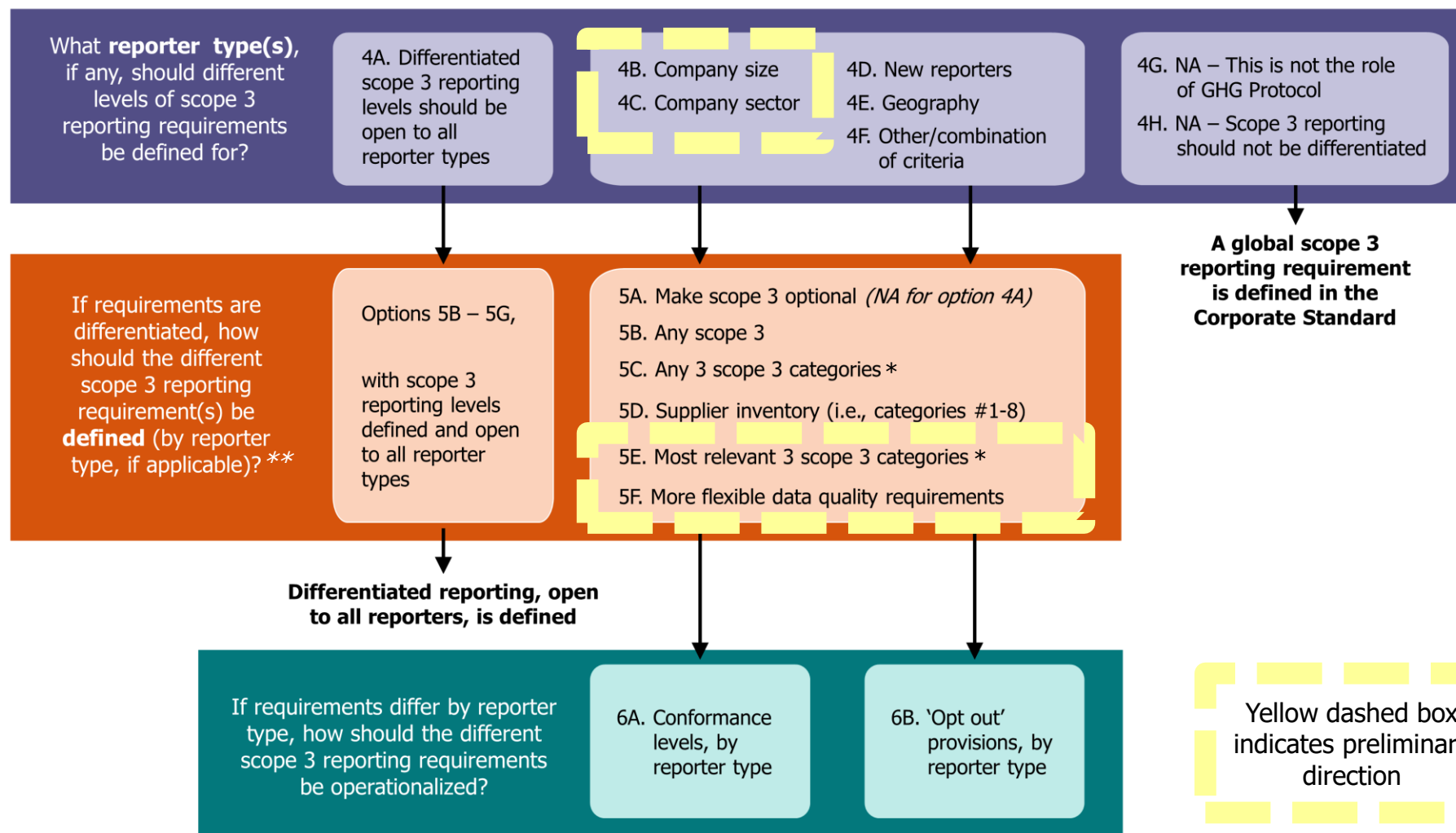
Require the **most relevant 3* scope 3 categories** with flexibility for data quality requirements

**Number of categories TBC*

***Options were revised for meeting 5 after release of discussion paper 3.2*

*Not yet discussed in full
Recommendation TBD*

If different scope 3 reporting requirements are to be defined...



Scope 3 requirement: **Decision vote**



Decision vote

Topic 4a

Do you support adopting the following TWG recommendation?

Different scope 3 requirements should be defined for different types of companies

Options:

- a. Yes, I support adopting this recommendation*
- b. No, I oppose adopting this recommendation
- c. Abstain, I need more information to decide

**Subject to final details, such as how the different scope 3 requirement is defined and which companies are eligible*



Decision vote

Topic 4b

Do you support adopting the following TWG recommendation?

Different scope 3 requirements should be defined by GHG Protocol (as opposed to external programs)

Options:

- a. Yes, I support adopting this recommendation*
- b. No, I oppose adopting this recommendation
- c. Abstain, I need more information to decide

Agenda

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Scope of work, 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.

**We are moving on to C.2:
Justifiable exclusions**

Introduction: Justifiable exclusions

Justifiable exclusions

= Exclusions that are allowed in the inventory, provided they are disclosed and justified

Justifiable exclusions are relevant across **the entire inventory** (scopes 1, 2, and 3) and for **all Standards**



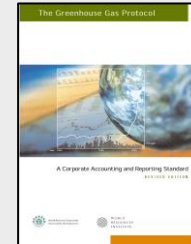
Other key related topics:

- De minimis emissions
- Disclosure requirements
- Material discrepancies in verification*

*Verification will be considered by Subgroup 2

GHG Protocol context: Corporate Standard requirements

Current language in the Corporate Standard



- Completeness principle:** *"Account for and report on all GHG emission sources and activities within the chosen inventory boundary. Disclose and justify any specific exclusions."*
- Required information:** *"Any specific exclusions of sources, facilities, and / or operations."*

Key points:

- **Exclusions allowed**
- Must be disclosed and justified
- Reporter has **flexibility** to determine what to exclude
- No quantitative threshold for allowable exclusion currently defined

GHG Protocol context: Scope 3 Standard requirements and guidance

Current requirements in the Scope 3 Standard

*"Companies shall account for all scope 3 emissions and **disclose and justify any exclusions.**"*

*Companies may exclude scope 3 activities from the inventory, **provided that any exclusion is disclosed and justified.**"*

Current guidance in the Scope 3 Standard

*"In particular, companies **should not exclude** any activity that is expected to contribute significantly to the company's total scope 3 emissions."*

Key points:

- **All** scope 3 emissions are required
- **Flexibility** for exclusions
- **Minimum boundaries** are defined, but under review in Scope 3 TWG

This guidance is under revision by the Scope 3 TWG



GHG Protocol context: Scope 3 Standard revisions

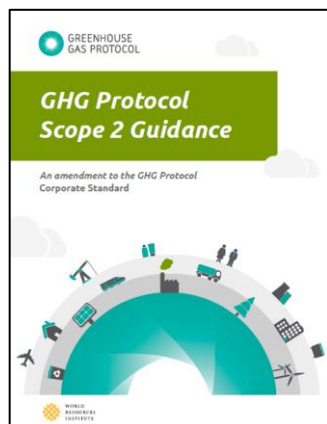
Status	Scope 3 TWG question	Preliminary recommendation
Already discussed by Subgroup 3	Q1. How should the relevance principle be considered in the exclusion of activities ?	Companies shall not exclude relevant activities based on their <i>magnitude</i> . Companies should not exclude relevant activities based on <i>other relevance criteria</i> .
	Q3. Should a magnitude threshold be defined?	A magnitude threshold should be defined by the Scope 3 Standard. A cumulative exclusion threshold with a preliminary value of cumulative 5% of scope 3 emissions from required activities (either categories 1-14 or categories 1-15; TBD).
To be considered today by Subgroup 3	Q5. Should the guidance on exclusion of downstream categories for intermediate products be revised?	Maintain allowable exclusions for downstream emissions for intermediate products, introduce editorial change to facilitate interpretation, with removal of the provision to exclude all downstream categories if one of the categories is excluded.
	Q6. Should “ de minimis ” be formally defined in the Scope 3 Standard?	Combine de minimis exclusions with other exclusions under the cumulative magnitude threshold.

Key points:

- **Quantitative exclusion threshold** replaces justifiable exclusions for most scope 3 activities
- Some **specific exceptions** will be made for emissions in categories 9-12 (i.e., downstream emissions from intermediate products where eventual fate is unknown)
- **De minimis** combined with magnitude threshold

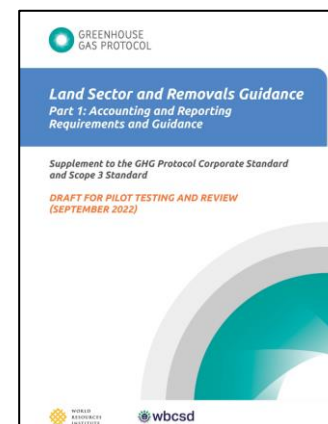
Note: All recommendations are preliminary and subject to change

GHG Protocol context: Scope 2 Guidance and Land Sector & Removals draft Standard



Scope 2 Guidance

- Corporate Standard reporting requirements are required
- **No additional general guidance on exclusions**



Land Sector & Removals draft Standard

- Refers to Corporate Standard for reporting requirements
- **Exclusions language made more specific and includes "sinks"**

*"Disclose and justify any exclusions of **any scope 3 categories, accounting categories, gases, sources or sinks** from the GHG inventory."*

(adapted from page 255 of published draft to remove "scopes," following latest revisions)

GHG Protocol context: Corporate Standard and “de minimis”

Current language in the Corporate Standard

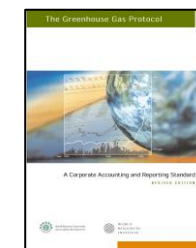
De minimis is defined: *“A materiality threshold is not the same as **de minimis emissions**, or a permissible quantity of emissions that a company can leave out of its inventory.”*
-page 69-70







“Rule of thumb” that is misinterpreted: *“As a rule of thumb, an error is considered to be **materially misleading** if its value **exceeds 5%** of the total inventory for the part of the organization being verified.”*
-page 69

Note: “De minimis” is only mentioned in passing twice in the Corporate Standard, and is not mentioned once in any other GHG Protocol Standard

Key points:

- **“De minimis” is not currently allowed**
- Is often **misinterpreted** as a permissible 5% exclusion from the GHG inventory



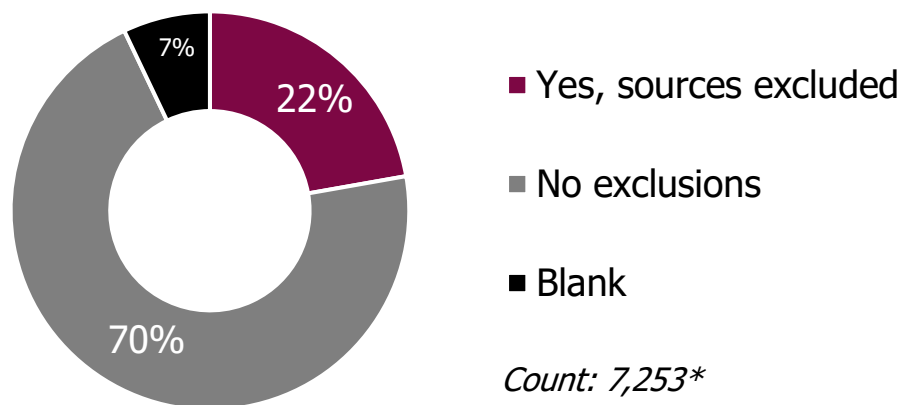
	Name	Type	Scope 1+2 exclusions	Scope 3 exclusions
 IFRS	IFRS S2	Climate disclosure mandate	Refers to Corporate Standard for "measurement" Material scope 1 and scope 2 emissions required	Material categories required Impracticability clause: "In those rare cases when an entity determines it is impracticable to estimate its Scope 3 greenhouse gas emissions, the entity shall disclose how it is managing its Scope 3 greenhouse gas emissions." –IFRS S2 paragraph B57
	ESRS E1	Climate disclosure mandate	No specific text on exclusions for scope 1 and 2	Significant scope 3 categories required Exclusions permitted: "Disclose a list of Scope 3 GHG emissions categories included in and excluded from the inventory with a justification for excluded Scope 3 categories" –ESRS, AR44 (i)
	SBTi: CNZS	Target-setting initiative	Up to 5% cumulative exclusion across scope 1 + scope 2	Up to 5% exclusion across total scope 3 GHG inventory
	SBTi: DRAFT v2.0 CNZS	Target-setting initiative	No exclusions permitted	<ul style="list-style-type: none"> No exclusions permitted from full scope 3 inventory, to be reported every 3 years For target setting and annual scope 3 disclosure, relevant categories and activities required
	ISO 14064-1:2018	GHG Standard	"The organization may exclude GHG sources or sinks for which the contribution to GHG emissions or removals is not relevant. It shall identify and explain ..." –page 9	Significant indirect emissions required Exclusions permitted: "Exclusions of significant indirect emissions shall be justified."
	GRI	Climate Reporting Standard	No specific text on omissions for direct emissions	"If the organization cannot report the emissions data for a particular [scope 3] category, it is required to provide a reason for omission. " –Guidance to GH-3-b

Note: Excluded CDP (all disclosure is voluntary) and California SB 253 and 219 (not yet finalized)

Relevant research: CDP disclosures on justifiable exclusions

Take-away: Companies are excluding emissions across all scopes

CDP Question 6.4: **Are there any sources ... which are not included in your disclosure?**



CDP Question C6.4: Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are **within your selected reporting boundary** which are not included in your disclosure?

CDP Question 6.4a: **Provide details of the sources ... which are not included in your disclosure.**

Of the companies reporting exclusions:**

55% excluded Scope 1 sources

45% excluded Scope 2 sources

52% excluded Scope 3 sources

Count: 2,483*

** May exclude companies that do not have scope 3 in their selected reporting boundary

CDP Question C6.4a_C2: Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are **within your selected reporting boundary** which are not included in your disclosure.



*Fewer total respondents on question 6.4 than 6.4a. Excluded responses of "question not applicable."
Source: CDP disclosures 2023



Corporate Standard stakeholder feedback survey: Key themes related to justifiable exclusions

Prohibit exclusions

Revise completeness principle to remove language implicitly allowing for exclusions so that companies cannot intentionally omit emissions sources

More prescriptive language

Explain **how to evaluate acceptable exclusions** to comply with the completeness principle

Quantitative thresholds

More specific **materiality criteria and thresholds** for completeness (e.g., 95% of emissions for a given scope)

Comparability

Better defined exclusions could promote comparability across inventories



Proposals received related to justifiable exclusions

Proposal link	Key themes
Corporate Standard Proposal Climate Neutral	Provide more prescriptive guidance on defining de minimis emissions sources and which estimation methods may be applied.

Justifiable exclusions: The big questions

Justifiable exclusions

1. Should justifiable exclusions be maintained in **scopes 1 and 2**?
2. Do you support the Scope 3 TWG recommendations for **scope 3** justifiable exclusions on downstream emissions?

"De minimis" emissions

3. Should "de minimis" emissions be formalized and allowed?

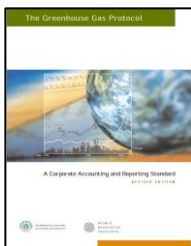
Disclosure requirements

4. Should disclosure requirements for justifiable exclusions be expanded?

Proposal: Adopt Land Sector & Removals language as starting point on justifiable exclusions:

Corporate Standard:

"Any specific exclusions of sources, facilities, and / or operations."



Land Sector & Removals draft Standard:

"Disclose and justify any exclusions of any scope 3 categories, accounting categories, gases, sources or sinks from the GHG inventory."

(adapted from page 255 of published draft to remove "scopes," following latest revisions)



The LSR language lists the topics that should be justified if excluded:

- Scope 3 categories
- Accounting categories
- Gases
- Sources
- Sinks

Does not include facilities and/or operations



Discussion: Do you have any questions or concerns about this language?



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Justifiable exclusions: Scopes 1 and 2

1. Should justifiable exclusions be maintained in **scopes 1 and 2**?

1A. Yes

Maintain current guidance

Exclusions are allowed and must be disclosed and justified, with flexibility for the preparer

1B. Yes

More prescriptive and **quantitative***

More prescriptive and include a quantitative threshold (e.g., 5% exclusion threshold)

1C. Yes

More prescriptive and **qualitative***

More prescriptive and include qualitative guidance (e.g., relevance criteria for scopes 1 and 2, list of acceptable reasons for exclusion)

1D. No

Prohibit exclusions

Require all emissions and prohibit any exclusions

***Follow-up question:** What should the more prescriptive language be?

Is the preferred approach aligned with scope 3 cumulative exclusion threshold?



Discussion: What do you think of these options?



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Justifiable exclusions: Scope 3

2. Do you support the Scope 3 TWG recommendations for **scope 3** justifiable exclusions on **downstream emissions**?

Scope 3 TWG recommendations on downstream emissions::

- **Maintain allowable exclusions for downstream emissions for intermediate products** where eventual fate is unknown
- Introduce editorial changes to facilitate interpretation
- Remove the provision that excludes all downstream categories if one of the categories is excluded

Notes:

- *These recommendations are in addition to scope 3 cumulative exclusion threshold*
- *All recommendations are preliminary and subject to change*

2A. **Yes**, I support these recommendations

2B. **No**, I do not support these recommendations

2C. Other exclusions should be allowed for **upstream emissions***

2D. Other exclusions should be allowed for **downstream emissions***

This feedback will be an input to the Scope 3 TWG

**Other exclusions beyond the 5% exclusion and the specific case noted here*



Discussion: What do you think of these options?



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"De minimis" emissions

3. Should "de minimis" emissions be formalized and allowed?

3A. Yes

Formalize and allow

"De minimis" would be formally defined and allowed as a distinct pathway for exclusions

3B. Yes

Combine with threshold

"De minimis" would be combined with a quantitative exclusion threshold and would not be separately allowed

*Note: This was Scope 3 TWG recommendation**

3C. No

Maintain current guidance

Current guidance maintained with no explicit statement about de minimis emissions

3D. No

Explicitly prohibit

Clear statement that de minimis cannot be used to exclude emissions from inventory

***Scope 3 TWG recommendation:** Combine de minimis exclusions with other exclusions under the cumulative magnitude threshold (i.e., Option 3B). See [Scope 3 TWG Subgroup B Meeting 3 minutes](#) for more information.



Discussion: What do you think of these options?



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Disclosure requirements

4. Should disclosure requirements for justifiable exclusions be expanded?

Land Sector & Removals draft Standard:

"Disclose and justify any exclusions of any scope 3 categories, accounting categories, gases, sources or sinks from the GHG inventory."

(adapted from page 255 of published draft to remove "scopes," following latest revisions)



4A. Yes
New requirements*

Define new more prescriptive requirements (i.e., beyond draft LSR requirement)

4B. Yes
New guidance*

Define new more prescriptive guidance

4C. No
Maintain current guidance

Current guidance maintained (i.e., maintain draft LSR requirement)

***Follow-up question:** What should the new requirements/guidance be?



Discussion: What do you think of these options?



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Discussion:

Justifiable
exclusions,
de minimis, and
disclosure
requirements



Topic	Question	Options
Justifiable exclusions	1. Should justifiable exclusions be maintained in scopes 1 and 2 ?	<ul style="list-style-type: none"> a. Yes, maintain current guidance b. Yes, but make more prescriptive and quantitative c. Yes, but make more prescriptive and qualitative d. No, exclusions should be prohibited
	2. Do you support the Scope 3 TWG recommendations for scope 3 justifiable exclusions on downstream emissions? (multi-choice)	<ul style="list-style-type: none"> a. Yes, I support these recommendations b. No, I do not support these recommendations c. Other exclusions should be allowed for upstream emissions* d. Other exclusions should be allowed for downstream emissions* <p><i>*Other exclusions beyond the 5% exclusion and the specific case noted</i></p>
De minimis	3. Should “ de minimis ” emissions be formalized and allowed?	<ul style="list-style-type: none"> a. Yes, it should be formalized and allowed b. Yes, but it should be combined with an exclusion threshold c. No, maintain current guidance d. No, explicitly prohibit
Disclosure requirements	4. Should disclosure requirements for justifiable exclusions be expanded?	<ul style="list-style-type: none"> a. Yes, new requirements should be defined b. Yes, new guidance should be defined c. No, maintain current guidance

Discussion on question 2 tabled pending further discussion in Scope 3 TWG.

Poll questions



Topic	Question	Options
Justifiable exclusions	1. Should justifiable exclusions be maintained in scopes 1 and 2 ?	<ul style="list-style-type: none"> a. Yes, maintain current guidance b. Yes, but make more prescriptive and quantitative c. Yes, but make more prescriptive and qualitative d. No, exclusions should be prohibited
	2. Do you support the Scope 3 TWG recommendations for scope 3 justifiable exclusions on downstream emissions? (multi-choice)	<ul style="list-style-type: none"> a. Yes, I support these recommendations b. No, I do not support these recommendations c. Other exclusions should be allowed for upstream emissions* d. Other exclusions should be allowed for downstream emissions* <p><i>*Other exclusions beyond the 5% exclusion and the specific case noted</i></p>
De minimis	3. Should “ de minimis ” emissions be formalized and allowed?	<ul style="list-style-type: none"> a. Yes, it should be formalized and allowed b. Yes, but it should be combined with an exclusion threshold c. No, maintain current guidance d. No, explicitly prohibit
Disclosure requirements	4. Should disclosure requirements for justifiable exclusions be expanded?	<ul style="list-style-type: none"> a. Yes, new requirements should be defined b. Yes, new guidance should be defined c. No, maintain current guidance

Discussion on question 2 tabled pending further discussion in Scope 3 TWG.

Agenda

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Differentiated scope 3 requirement: TWG feedback survey

Topics addressed in TWG feedback survey:

- Addressing **mandatory disclosure programs**
- **Eligibility criteria:** Emissions threshold and geography
- **Definition:** Most relevant 3 scope 3 categories and flexible data quality requirements

Feedback survey will remain open through May 23:

<https://forms.office.com/r/aTjZEE9wck>

8 responses received

Survey will stay open through
EOD Friday May 23rd as input
to Subgroup 3 Meeting 7

Question 6: How to operationalize differentiated scope 3 reporting

6

If requirements differ by reporter type, how should the different scope 3 reporting requirements be operationalized?

6A. Conformance levels, by reporter type

6B. 'Opt out' provisions, by reporter type

Question 6: The options

	Option name	Defining the option	Pros	Cons
A	Conformance levels	<p>Two conformance levels would be defined:</p> <ul style="list-style-type: none"> • Complete scope 3 reporting • Less stringent scope 3 reporting pathway for small companies 	<p>Clearly defined conformance levels could promote transparency</p> <p>Promotes interoperability with programs based on GHG Protocol (because programs could choose conformance level)</p>	<p>Could disincentivize more complete reporting</p> <p>Could lead to stakeholder confusion, especially if there are multiple topics across GHG Protocol with different reporting levels</p>
B	'Opt out' provisions	<p>A global scope 3 requirement would be maintained</p> <p>An 'opt out' provision would be defined, only for small companies, with high-emitting sectors excluded</p>	<p>Could incentivize more complete reporting (for companies that choose to report to the full requirement)</p>	<p>Could hinder interoperability with external programs</p> <p>May hinder transparency and comparability, if disclosures are not clear</p>
	Others?



Discussion: What do you think of these options?



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Poll Question



Poll question on operationalizing a differentiated scope 3 reporting requirement:

- 1. If requirements are differentiated for small companies, how should the different scope 3 reporting requirement be operationalized?**
 - a. Conformance levels, defined by reporter type
 - b. Opt out provisions, defined by reporter type
 - c. Other
 - d. Abstain

Agenda

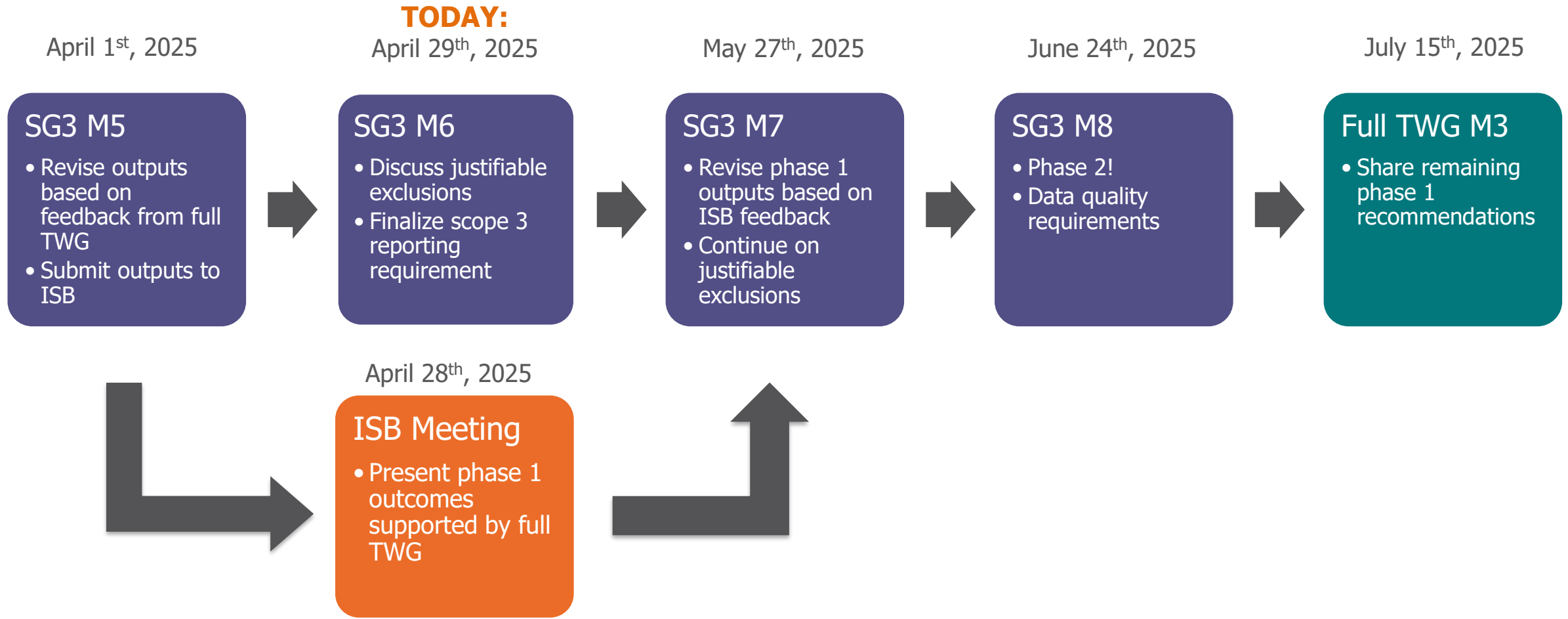
Introduction and housekeeping	10 minutes
Early feedback from the ISB	20 minutes
Justifiable exclusions	60 minutes
Operationalizing a differentiated scope 3 requirement	20 minutes
Wrap-up and next steps	10 minutes



GREENHOUSE GAS PROTOCOL



Upcoming schedule (tentative)



Next steps

Next Subgroup 3 meeting is scheduled for **Tuesday, May 27th, 2025**

Items to be shared by GHG Protocol Secretariat:

- Final slides, minutes, and recording from this meeting
- Feedback survey on justifiable exclusions

TWG member action items:

- **Review** meeting materials
- Fill out post-meeting **feedback survey** by **EOD Friday May 23rd**

Thank you!

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