

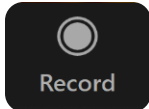
Scope 3 Technical Working Group Meeting

Working draft, do not cite

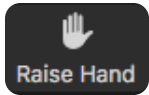
Group B
Meeting 10 (last Phase 1 meeting)
Facilitated emissions

July 24th, 2025

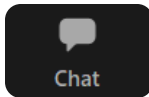
Welcome and Meeting information



This meeting is recorded.



Please mute yourself by default and unmute when speaking
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

(Draft; for discussion)

- Decision-making criteria (5 min)
- Facilitated emissions (110 min)
 - Scope 3 TWG survey results
 - Facilitated activities survey results
 - New facilitated activities
 - 16.1 Insurance
 - 16.2 Underwriting
 - 16.3 Other financial activities/services
 - Reference to third-party standards
 - Case-/industry-specific guidance
- Next steps (5 min)

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

(Draft; for discussion)

Decision-making criteria

Decision-Making Criteria

- 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.

| <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 |

(Draft; for discussion)

Full Scope 3 WG Survey Summary on B Revisions (excl. Facilitated activities)

Survey summary (June): Required scope 3 emissions

- Revision B1 – 95%/5% in/exclusion threshold (6.1, 6.2)
 - **87% support** (48% strongly)
 - 13% oppose (17% strongly)
 - *4% level of Abstention**
- Revision B2 – Quantification requirement (6.2)
 - **87% support** (49% strongly)
 - 13% oppose (17% strongly)
 - *6% level of Abstention**
- Revision B3 – Hotspot guidance (6.6)
 - **98% support** (44% strongly)
 - 2% oppose (0% strongly)
 - *4% level of Abstention**

* Supporting v. opposing percentage values *excludes* abstentions in the denominator.

Survey summary (June): Justified exclusions

- Revision B4 – Disclosure and justification (6.1)
 - **96% support** (40% strongly)
 - 4% oppose (0% strongly)
 - *6% level of Abstention**
- Revision B5 – De minimis emissions (6.3)
 - **86% support** (36% strongly)
 - 14% oppose (33% strongly)
 - *13% level of Abstention**
- Revision B6 – Notation (6.5)
 - **100% support** (42% strongly)
 - 0% oppose (0% strongly)
 - *10% level of Abstention**
- Revision B7 – Disaggregation, required vs. optional (6.1)
 - **88% support** (38% of them: strongly)
 - 12% oppose (20% of them: strongly)
 - *13% level of Abstention**
- Revision B8 – Box 6.1, Example, disclosing/justifying exclusions
 - **92% support** (23% of them: strongly)
 - 8% oppose (0% of them: strongly)
 - **21% level of Abstention***
- Revision B9 – Justified exclusion(s) of downstream emissions of intermediate products (6.4)
 - **89% support** (24% strongly)
 - 11% oppose (0% strongly)
 - **23% level of Abstention****

* Supporting v. opposing percentage values *excludes* abstentions in the denominator.

Survey summary (June): Influence as an indicator of relevant scope 3 emissions

- Revision B10a – Completeness and relevance (6.6)
 - **93% support** (25% strongly)
 - 7% oppose (0% strongly)
 - 10% level of Abstention *
- Revision B10b – Table 6.1, Criteria for identifying relevant scope 3 activities
 - **98% support** (20% strongly)
 - 2% oppose (0% strongly)
 - 15% level of Abstention *
- Revision B10c – New: List of actions that may indicate influence of the reporting company (6.7)
 - **86% support** (16% strongly)
 - 14% oppose (17% strongly)
 - 8% level of Abstention *
- Revision B10d - Guidance and recommendations to include relevant scope 3 emissions (6.1 and 6.2)
 - **98% support** (15% strongly)
 - 2% oppose (0% strongly)
 - 15% level of Abstention *

* Supporting v. opposing percentage values *excludes* abstentions in the denominator.

(Draft; for discussion)

Facilitated activities (Category 16)

#11

Should requirements/guidance be specified for facilitated emissions

Current Standard (2011)

- N/A

Proposed Revised Standard (2025)

- Should requirements/guidance be specified for facilitators? *

Notes/rationale

- Several activities were identified as being directly profitable for a reporting company (e.g., brokers, travel agents, and other instances where third-party sellers and buyers exchange goods and services using a facilitator's services)
- These activities are not clearly defined in the current *Scope 3 Standard* and cannot be unambiguously classified in existing scope categories using either minimum or optional boundaries

Level of support from TWG subgroup

- Subgroup B
 - **100% (18/18) – Yes**
 - 0% (0/18) – Abstain
- Full Scope 3 TWG:
 - **100% support (16% strongly)**
 - 0% level of Abstention

* The Secretariat changed the term from “intermediary parties” to “facilitators” in order to reduce terminology ambiguity (i.e., to not mix the separate definitions and intended uses of the terms, “intermediate product” with “intermediary parties”)

#11... Facilitated emissions (Category 16) specifications

The following is a summary draft proposed language for a Category 16 (optional) for facilitated activities:

- **[#11a] Definition:** A **facilitated activity** is a third-party activity, product, or emitting source that: (a) is enabled, initiated, or influenced by a reporting company's services, products, and/or infrastructure, (b) where the reporting company does not own or directly operate the facilitated activity at any point in its lifecycle and (c) from which the reporting company generates transactionally recorded economic value. Some scope 3 categories currently require the inclusion of activities that may reflect a facilitated activity; these activities shall be itemized using the activity where they are itemized.
- **[#11b] Classification:** Any facilitated activity that **does not** satisfy a scope 1, scope 2, or scope 3, category 1 through 15, minimum or optional boundary **shall** be classified as scope 3, category 16.
- **[#11c] Optionality:** A company **may** account for and report emissions associated with a facilitated activity classified within category 16.* A company **should** account for and report emissions associated with a facilitated activity that is required by a recognized industry- or sector-specific standard, framework, and/or legislation. **
- **[#11d] Boundary guidance:** If reported, a company **should** include the life cycle emissions of a facilitated activity (including the associated scope 1, scope 2, and both upstream and downstream scope 3 emissions) (collectively, the "**facilitated emissions**"). **
- **[#11e] Calculation method:** If reported, a company **should** account for all (100%) of the scope 1, scope 2, and both the upstream and downstream scope 3 emissions associated with the facilitated activity.
- **[#11f] Disaggregation:** If reported, a company **shall** disaggregate reported category 16 emissions by facilitated activity type **[cases]**. *** Within each facilitated activity type, companies should disaggregate the facilitated emissions by scope and upstream vs. downstream scope 3 (i.e., the facilitated scope 1, scope 2, upstream scope 3, and downstream scope 3 emissions of each facilitated activity type).

* Footnote in the proposed revised text: "This excludes any facilitated activity explicitly classified in another scope 3 category."

** See issue #10 on slide 42 regarding reference to third-party standards. *** Refer to file: [Facilitated cases v1](#)

Survey summary: Facilitated emissions (category 16) specifications

- Revision B11a – Definition of facilitated activities
 - **98% support** (18% strongly)
 - 3% oppose (100% strongly)
 - 2% level of Abstention *
- Revision B11b – Classification
 - **95% support** (29% strongly)
 - 5% oppose (50% strongly)
 - **23% level of Abstention** *
- Revision B11c – Optionality
 - **92% support** (12% strongly)
 - 8% oppose (33% strongly)
 - **25% level of Abstention** *
- Revision B11d – Boundary guidance
 - **83% support** (21% strongly)
 - 17% oppose (33% strongly)
 - **27% level of Abstention** *
- Revision B11e – Calculation method
 - **74% support** (19% strongly)
 - 26% oppose (44% strongly)
 - **27% level of Abstention** *
- Revision B11f – Disaggregation
 - **70% support** (23% strongly)
 - 30% oppose (27% strongly)
 - **23% level of Abstention** *

* Supporting v. opposing percentage values *excludes* abstentions in the denominator.

(Draft; for discussion)

New facilitated activities

These activities were moved from Cat. 15 to Category 16

- 16.1 Insurance, reinsurance, and claims payments
- 16.2 Underwriting and issuance
- 16.3 Other financial activities and services

16.1 Insurance

16.1 is for Insurance, Reinsurance, and Claims Payments

- PCAF Part C only provides guidance for insurance-associated emissions
 - This includes **insurance** and **reinsurance** *
 - Insurance-associated emissions are the business operating emissions of an insured party allocated to the insurer in proportion to an insured party's insurance premium payments and income
- The Secretariat is proposing to expand this to include claims payments
 - Claims payment-associated emissions are the emissions financed by an insurer's claims payment (paid to an insured party)
 - **Two types** are identified as being potentially very different; claims payments used to fund:
 - 16.1.2.1 – **Tangible property** (new, repaired)
 - 16.1.2.2 – **Non-tangible property** (e.g., health insurance, life insurance, business interruption)
 - Insured parties may not use claims payments used to fund non-physical property in way that the emissions caused by the use of said funds is readily calculable (unlike their use for physical property)

* These are "... emissions associated with re/insurance underwriting portfolios for accounting purposes (throughout the document referred to as insurance-associated emissions)" as defined by the Partnership for Carbon Accounting Financials (PCAF) in *The Global Accounting and Reporting Standard*, Part C, Insurance-Associated Emissions.

Classification in Category 16

- Category 16 (optional)
 - 16.1 Insurance, reinsurance, and claims payments (“**Insurance**”)
 - 16.1.1 - **Insurance-associated activities** of insured parties (refer to PCAF Part C)
 - 16.1.1.1. Insurance
 - 16.1.1.2. Reinsurance
 - 16.1.2 - **Claims payment-associated activities**
 - 16.1.2.1. Tangible property (including goods, capital equipment, vehicles, and buildings)
 - 16.1.2.2. Intangible property (including health insurance, life insurance, business interruption)

* These are “... emissions associated with re/insurance underwriting portfolios for accounting purposes (throughout the document referred to as insurance-associated emissions)” as defined by the Partnership for Carbon Accounting Financials (PCAF) in *The Global Accounting and Reporting Standard*, Part C, Insurance-Associated Emissions.

Applicability for Insurers

- **Only required for Insurers (proper):**
 - “This section is applicable only for insurers. An insurer is any company that issues insurance, issues reinsurance, and/or or makes claims payments to an insured party (customer) (collectively, “Insurer” or “Insurers”. Re/insurers are considered financial institutions. Any investment(s) made by an insurer shall be accounted for in Category 15.”
- **Optional for self-insurers:**
 - “For the avoidance of doubt, Self-insurers are not considered Insurers as defined above. Accounting for and reporting (16.1.1) Insurance-associated activities and (16.1.2) Claims payment-associated activities is optional for Self-insurers. Refer to guidance for companies that self-insure in the sub-section on Self-insurers.”

Accounting requirements

- Insurers **shall** account for (16.1.1) insurance-associated emissions.
- Insurers **shall** rely on PCAF Part C to quantify (16.1.1) insurance-associated emissions.
- Insurers **should** account for (16.1.2.1) emissions associated with tangible property purchased using claims payments. Insurers **should** quantify the cradle-to-gate emissions associated with tangible property relying on calculation methods provided for category 1 and category 2.
- Insurers **may** quantify the gate-to-grave emissions associated with tangible property.
- Insurers **may** account for (16.1.2.2) emissions associated with intangible property or activities purchased or paid for using claims payments.
- Claims payment-associated emissions, if any, **shall not** be double-counted as insurance-associated emissions.

Calculation method

- **No method by GHG Protocol**
 - “No calculation method(s) are provided by the GHG Protocol for insurance, reinsurance, or claims payments.
 - Companies that report emissions associated with insurance and/or reinsurance **shall** conform with *The Global Accounting and Reporting Standard, Part C, Insurance-Associated Emissions* by Partnership for Carbon Accounting Financials (PCAF), First Version, December 2023.”
- **Footnote:**
 - Other versions of this standard (PCAF, Part C) *may not* comply with some or all accounting and reporting requirements of GHG Protocol.
- **Important:**
 - The final approval of a version of PCAF Part C is subject to consideration by the Scope 3 TWG with the Secretariat, and approval by both the Independent Standards Board (ISB) and Steering Committee (SC) of the GHG Protocol.*

Boundary for 16.1.1 insurance-associated emissions

- **Boundary requirements:**
 - These are similar to PCAF Part C
 - “[Insurers]... **shall** account for a **fraction** of the scope 1, scope 2, and where data is available should consider scope 3 emissions attributable to the insured party, **proportionate** to the insured party’s premium payment amount as a fraction of the gross income revenue of the insured party.”
- **Note:**
 - The list of activities in the Description was provided by insurance industry experts.

Boundary for 16.1.2 claims payment-associated emissions

- **Boundary guidance:**
 - “**16.1.2.1. Tangible property.** Insurers **shall** account for the cradle-to-gate emissions of tangible property purchased with a claims payment(s) (including goods, capital equipment, vehicles, and buildings). Insurers **may** account for some or all of the gate-to-grave emissions of property purchased with a claims payment(s) used to cover property damaged. For the avoidance of doubt, it is not expected that insurers account for or report the gate-to-grave or cumulative lifetime emissions of property purchased with a claims payment(s).”
 - “**16.1.2.2. Intangible property or activities.** Insurers **may** account for the emissions of intangible property purchased with a claims payment(s) (including health insurance, life insurance, and business interruption). No calculation method is provided for these other claims-payment associated emissions.”

Self-insurers

- Guidance:
 - “A parent company or firm that self-insures or that insures a wholly owned subsidiary company (a “Self-insurer” or “Self-insurers”) **may** account for (16.1.1) insurance-associated emissions and (16.1.2) claims payment-associated emissions, **so long as this does not double count emissions within said reporting company’s scope 1, scope 2, and/or scope 3 inventory.**
 - For example, if a parent company provides insurance to a wholly owned subsidiary, then the GHG emissions associated with the subsidiary would already be accounted for in the parent company’s GHG inventory. Similarly, a self-insurer would already be accounting for the scope 1, scope 2, and scope 3 emissions of insured activities. Similarly, if this parent company makes a claims payment to its subsidiary, for example, to rebuild a facility or to purchase new inventory, then the GHG emissions associated with these purchases by the subsidiary would already be accounted for in the parent company’s GHG inventory.
 - For example, if a parent company insures a partially owned subsidiary, then the parent company should account for the insurance-associated emissions and claims payment-associated emissions pro rata, without double counting the investee (subsidiary) emissions which the insurer (parent company) may already be accounting for in Category 15 (Investments).”

16.2 Underwriting and issuance

Classification in Category 16

- Category 16 (optional)
 - 16.2 Underwriting and issuance
- **Accounting requirements:**
 - “Companies **shall** account for the scope 1, scope 2, and scope 3 emissions from underwriting and issuance in accordance with The Global Accounting and Reporting Standard, Part B, Facilitated Emissions by Partnership for Carbon Accounting Financials (PCAF), First Version, December 2023.”
 - “Any underwriter that invests in an investee or asset shall account for said investment using category 15 and only the underwriting activities **shall** be accounted for in category 16. A reporting company that both invests and underwrites the same entity **shall** account for the investment using category 15 and **may** account for the emissions associated with underwriting without double counting.”
- **Reporting requirements:**
 - “Companies **may** disaggregate underwriting and issuance activities. (footnote*)

* “Category 16 has a disaggregation rule (Draft Category 16 v5) that applies to category 16.”

Boundary

- **Boundary requirements:**

- “If reported, an arranger(s) (the reporting company) **shall** account for **all (100%)** of the scope 1, scope 2, and scope 3 emissions of the receiver of proceeds, in the year that proceeds are received.”
- “An arranger (the reporting company) **may** report a **fraction (%)** of the scope 1, scope 2, and scope 3 emissions attributable to the investee receiving proceeds in **proportion** to the reporting company’s participation in the underwriting and issuance. The proportionate emissions disclosed by all arrangers (including underwriters) involved in a capital market transaction **should** (in aggregate, i.e., combined) equal the scope 1, scope 2, and scope 3 emissions of the receiver of proceeds in the year that proceeds are received.” *
- “An arranger (the reporting company) **may** quantify and account for the cumulative projected lifetime scope 1, scope 2, and scope 3 emissions of the receiver of proceeds in the year proceeds are received and **shall** report these projected lifetime emissions separately from its (the reporting company’s) scope 3 inventory.” **

- **Footnotes:**

- * “When reporting a fraction of emissions from underwriting or issuance, an underwriter or issuer (reporting company) **should**, where possible, rely on industry-specific standards or other common best practice to determine the relevant denominator and/or adjustment factors used in this calculation.”
- ** “Total projected lifetime emissions are reported in the initial year the receiver of proceeds receives the proceeds, and not in subsequent years. Where there is uncertainty around lifetime emissions of the receiver of proceeds, an arranger (reporting company) may report a range of possible values (e.g., three possible forward-year emissions of a company that is taken public through and initial public offering, for example, low, base, high).”

Calculation method

- **No method by GHG Protocol**

- “No calculation method(s) are provided by the GHG Protocol for underwriting and issuance.
- Companies that report emissions associated with underwriting and/or issuance **shall** conform with The Global Accounting and Reporting Standard, Part B, Facilitated Emissions by Partnership for Carbon Accounting Financials (PCAF), First Version, December 2023.”

- **Footnote:**

- Other versions of this standard (PCAF, Part B) *may not* comply with some or all accounting and reporting requirements of GHG Protocol.

- **Important:**

- The final approval of a version of PCAF Part B is subject to consideration by the Scope 3 TWG with the Secretariat, and approval by both the Independent Standards Board (ISB) and Steering Committee (SC) of the GHG Protocol.*

16.3 Other financial services and activities

Classification

- 16.3. Other financial activities and services
 - **16.3.1. Advised investments** - Investments advised by the reporting company (advisor perspective)
 - **16.3.2. Compensation payments (employer perspective)** - Compensation payments (made by an employer to a pension fund or retirement account)
 - **16.3.3. Insurance premium-related (insured party perspective)** - Insurance premium-associated emissions (insured party perspective)
 - **16.3.4. Cash deposits (depositor perspective)** - Cash deposits (excluding cash equivalents) (depositor perspective)
 - **16.3.5. Donations (donor perspective)** - Cash donations (donor perspective)
 - **16.3.6. Derivatives (buyer and/or seller perspective)** - Derivatives (including futures, options, and swaps) (buyer and/or seller perspective)

Requirements

- **Boundary requirements:**
 - Companies **may** account for (16.3) other financial activities.
 - If included, companies **should** account for the scope 1, scope 2, and scope 3 emissions of the activity facilitated by the financial activity.
- **Reporting requirements:**
 - If reported, companies **shall** disaggregate other financial activities using the above line-items (16.3.1 through 16.3.6).
 - If reported, advisors **should** disaggregate advised investments using three sub-totals for equity, debt, and project finance.
- **Calculation method:**
 - No calculation methods are provided for the following investment types. Reporting companies should, where possible, rely on industry-specific standards and/or common best practice to quantify emissions attributable to the following financial instruments and/or financial activities.

Are all financial activities/services facilitated activities?

- Some financial activities and services do not satisfy the definition provided for facilitated activities
 - See next slide
- Potential resolutions:
 - Should the definition of facilitated activity be expanded?
 - Should an explicit exception be made for said financial activities and services?
 - Other solution?

Matrix of facilitated activity definition conformance

| Sub-category | (a) enabled, initiated, influenced | (b) does not own or directly operate activity | (c) from which economic value is generated |
|--------------------------------------|------------------------------------|---|--|
| 16.1.1 Insurance-associated | Satisfied | Satisfied | Satisfied |
| 16.1.2 Claims payment-associated | Satisfied | Satisfied | Maybe * |
| 16.2 Underwriting and issuance | Satisfied | Satisfied | Satisfied |
| 16.3.1 Advised investments | Satisfied | Satisfied | Satisfied |
| 16.3.2 Compensation payments | Satisfied | Satisfied | Maybe ** |
| 16.3.3 Insurance premium payments | Satisfied | Satisfied | Satisfied *** |
| 16.3.4 Cash deposits (of depositor) | Satisfied | Satisfied | Maybe or No |
| 16.3.5 Donations (donor perspective) | Satisfied | Satisfied | No ^ |
| 16.3.6 Derivatives | Maybe | Satisfied | No ^^ |

* Premium payments generate income for insurer subject to liability of claims payments.

** Economic value is employee labor; unsure whether it is transactionally recorded.

*** Insurance premium payments provide liability coverage (economic value).

^ Donors do not have any economic interest in the donee (receive of donations) and do not generation transactionally recorded income.

^^ Speculators of (investors in) derivatives may earn money from price volatility, not the underlying business.

(Draft; for discussion)

Reference to third-party standards

#12

Reference to third-party industry-/sector-specific standards

Current Standard (2011)

- N/A

Proposed Revised Standard (2025)

- "A company **should** account for and report emissions associated with a facilitated activity that is required by an industry- or sector-specific standard, framework, and/or legislation."

Notes/rationale

- While some calculation methods for select facilitated activities were considered, however, the Scope 3 Workstream did not seriously consider calculation methods for all types of activities
- The GHG Protocol does not plan to develop significant calculation methods or guidance for facilitated activities
- Several third-party industry-specific standards do specify calculation methods and/or different requirements *

Level of support from TWG subgroup

- **100% support** (16% strongly)
- 0% oppose (0% strongly)
- 0% level of Abstention *

* For example, PCAF Part B specifies calculation methods for underwriting (capital market transactions) and Part C specifies calculation methods for insurance-associated emissions; many requirements between GHG Protocol and PCAF have been harmonized by subgroup C.

The following third-party standards are now mentioned

- PCAF Part C for 16.1 Insurance, reinsurance, and claim payments
- PCAF Part B for 16.2 Underwriting and issuance

Are there other standards for facilitated activities?

- Do the members know of other third-party standards that cover facilitated activities?

How should the GHG Protocol manage version control

- Should the GHG Protocol manage version control?
 - Yes
 - No
 - Other
 - Abstain
- Given that third-party standards may be developed or updated on a more regular basis or on a different cadence than GHG Protocol's corporate suite of standards – should industry specific standards that conform with GHG Protocol be reviewed outside of this revision process, e.g., via a program similar to the former Built on GHG Protocol mark?
 - Yes
 - No
 - Other
 - Abstain

(Draft; for discussion)

Case- or Industry-specific guidance

Classification of activities within Category 16

- Given that **disaggregation** is **required** therefore the Standard needs to specify how?
 - Using a list of **cases or activity types**
 - OR **self-defined** by user
- **Proposed solution:**
 - **Require (“shall”) disaggregation for select activities**
 - 16.1 Insurance, reinsurance, claims payments;
 - 16.2 Underwriting and issuance; and
 - 16.3 Other financial activities and services
 - **Let companies rely on their own classification for other facilitated activities (self-defined)**
 - E.g., travel/booking agencies, real estate brokers, advertisements, fourth-party logistics, etc.

Group B polls: [#11c] Optionality

Post-Meeting 9b Survey (TBC)

- **Optionality (draft revision):** “A company may account for and report emissions associated with a facilitated activity classified within category 16.” *
 - #% – Strongly support
 - #% – Support
 - #% – Oppose
 - #% – Strongly oppose
 - #% – Abstain

Meeting 9b (May 7)

- **Optionality:** “Should or may reporting companies as facilitators account for and report emissions associated with a facilitated activity”
 - May – 20% (2/10)
 - Should – 30% (3/10)
 - **Some should – 50% (5/10)**
 - Shall – 0% (0/10)
 - Abstain – 0% (0/10)

Meeting 8 (April 10)

- **Optionality:** May, should, or shall facilitators account for emissions from facilitated activities?
 - **53% (8/15) – May with shall exceptions**
 - 33% (5/15) – May across the board
 - 0% (0/15) – Shall across the board
 - 6% (1/15) – Shall with exceptions
 - 7% (3/18) – Case-based
 - 17% (3/18) – Abstain

Group B polls: [#11c] Optionality (continued)

Meeting 7 (March 20)

- What should the minimum vs. optional boundary be for facilitated emissions?
 - 21% (3/14) – Optional
 - **43% (6/14) – Require, subject to magnitude threshold (e.g. 5%)**
 - **43% (6/14) – Require, in certain cases**
 - 0% (0/14) – Other
 - 6% (1/15) – Abstain
- If you support case-specific requirements (6/15, 40% above), which criteria should be used?
 - 10% (1/10) – Different magnitude thresholds (e.g. 20%+ of scope 3)
 - 30% (3/10) – Income significance (e.g. 20%+ of income)
 - **60% (6/10) – Case-/industry-specific requirements**
 - 0% (0/10) – Another threshold/criterion
 - 27% (4/15) – Do not support option 3
 - 7% (1/15) – Abstain

(Draft; for discussion)

Next Steps

Next steps

- **Follow-up**
 - Distribute the recording, minutes and survey
- **Update on Phase 2 of the TWG**
 - Phase 2 has been consolidated into full group TWG meetings
 - The first Phase 2 meeting will be on **Thursday, August 28th at 9:00 – 11:00 am ET**

Thank you!

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