



# GRI Topic Standard Project for Climate Change – GSSB basis for conclusions for *GRI 102: Climate Change 2025*

## Summary of Public Comments on the Exposure Draft of the Standards, and GSSB Responses

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<b>Date</b>	19 March 2025
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<b>Project</b>	GRI Topic Standard Project for Climate Change
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<b>Description</b>	<p>This document summarizes the significant issues raised by respondents on the <a href="#">GRI Climate Change exposure draft</a> during the public comment period from 21 November 2023 to 29 February 2024. This document outlines the responses from the Global Sustainability Standards Board (GSSB) to the significant issues raised based on discussions and recommendations by the Climate Change Technical Committee.</p> <p>The full set of public comments can be downloaded from the <a href="#">Topic Standard Project for Climate Change page</a> on the GRI website.</p> <p>GRI 102: Climate Change 2025 can be downloaded <a href="#">here</a>.</p>
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## 20 About this document

- 21 This document summarizes the significant issues raised by respondents regarding the [GRI Climate Change](#)  
22 [exposure draft](#) during the public comment period from 21 November 2023 to 29 February 2024.
- 23 The document includes the feedback provided by respondents through the public comment survey hosted on  
24 the [Topic Standard Project for Climate Change page](#) and the feedback submitted by email.
- 25 All individual comments received, together with an analysis of the significant issues raised, were considered  
26 by the GRI Climate Change Technical Committee. The recommendations of the technical committee (TC)  
27 were shared with the Global Sustainability Standards Board (GSSB) for consideration in the development of  
28 the Topic Standards for Climate Change and Energy. This document provides a summary of how the GSSB  
29 has responded to the significant issues raised in the public comment period.
- 30 The full set of comments received can be downloaded from the [Topic Standard Project for Climate Change](#)  
31 [page](#) on the GSSB website.
- 32 *GRI 102: Climate Change 2025* can be downloaded [[here](#)].

## 33 Introduction

### 34 Objectives for revising the GRI climate change-related disclosures

- 35 The [project proposal](#) for the review of the climate change-related disclosures in *GRI 302: Energy 2016*, *GRI*  
36 *305: Emissions 2016* (Disclosures 305-1 to 305-5), and *GRI 201: Economic Performance 2016* (Disclosure  
37 201-2: Financial implications and other risks and opportunities due to climate change) was approved by the  
38 GSSB, GRI's independent standard-setting body, at its meeting on February 2023. The project's primary  
39 objective was to review the GRI climate change-related disclosures to represent internationally agreed best  
40 practice and align with recent developments and the relevant authoritative intergovernmental instruments in  
41 the field of climate change. The project also aimed to incorporate new issues to reflect the stakeholders'  
42 expectations related to reporting climate change-related impacts that have evolved and broadened beyond  
43 energy and GHG emissions reporting.
- 44 The project followed the [GSSB Due Process Protocol](#). In May 2023, the GSSB appointed a multi-stakeholder  
45 [technical committee](#) of 13 experts representing all five GRI constituencies. The technical committee informed  
46 the revision of the Standards by convening throughout 2023-2024 in seven meetings.

### 47 Scope of the public comment

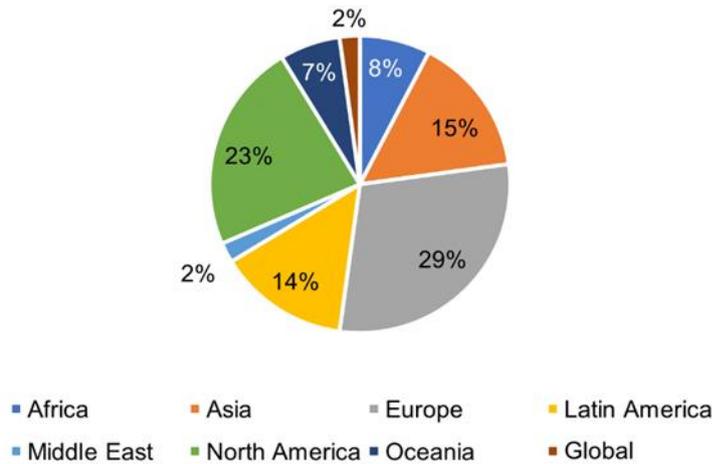
- 48 The Climate Change and Energy Standard exposure drafts were open for public comment, as required by  
49 the [GSSB Due Process Protocol](#), from 21 November 2023 to 29 February 2024.
- 50 Respondents were invited to submit feedback on the clarity, feasibility, and relevance of the significant  
51 proposals in the exposure drafts.
- 52 Several outreach activities were carried out during the public comment period, including four global webinars  
53 and ten regional events. Approximately 3,000 individuals registered for the global webinars, and almost  
54 1,000 participants attended the regional webinars in Africa, China, Latin America, and North America. In  
55 addition, GRI participated in four events at COP 28. Through the outreach activities, GRI reached a global  
56 audience of over 10,000. [Appendix 1. Participation in regional events and webinars](#) contains an overview of  
57 these events.
- 58 Comments collected during PCP activities such as workshops or webinars, though not considered official  
59 public comment submissions, were also taken into account when they aided understanding or flagged a  
60 significant issue not raised in the official submissions.

61 **Overview of participation in public comment**

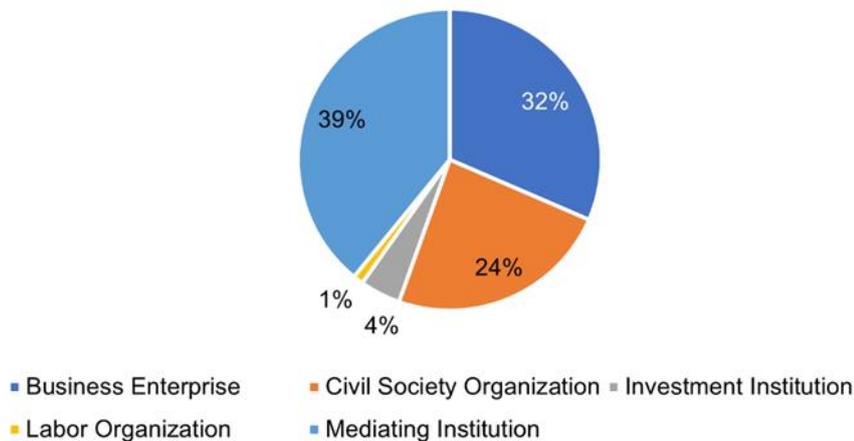
62 Respondents were invited to submit comments on the Climate Change and Energy exposure drafts using an  
63 online survey. The link to the survey was made available on the Climate Change project page. Respondents  
64 could also submit an official letter or statement to [climate@globalreporting.org](mailto:climate@globalreporting.org).

65 A total of 92 submissions from individuals and organizations were received, consisting of 89 completed  
66 surveys and three letters. See Figures 1 and 2 for a breakdown of submissions by region and stakeholder  
67 constituency. Submissions were received from all five stakeholder constituencies represented by the GSSB:  
68 business enterprises, civil society organizations, investment institutions, labor, and mediating institutions.

69 **Figure 1. Breakdown of all submissions received by geographic region**



70 **Figure 2. Breakdown of all submissions received by constituency**



71 For more details on the submissions received, see:

- 72 • Full set of comments on the [Climate Change project page](#).

73 **Methodology for analyzing comments**

74 The Standards Division collated all comments submitted by respondents. Each comment was categorized by  
75 disclosures. Then, each comment was analyzed by:

- type – e.g., requirement, guidance, general;
- theme – e.g., transition plan, CAPEX, biodiversity;

- category – e.g., clear, unclear, not feasible, redundant;
- action – e.g., draft, TC discussion, climate team discussion.

76 When a respondent raised several points in one comment, the points were separated into distinct comments.

77 The qualifiers indicated in Table 1 have been used to indicate the percentage of comments provided on  
 78 specific items. Given that the survey mostly contained open questions to enable respondents to provide  
 79 feedback on sections of interest, not all respondents provided comments on all sections of the exposure  
 80 draft. Consequently, certain sections or disclosures have a relatively low number of comments compared to  
 81 the overall number of comments.

82 Most of the feedback received on the Climate Change exposure draft falls into the qualifiers ‘one’, ‘a few’,  
 83 and ‘some’. No feedback that falls into ‘many’ or ‘majority’ qualifiers was received.

84 The same qualifiers have been used to indicate the percentage of respondents who expressed support for  
 85 the new disclosures and the clarity of the concept of mitigation hierarchy across the draft Standard.

86 **Table 1. Qualifiers indicating the percentage of comments/respondents.**

Qualifier	Comments
Majority	> 50%
Many	30-50%
Some	10-30%
A few	< 10%
One	1

## 87 **Significant issues and GSSB responses**

88 In line with the [GSSB Due Process Protocol](#), this section summarizes the significant issues raised by  
 89 respondents, outlines proposed changes to the Climate Change Standard exposure draft, and explains why  
 90 significant changes recommended by respondents were, or were not, accepted by the GSSB.

91 The significant issues identified have been organized into the following sections:

- 92 • Issues by disclosure
- 93 • Cross-cutting issues

94 This section includes references to the Climate Change exposure draft and the final version of *GRI 102:*  
 95 *Climate Change 2025*. The titles in the exposure draft are used when referring to the content of the exposure  
 96 draft. When referring to the content in the final Standard, the titles in *GRI 102: Climate Change 2025* are  
 97 used.

98 Where text from *GRI 102: Climate Change 2025* is different from that in the exposure draft, the wording is  
 99 provided in bold throughout the basis for conclusion.

# 100 GRI 102: Climate Change

## 101 Issues by disclosure

### 102 **CC-1 Transition plan (Disclosure 102-1 in the final Standard)**

103 Many respondents expressed overall positive feedback on the new Disclosure CC-1 Transition plan, stating  
104 that GRI's Climate Change exposure draft recognizes the importance of transition planning and transition  
105 plan reporting. Moreover, disclosures on transition (CC-1) and adaptation (CC-2) were deemed critical  
106 additions to this draft, reinforcing that stakeholders' expectations have broadened beyond emissions  
107 reporting.

#### **a) Scenario analysis**

108 A few comments suggested requiring, rather than recommending, organizations to disclose which climate  
109 scenarios were used to develop the transition plan.

110 GSSB response: adding climate change-related scenarios to requirement 102-1-b was decided.

#### **b) Investments in a transition plan**

111 Some comments suggested considering a different wording rather than investment (including 'financing',  
112 'resourcing', 'spend', etc.) in requirement CC-1-c.

113 GRI received a few comments on how to report investment using Capex and Opex, namely:

- 114 • On the complexity of reporting CapEx without referencing legislation such as the EU Taxonomy.
- 115 • Recommending that OpEx should have the same emphasis as CapEx in the guidance.
- 116 • One comment suggested requiring CAPEX amounts invested in fossil fuel-related activities,  
117 including coal, oil, and gas. GRI received another comment about changing the 'can' to a 'should' to  
118 report CapEx amounts invested in fossil fuel-related activities.

119 GSSB response: Different wording was evaluated, and the conclusion was that the term 'investment' was  
120 changed to 'expenditure'. Additional guidance was provided to facilitate reconciliation with the organization's  
121 financial information.

122 A reference to taxonomies was included in the guidance to clarify that organizations can use regional or  
123 national taxonomies to report requirement 102-1-c. GRI added the reference to regional and national  
124 taxonomies, as some are considered best practices with no globally accepted taxonomy available.

125 It was agreed to place the same emphasis on CapEx and OpEx in the guidance.

126 The guidance for reporting the expenditure incurred from fossil fuel-related activities has been changed from  
127 a possibility ('can') to a recommendation ('should') rather than a requirement, as this information is  
128 considered more relevant in a sector-specific context.

129 Moreover, the expenditure requirements and related guidance in the adaptation plan disclosure (102-2-b-iii)  
130 were updated to align consistently with 102-1-c.

#### **c) Process of preparing a just transition plan**

131 A few comments suggested referencing the process of preparing a just transition plan in this disclosure and  
132 also including qualitative metrics.

133 GSSB response: It was agreed to add qualitative information on the just transition in requirement 102-1-g as  
134 follows: 'describe how the transition plan aligns with just transition principles'.

### 135 **CC-2 Adaptation plan (Disclosure 102-2 in the final Standard)**

136 The majority of the respondents provided positive feedback on this disclosure, with particular appreciation for  
137 its clarity.

#### **a) Transition and adaptation plan disclosures**

138 A few comments were received to keep the two disclosures separate, while others questioned whether  
139 transition and adaptation plans should be separate disclosures, as certain aspects are common for both  
140 plans (e.g., governance).

141 GSSB response: It was agreed to maintain transition and adaptation plans as separate disclosures as  
142 transition and adaptation strategies may lead to different sets of impacts to be disclosed. In order to address  
143 the comments received, guidance was included in both disclosures to clarify that the transition and  
144 adaptation strategies are interconnected and might have common elements.

#### **b) Transition and physical risks and financial risks**

145 A few comments were received on how transition and physical risks and opportunities are included in the  
146 disclosure, asking for explanations, more examples, and additional guidance.

147 A few comments were related to financial materiality, asking for additional guidance on the potential financial  
148 risks on organizations, additional indicators on how climate risks and opportunities assessment are  
149 incorporated in strategic or business decisions, alignment with International Financial Reporting Standards  
150 (IFRS) metrics to a maximum extent, and how Disclosure 201-2 is incorporated in this disclosure.

151 GSSB response: Further examples of transition and physical risks were included in the guidance to 102-2-a.  
152 The reference to transition risks was maintained in 102-2 as both transition and physical risks can be  
153 relevant for climate change adaptation.

154 No further content on financial risks in the organization has been included, as it is covered in other standards  
155 that focus on climate change-related financial disclosures. The GRI Standards' purpose is to enable an  
156 organization to publicly disclose its most significant impacts on the economy, environment, and people,  
157 including impacts on their human rights and how the organization manages these impacts.

158 Any reference to risks and opportunities in GRI 102 Climate Change Standard is included in relation to  
159 impacts, aiming to support reporters in reporting their impacts.

#### **c) Impacts to be reported under Disclosure 102-2 Climate change adaptation plan**

160 A few comments asked to clarify the difference between the impacts covered in requirements CC-2-a and  
161 CC-2-c.

162 A few comments stated that assessing the impact of an organization's adaptation efforts on stakeholders is  
163 complex, and they asked for additional guidance and examples. Respondents also asked for clarification on  
164 how impacts are related to climate-related risks and whether positive and negative impacts are included.

165 A few comments enquired whether the adaptation plan and impacts to be reported refer to the whole  
166 organization's value chain or only to its own operations.

167 GSSB response: The following clarification was added in requirement 102-2-a: [Describe the impacts on  
168 people and environment, associated with its climate change-related risks and opportunities **and how they**  
169 **were considered in the development of the adaptation plan**].

170 Furthermore, the following clarification was added in requirement 102-2-c: [Describe the impacts on people  
171 and the environment **from implementing** the adaptation plan(...)].

172 Moreover, additional guidance clarifies that the impacts to be reported under requirements 102-2-a and 102-  
173 2-c are the organization's impacts. Based on *GRI 3*, the organization's impacts include those that the  
174 organization causes, contributes to, and is directly linked to.

175 Examples were provided for clarity on disclosing impacts under both requirements.

176 Additional guidance clarifies that organizations should consider their own activities and upstream and  
177 downstream value chains when reporting on adaptation plans under Disclosure 102-2.

#### **d) Resilience**

178 A few comments were received asking for references to resilience in the adaptation plan disclosure and in  
179 relation to adaptation targets.

180 GSSB response: It was decided not to reference resilience in Disclosure 102-2 since GRI focuses on  
181 impacts and resilience was considered a concept more related to financial materiality, covered in other  
182 reporting standards that focus on climate change-related financial disclosures.

#### **e) Adaptation targets**

183 A few comments were received on adaptation targets, asking for clarifications and more guidance on which  
184 targets should be included.

185 GSSB response: Additional guidance, including examples of climate adaptation targets, was developed.

#### **f) Scenario analysis**

186 A few comments were received on scenario analysis, asking for clarifications on which scenarios should be  
187 used.

188 GSSB response: Guidance was added stating that [**The Intergovernmental Panel on Climate Change  
189 (IPCC) outlines scenarios based on the latest science. If the organization does not use IPCC  
190 scenarios, it should report the reasons for choosing another source and explain how they align with  
191 the latest science**].

### **CC-3 Just transition (Disclosure 102-3 in the final Standard)**

193 Many respondents supported this new just transition disclosure, welcoming the proposal of a set of  
194 standardized metrics under CC-3 as a beneficial addition to the management disclosures on transition (CC-  
195 1) and adaptation (CC-2). Furthermore, respondents agreed that it provides further insights into the impacts  
196 on workers and local communities and the subsequent actions taken to manage those impacts.

#### **a) Just transition and adaptation**

197 A few comments stated that just transition should relate to both an organization's transition and adaptation  
198 plans.

199 GSSB response: The chapeau has been changed to clarify that Disclosure 102-3 refers to both transition  
200 and adaptation efforts as follows: [In the context of its transition **or adaptation efforts**, the organization shall  
201 [report].]

202 Further references to adaptation were included in the guidance.

203 Moreover, in Disclosure 102-2, a requirement (102-2-b-vi) was added to describe how the adaptation plan is  
204 aligned with just transition principles.

#### **b) Scope and structure of Disclosure 102-3 Just transition**

205 A few comments were received on clarifying whether the scope of the disclosure included the organization's  
206 value chain, specifically on the requirements for jobs created, eliminated, and redeployed.

207 A few comments were received on replacing the term jobs with employees/workers.

208 GSSB response: The terms 'employees' and 'workers who are not employees' replaced the term 'jobs' to  
209 clarify the disclosure's scope. The structure of the disclosure was rearranged in order to clearly reflect the  
210 scope of each requirement, using the terms 'employees' (requirement 102-3-a to 102-3-d), 'workers who are  
211 not employees' (requirement 102-3-e and 102-3-f), or both (requirement 102-3-g).

212 It should be noted that, in the GRI Climate Change Standard, 'workers who are not employees' refers to  
213 workers who are not employees and whose work is controlled by the organization, which aligns with the [GRI  
214 labor-related draft Standards](#).

#### **c) Gender breakdown in Disclosure 102-3 Just transition**

215 A few comments were received on adding gender breakdowns to the disclosure requirements.

216 GSSB response: The gender breakdown in the guidance was moved from requirements 102-3-a to 102-3-f.

#### **d) Total employees redeployed (requirement 102-3-c)**

217 One comment suggested requiring organizations to report the total number of redeployed employees instead  
218 of disclosing the ratio.

219 GSSB response: It was decided to change the requirement to disclose the total number of employees  
220 redeployed instead of disclosing the ratio.

#### **e) Basic pay and the cost-of-living estimates**

221 A few comments were received on the 'adequate remuneration' concept, suggesting to refer to  
222 'living/minimum wage' instead.

223 GSSB response: The GRI Labor Standards are the main reference for labor-related matters. It was decided  
224 to add a new requirement with quantitative and qualitative information in alignment with GRI Remuneration  
225 and Working Time (REWO) draft Standard, Disclosures REWO 4-e and 4-f, as follows:

226 The organization shall: **[report the total number and percentage of new employees recruited whose  
227 basic pay is at or above the cost-of-living estimate, and describe actions taken or commitments  
228 made to address any gaps between basic pay and the cost-of-living estimate for workers reported  
229 under 102-3-a and 102-3-e].**

#### **f) New requirement on methodology to report on Disclosure 102-3**

230 A few comments requested additional guidance on the methodology to report Disclosure CC-3, highlighting  
231 the complexity of accurately analyzing whether the change in the number of workers is due to climate  
232 change adaptation/transition efforts or changes in business conditions and business structure.

233 GSSB response: It was agreed on the importance of maintaining the requirements 102-3-a, 102-3-b, and  
234 102-3-c as they provide important information on the impacts on workers of transition and adaptation efforts,  
235 placing the human aspect at the core of climate strategies. It was agreed to include a new requirement (102-  
236 3-j) to report contextual information necessary to understand how the data has been compiled, including  
237 standards, methodologies, and assumptions used as follows:

238 The organization shall: **[report contextual information necessary to understand the data reported under  
239 102-3 and describe the methodologies and assumptions used to compile the data, including whether  
240 the numbers are reported:**

- 241 i. **in head count, full-time equivalent (FTE), or using another methodology;**
- 242 ii. **at the end of the reporting period, as an average across the reporting period, or using another**  
243 **methodology].**

244 Moreover, it was agreed to add guidance text to clarify that if the organization cannot directly calculate the  
245 numbers reported under 102-3-a through 102-3-f, it can report estimates and explain these under 102-3-j.

#### **g) Decent work and just transition principles**

246 A few comments were received on incorporating decent work and just transition principles in the  
247 requirements so that the disclosure enables organizations to report more broadly on the social impacts of  
248 transition.

249 GSSB response: A reference to just transition principles was included in both transition and adaptation  
250 requirements (102-1-g and 102-2-b-vi) and relevant guidance. Moreover, in the guidance to 102-1-g, the  
251 definition of just transition from International Labour Organization (ILO) was included, mentioning that a just  
252 transition creates decent work opportunities and leaves no one behind.

### **253 CC-4 GHG emissions reduction targets and progress (Disclosure 102-4 in the final 254 Standard)**

255 The majority of respondents provided positive feedback on the disclosure, appreciating the information it  
256 provides to assess an organization's decarbonization journey. Respondents deemed the requirements and  
257 associated guidance very clear and detailed.

#### **a) Target boundary**

258 A few comments were received suggesting including specific content for transparency on a target boundary  
259 and its alignment with the full organizational inventory boundary.

260 GSSB response: It was made explicit in requirement 102-4-a-ii that Scope 1 and Scope 2 GHG emissions  
261 targets shall cover the total Scope 1 and Scope 2 GHG emissions reported under Disclosures 102-5 and  
262 102-6. Further clarifications were added to the guidance on target boundary and alignment with the inventory  
263 boundary for Scope 1, Scope 2, and Scope 3.

#### **b) Separate or combined targets**

264 A few comments were received that require organizations to report only separate targets and to remove the  
265 option to report combined targets. Another comment suggested, in the case of combined targets, requiring  
266 an organization to disclose the share related to each respective GHG emission scope.

267 GSSB response: It was agreed to require that an organization reports combined targets limited to the  
268 combination of Scope 1 and 2 in requirement 102-4-a-i. In this case, a recommendation was included to  
269 report: **[The percentage that each scope represents compared to the total GHG emissions included in**  
270 **the (combined) target]**.

#### **c) Market-based targets**

271 A few comments were received on market-based targets, with one stating that it should be required rather  
272 than recommended to report whether the emissions reduction targets are set using the location-based or  
273 market-based approach. Different comments disagreed on which method should be prioritized.

274 GSSB response: In order to seek transparency in reporting, requirement 102-4-c has been amended and  
275 now clarifies that the organization shall report: **[for each gross Scope 2 GHG emissions reduction target,**  
276 **report whether the targets use the location-based or market-based method]**.

#### **a) Target timeframe**

277 A few comments were received asking to require interim or medium-term targets. A few comments were  
278 received on short- and long-term targets, asking for more guidance.

279 GSSB response: medium-term targets were added to the requirement 102-4-a. Further guidance and  
280 examples clarify the differences in short-, medium-, and long-term timeframes and recommend reporting how  
281 an organization defines them.

#### **b) Scope 3 GHG emissions target**

282 A few comments were received on Scope 3 targets, with comments requesting more guidance. A few  
283 comments suggested that the Scope 3 target should not be required, as these are extremely challenging to  
284 meet.

285 GSSB response: It was acknowledged that there is an urgency for organizations to set Scope 3 targets and  
286 make progress; therefore, it was agreed to maintain the requirement for Scope 3 targets.

#### **c) Base year**

287 A few comments were received on the base year, requesting additional guidance. A comment highlighted  
288 that this requirement was duplicated under the Scopes disclosures.

289 GSSB response: A new guidance for requirement 102-4-h-i was created to encourage consistency between  
290 the base year selected for the scopes inventory and the base year selected for the targets. Moreover, a  
291 reference was provided to the GHG Protocol Corporate Standard for further information.

#### **d) Progress against the target**

292 A few comments were received on CC-4-f (on how the progress of the target was achieved), asking for  
293 additional guidance, as it is difficult to attribute the progress of the targets to different factors and demand  
294 separation.

295 **GSSB response:** The requirement 102-4-j (on progress against targets) was updated, resulting in only two  
296 sub-bullets (i.e., reductions as a result of the organization’s initiatives and other factors). The guidance was  
297 also amended accordingly.

#### **e) Target revision policy**

298 A few comments were received on the target revision policy, mainly asking for more guidance on how to  
299 report it.

300 **GSSB response:** Guidance was created for requirement 102-4-g, including that under this requirement the  
301 organization can report the frequency of updating its GHG emissions reduction targets and that it should also  
302 report the main reasons for revising its GHG emissions reduction target. Examples of reasons for revising  
303 the targets were added.

### **Scopes 1, 2, and 3 GHG emissions (Disclosures 102-5 to 102-8 in the final Standard)**

#### **a) Scopes reporting challenges (Scope 2 market-based breakdown by gases)**

305 A few comments were received regarding specific challenges of reporting scopes, focusing mainly on Scope  
306 3 reporting, followed by biogenic emissions’ breakdown by gases.

307 **GSSB response:** After consultation with technical experts and best-in-class reporters, the relevance of the  
308 scope requirements was confirmed.

309 It was agreed to move Scope 2 market-based breakdown by gases to the guidance due to the difficulty  
310 foreseen in reporting the relevant data.

#### **b) Consolidation approach**

311 A few comments addressed the topic of consolidation approach and interoperability with other reporting  
312 standards and frameworks.

313 **GSSB response:** For the consolidation approach, it was decided to keep the requirement as it is, allowing the  
314 choice between equity share, operational control, and financial control in alignment with the GHG Protocol,  
315 which is a globally accepted methodology. In addition, it was decided to add the following guidance text, in  
316 line with *GRI 2: General Disclosures 2021*, to ensure interoperability with both the IFRS and European  
317 Sustainability Reporting Standards (ESRS): **[If the organization includes entities in its sustainability  
318 reporting that are not included in its financial reporting, it should report their gross Scope 1 GHG  
319 emissions data separately (e.g., from associates, joint ventures, and unconsolidated subsidiaries)].**

#### **c) Scope 2 market-based approach**

320 On Scope 2, a few comments were received on the market-based approach, including how to use the  
321 residual mix and quality criteria, mostly on temporal and physical connection and its applicability to global  
322 markets.

323 **GSSB response:** In order to facilitate the applicability of quality criteria for all the contractual instruments in  
324 all jurisdictions, the quality criteria on physical and temporal connection were rephrased and aligned with  
325 GHG Protocol Scope 2 Guidance. Guidance to 102-6-a was modified to recommend that organizations  
326 describe how they strive for temporal and physical connection for contractual instruments. Examples were  
327 included.

#### **d) Global warming potential (GWP)**

328 A few comments were received on GWP, suggesting removing the reference to the latest Intergovernmental  
329 Panel on Climate Change (IPCC) report. The comments noted that this requirement will often lead to  
330 emissions recalculation, as organizations usually do not use the latest IPCC GWP values. Also, comments  
331 noted that sometimes nationally calculated emission factors are not updated to the latest IPCC report, and  
332 therefore, organizations will need to recalculate emissions.

333 **GSSB response:** It was decided to keep the latest IPCC GWP values as a requirement as it is best practice  
334 and for interoperability purposes (namely with ESRS E1 and IFRS S2).

335 **CC-5 GHG removals in the value chain (Disclosure 102-9 in the final Standard)**

336 Many respondents expressed positive feedback to the disclosure on GHG removals, particularly appreciating  
337 its clarity and acknowledging that the guidance provides comprehensive instructions on reporting GHG  
338 removals, quality criteria, intended use, methodologies, impacts, and stakeholder engagement.

**a) Scope 3 GHG removals**

339 A few comments were received on the unfeasibility of reporting Scope 3 removals.

340 GSSB response: In light of the difficulties in reporting Scope 3 GHG removals, it was agreed to remove the  
341 requirement to report Scope 3 removals and move it to the guidance.

**b) Quality criteria for each type of storage pool**

342 A comment was received on quality criteria (requirement CC-5-b), stating that it may be too granular to  
343 require organizations to disclose how quality criteria are monitored at the level of each storage pool.

344 GSSB response: It was decided to amend requirement 102-9-b so that monitoring of quality criteria is  
345 reported for each type of storage pool (land-based pools or geologic pools) and not for each storage pool, as  
346 it may be too granular.

**c) Product pools**

347 A few comments were received on why product pools are excluded from the disclosure.

348 GSSB response: After consultation with technical experts on the matter, including GHG Protocol experts, it  
349 was decided not to add a reference to product pools as there is no global consensus to categorize product  
350 pools as removals, while guidance on product pools is also under development.

**d) Impacts associated with GHG removals**

351 A few comments were received on the need for further clarification on how to report on impacts associated  
352 with GHG removals within and beyond the value chain and on how to report impacts on people and  
353 biodiversity.

354 GSSB response: Examples were provided for both impacts on people and biodiversity, including positive and  
355 negative impacts. The distinction between impacts within and beyond the value chain was removed as both  
356 are included in GRI's definition of 'impacts'.

357 To increase transparency in reporting and ease the connection among GRI Standards, a reference to *GRI*  
358 *101: Biodiversity 2024*'s requirement on synergies and trade-offs between actions to manage biodiversity  
359 and climate change impacts was added to the guidance to 102-9-d-ii.

360 **CC-6 Carbon credits (Disclosure 102-10 in the final Standard)**

361 Respondents recognized that transparency in relation to the use of carbon credits is key to ensuring robust  
362 and credible carbon markets. Many respondents expressed positive feedback, welcoming this push for  
363 greater transparency on purchasing carbon credits and deeming the requirements and associated guidance  
364 clear and comprehensive, ensuring transparency in reporting and adherence to quality criteria.

**a) Quality criteria**

365 A few comments were received on quality criteria and over-reporting. Respondents stated that information  
366 on quality criteria is available in project registries, asking whether a reference to certification/quality  
367 standards or project registries would be sufficient.

368 Other comments pointed out that in some instances, local regulations may allow organizations to cancel  
369 credits that do not respect all the quality criteria listed in the requirement.

370 Moreover, a few comments suggested including a reference to sustainable development benefits and  
371 safeguards.

372 GSSB response: It was agreed that the requirement on quality criteria (102-10-c) is important information to  
373 be reported by organizations for transparency, and therefore it was decided to keep it. In order to address

374 comments on quality criteria and over-reporting as well as comments on the responsibility of carbon credit  
375 registries and their verifiers, the guidance to 102-10-c was updated to include the following: **[If third parties**  
376 **report and publish information on quality criteria for carbon credit projects, the organization can**  
377 **provide a reference to where this information can be found, as long as all quality criteria are**  
378 **covered]**.

379 Moreover, it was agreed that the requirement of adherence to all quality criteria should be kept in line with  
380 global authoritative methodology. A dedicated FAQ will be developed in the case an organization is  
381 subjected to national legislation that may allow it to cancel credits that do not respect all the quality criteria  
382 listed in the requirement.

383 Regarding safeguards, the concept of sustainable development benefits and safeguards is already covered  
384 under requirement 102-10-e, and a sentence to clarify this was added to the guidance.

#### **b) Issuing registry, host country and certification standard**

385 One comment suggested requiring organizations to report the issuing registry, host country, and certification  
386 standard.

387 GSSB response: requirement 102-10-b was expanded to require organizations to report the carbon credit  
388 project host country and issuing registry. The certification standard is covered under the quality criteria  
389 requirement 102-10-c-vii (independent validation and verification). It was agreed to include a  
390 recommendation to report the specific certifications provided by the third parties in the guidance for 102-10-  
391 c-vii.

#### **c) Timeframe to monitor carbon credit projects: quality criteria and impacts**

392 One comment suggested clarifying how long the organization should monitor quality criteria and the positive  
393 and negative impacts of carbon credits purchased and canceled.

394 GSSB response: It was agreed to add that the organization should report data monitoring processes  
395 throughout the crediting period in the guidance to 102-10-c-vi, along with the timeframes for each carbon  
396 credit project's crediting and monitoring periods.

397 Regarding the monitoring of impacts reported under 102-10-e, it was agreed to add to the guidance that  
398 organizations should disclose the timeframe of the monitoring period for the impacts associated with the  
399 carbon credits purchased.

#### **d) Impacts**

400 A few comments questioned whether organizations should report the impacts and trade-offs associated with  
401 carbon credit projects, as these are under the responsibility of carbon credit registries and their verifiers.

402 GSSB response: It was agreed that the requirement on impacts is important to include because it ensures  
403 transparency and promotes a due diligence process when purchasing carbon credits. This requirement also  
404 encourages organizations to select carbon credit projects that maximize positive impacts and prevent or  
405 mitigate negative impacts on people and the environment.

406 A sentence was added to the guidance to 102-10-e to allow the organization to report if it has obtained third-  
407 party social or environmental integrity certification.

### **Cross-cutting issues**

#### **a) Interoperability**

409 A few comments highlighted the importance of having the highest possible level of **interoperability** with  
410 other standards and frameworks, such as IFRS Sustainability Disclosure Standards and ESRS.

411 GSSB response: Since the beginning of the project, efforts were made to ensure alignment to a great extent  
412 and interoperability with other global standards like IFRS S2 and regulatory standards like ESRS E1 as well  
413 as with GHG emissions accounting standards, such as the GHG Protocol. Moreover, experts from global and  
414 regional regulatory standards setters were involved in the TC and as peer reviewers in developing the GRI  
415 Climate Change and Energy drafts.

### **b) Reference to GRI 101: Biodiversity 2024 and other environmental impacts**

416 A few comments were received on **biodiversity**, most of them suggesting clarifying the examples of impacts  
417 on biodiversity and adding, where possible, further references to *GRI 101*. Two comments suggested  
418 broadening the wording from 'biodiversity' to 'environment'.

419 GSSB response: The reference to *GRI 101* was present across the Standard. Moreover, additional examples  
420 of impacts on biodiversity were incorporated across the Standard.

421 Across the Climate Change Standard, requirements to report impacts associated with the transition plan,  
422 adaptation plan, GHG removals, and carbon credits were clarified to require reporting environmental  
423 impacts, including specific impacts on biodiversity.

### **c) Sectoral guidance**

424 A few comments noted that further sectoral guidance on climate change topics is needed.

425 GSSB response: Any feedback on additional sectoral guidance needed will be passed to the relevant GRI  
426 Sector Standards projects to be used in the development of the future Sector Standards.

### **d) Mitigation hierarchy**

427 The majority of respondents agreed on the clarity of messaging that the primary mitigation action is to reduce  
428 GHG emissions across the Standard.

429 A few comments were received on the need for more flexibility in the percentage of residual emissions (e.g.,  
430 in the FLAG sector). A few comments suggested not referencing the Science Based Targets initiative (SBTi)  
431 as it may be complex for organizations not aligned with such programs.

432 GSSB response: The following text was already included in the Standard under Guidance to 102-1-f-iii, and it  
433 was agreed to account for enough flexibility in different sectors: [If an organization is subjected to sectoral  
434 decarbonization pathways, it may be subjected to a different percentage of GHG emissions reduction].  
435 Guidance to 102-9-c on uses of removals was also amended to acknowledge that, in the context of a net-  
436 zero emissions target, if an organization is subjected to sectoral decarbonization pathways, it may be  
437 subjected to a different percentage of GHG emissions reduction.

438 Technical experts were consulted on the matter and they advised that the existing reference to the  
439 percentage of residual emissions remain in order to raise ambition.

### **e) Assurance**

440 A few comments were received stating that assurance of GRI disclosures would be important to enhance  
441 reporting robustness. Moreover, a few comments on third-party verification of GHG emissions reduction  
442 targets were received, asking whether a third party verified or assured the targets and correspondent GHG  
443 inventory.

444 GSSB response: In GRI Standards, external assurance is managed throughout *GRI 2* (i.e. Disclosure 2-5  
445 External assurance) and not addressed by specific Topic Standards. Therefore, no further changes were  
446 deemed necessary in the Climate Change Standard.

447 Due to the relevance of third-party verification in the context of GHG emissions reduction targets, additional  
448 guidance for 102-4-k was developed as follows: [The organization should report whether an independent  
449 third party has validated the GHG emissions reduction targets and related progress, **and if so, which party**  
450 **conducted the validation and the standard or methodology used**].

451

# Appendix 1. Participation in regional events and webinars

452

453

**Table 2: Overview of events and webinars**

Events	Date	Number of attendees
Global webinar – morning session	28 November 2023	946 attendees 2481 registered
Global webinar – afternoon session	28 November 2023	603 attendees 1758 registered
COP28 - Systematic transformation with circularity in mind (Sustainable Innovation Forum)	5 December 2023	N/A
COP28 - Climate – Nature nexus in global sustainability reporting	6 December 2023	N/A
COP28 - Frameworks and Standards for nature and climate	9 December 2023	30 attendees
COP28 - Impact of corporate disclosures on climate action, learnings from the energy sector, and the feasibility of using methane disclosures in the agri-food	5 December 2023	N/A
Global Q&A webinar – morning session	18 January 2024	844 attendees 2542 registered
Global Q&A webinar – afternoon session	24 January 2024	539 attendees 1630 registered
<b>Africa</b>		
Alternative Mining Indaba	7 February 2024	20 attendees
Webinar for Africa	20 February 2024	109 attendees
<b>China</b>		
Stock Exchange Event (Syntao) - China SIF Annual Conference	5 December 2023	110 attendees
2024 CSO Global Summit (Syntao annual meeting)	16 January 2024	200 attendees
2024 CSO - GRI Climate Change & Energy workshop	16 January 2024	40 attendees
Webinar for China	30 January 2024	125 attendees
<b>Latin America</b>		
UNEP FI LATAM Roundtable	30 January 2024	400 attendees
Webinar for Latin America (in Spanish)	22 February 2024	368 attendees 959 registered
Webinar for Latin America (in Portuguese)	21 February 2024	154 attendees 364 registered
<b>North America</b>		
GreenBiz	13 February 2024	35 attendees
Webinar for West Coast	21 February 2024	173 attendees 330 registered
<b>Total</b>		