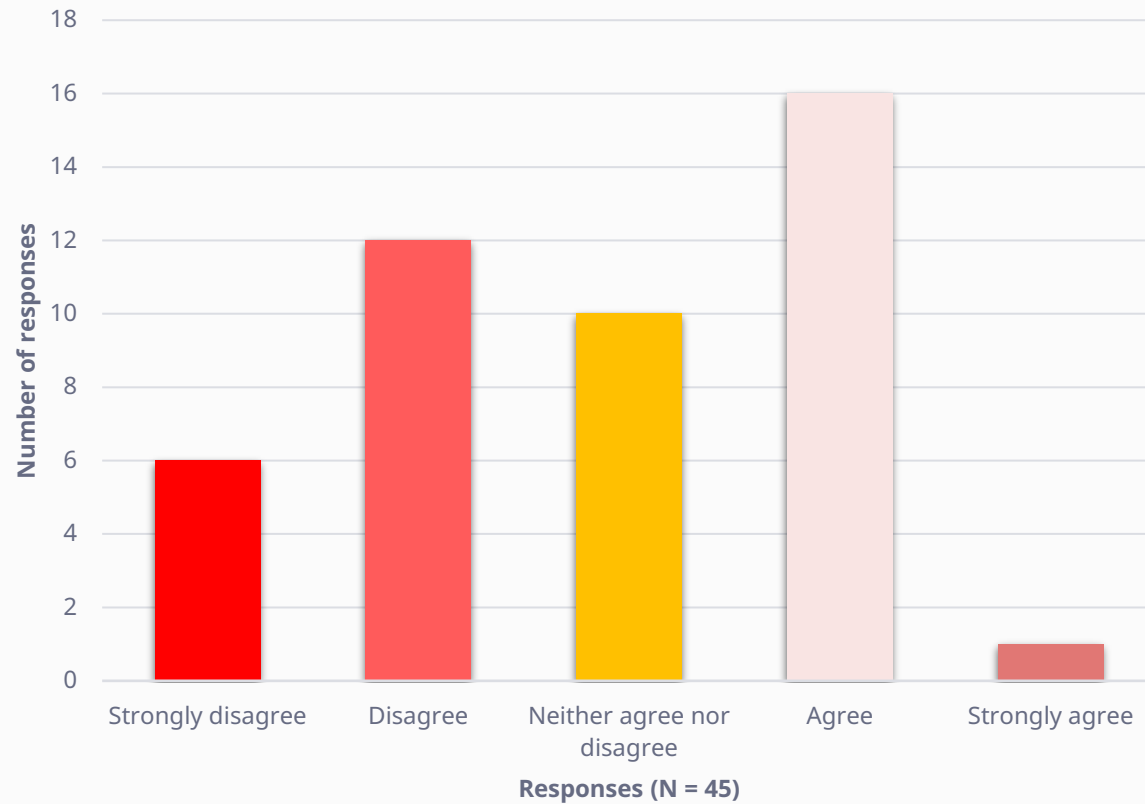


### The Scope 3 Claim methodology is easy to understand



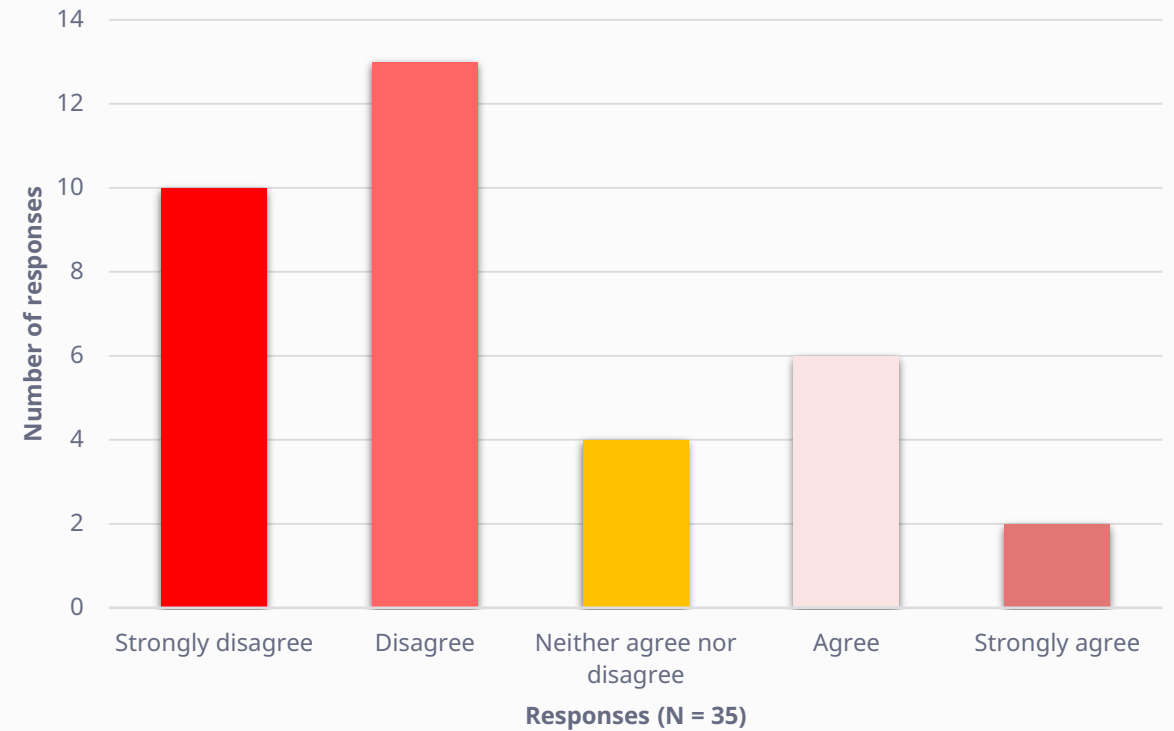
#### Commentary:

Around 1/3 of the respondents are from the "Civil Society, Academia and Research" and "VCM - related body or initiative" groups (N=35) followed by the second largest group of respondents from "Large corporations" (N=13). The number of "total agrees" (strongly agree+ agree) and the number of "total disagrees" (strongly disagree+ disagree) is about even.

In terms of agreement (N=17), there are 4 "Large corporations", 2 of which are buyers, 1 is a seller and 1 is a market facilitators. The overall composition of the agreeing respondents includes 3 buyers, 4 sellers and 5 facilitators.

In terms of disagreement (N=18), the majority are from the "Civil Society, Academia and Research" and "VCM - related body or initiative" groups (N=10), the remainder is mixed, including 1 "Large corporation". There are 2 sellers of carbon credits, while there are no buyers.

### The use of carbon credits should be restricted to address emissions that are not accounted for scope 3 emission reduction targets – outside the target boundary.



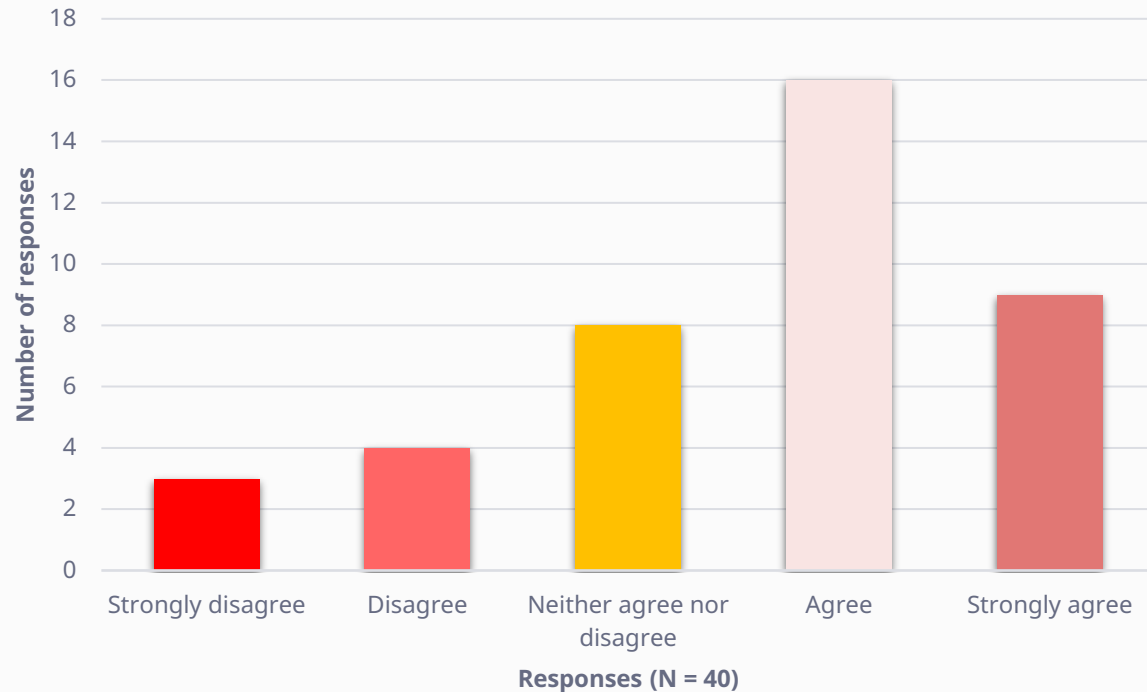
#### Commentary:

The majority of the respondents (23 out of 35) expressed disagreement (strongly disagree+ disagree).

5 out of 10 of the respondents that "strongly disagree" are sellers of carbon credits, 2 are market facilitator and 1 is a national policy maker. Out of the 5 sellers, 3 are from the "VCM-related body or initiative" group. 8 out of the 10 respondents stated representing the views of mainly USA and UK.

Out of the 13 respondents who stated that they "disagree", 4 are market facilitators, 2 are sellers, 1 is a buyer and 1 is a national policy maker. Similarly, the majority of them (N=8) are representing the views of USA and UK. 4 out of the 8 respondents agreeing (strongly agree+ agree) are from the "Civil Society, Academia and Research" and 1 is from the "Large corporation" group and a buyer of carbon credits in the USA.

Scope 3 Claim requirements enable stakeholders to assess whether companies are making meaningful efforts to achieve their targets, e.g. public disclosure of the scope 3 emissions gap and the actions taken to remove scope 3 emission reduction barriers.



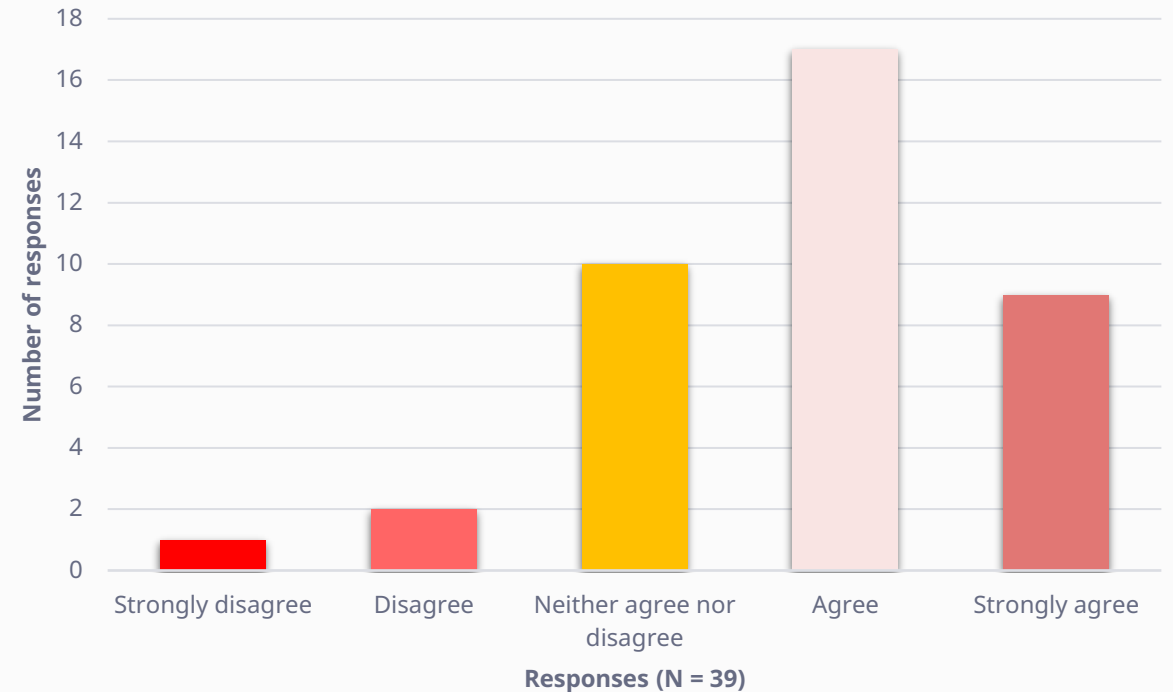
**Commentary:**

The majority of the disagreeing responses (strongly disagree+ disagree) are from "Civil Society, Academia & Research" (N=5).

The highest number of the respondents who stated they agree come from the "large corporation" group (N=4), followed by "Business Network or Association" (N=3). Out of the 4 "large corporation" responses, 2 re sellers from USA and UK, 1 is a buyer from France and 1 is a market facilitator from Brazil. 1 "Business Network Association" is a seller from Japan.

The "strongly agree" responses mainly come from "VCM-related body or initiative" (N=5). There are 4 buyers and 4 sellers.

Publicly disclosing the barriers a company faces in reducing its scope 3 emissions, along with how it plans to overcome them through specific time-bound actions, demonstrates meaningful commitment to reducing scope 3 emissions.



**Commentary:**

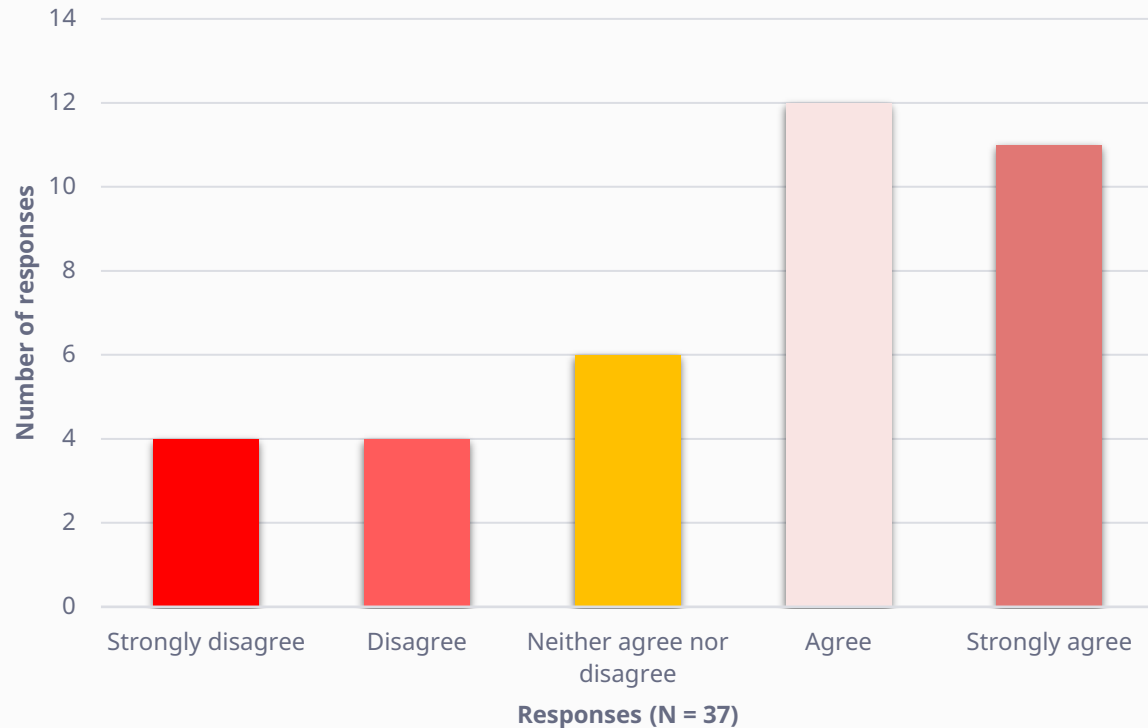
The 1 "strongly disagree" response is from an SME in Kenya.

8 of the "neither/nor" responses are from the "Civil Society, Academia & Research" and "VCM-related body or initiative" groups, with 2 sellers representing the USA.

The largest number in the "agree" group is "large corporation" respondents (N=5), 2 buyers and 2 sellers from USA, UK and France. The rest of the respondents are representing a variety of stakeholders, with 5 market facilitators, 2 national policy makers and 2 sellers.

6 of the "strongly agree" group are from "VCM-related body or initiative", 2 from "Civil Society, Academia and Research", and 2 from "SME". There are 3 sellers, 2 from the USA and 1 from the Netherlands.

It should be mandatory for companies to publicly disclose when they are not making sufficient progress to meet their targets and the barriers they face in reducing scope 3 emissions.

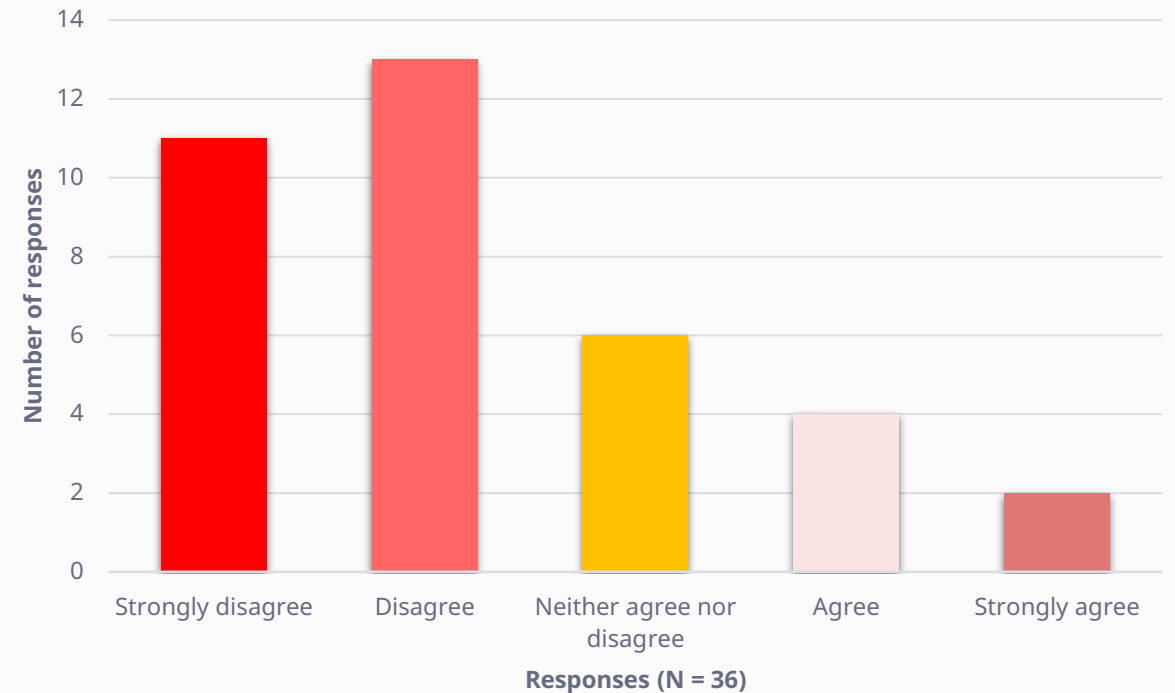


**Commentary:**

"Strongly disagree" responses come from the "SME" (N=2) "VCM- related body or initiative (N=2) groups. The VCMs are sellers of carbon credits in the USA. The "disagree" responses are from 2 "VMC -related body or initiative" and 2 "large corporation" representatives. 3 are sellers and 1 is a buyer.

The "agree" group is heterogenous with 4 sellers and 4 market facilitators. The "strongly disagree" group includes a variety of stakeholders, the highest number being "Civil Society, Academia & Research" (N=4). 5 are market facilitators and there are no buyers or sellers.

The selection of high-quality carbon credits retired to make the claim should be intentionally related – sectorally and/or geographically - to the sources of scope 3 emissions contained in the company's scope 3 emissions gap.



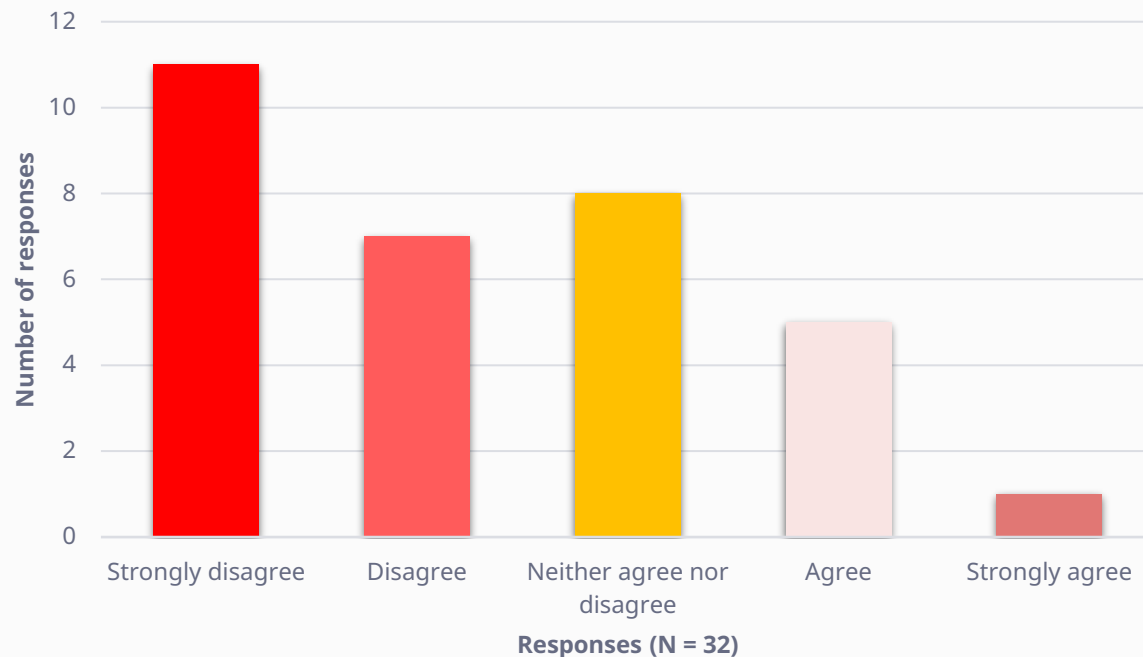
**Commentary:**

The majority of the respondents (N=24) disagreed (strongly disagree+ disagree). The "strongly disagree" group is made up of 5 "VCM- related body or initiative" followed by 2 respondents from "Civil Society, Academia and Research" and 1 "Large corporation". 4 respondents are sellers of carbon credits and 1 is a buyer from Italy.

The composition of the respondents stating that they "disagree" includes 4 from "Civil Society, Academia and Research" 3 from "Large corporation" and 2 "SME". Of these are market facilitators, sellers and 1 buyer.

The 2 "strongly agree" responses came from 1 large corporation in the USA who is a buyer and 1 SME, that is a market facilitator from Malaysia. The "agree" responses came from a mixed group, 2 of which are sellers.

Setting the scope 3 emissions gap limit at 24% of the emissions indicated by the trajectory in the claim year is an adequate threshold to make sure most companies making efforts to reduce scope 3 emissions will be able to make the claim and prevent companies not making efforts from making a claim.

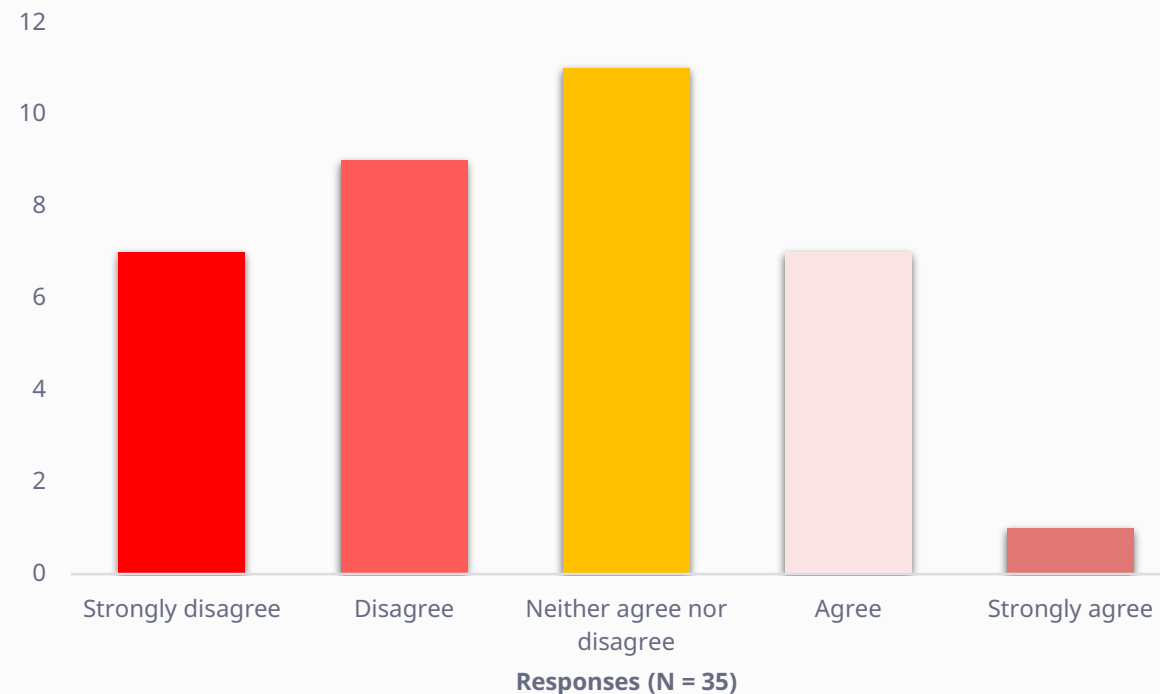


#### Commentary:

17 out of the 32 respondents are from the "Civil Society, academia & research" and "VCMi-related initiative" stakeholder groups and 9 stated that they "strongly disagree" and 3 stated that they "disagree". 2 "Large corporation" respondents expressed they "disagree", 1 which is a buyer and the other one is a seller. Most described their involvement as "other" while 3 of them are sellers and 3 of them are market facilitators and they represent mainly the USA, UK and Western European countries.

The respondent stating "strongly agree" is from "VCMi-related initiative" that is a market facilitator from the UK and 2 out of the respondents stating "agree" are from a "Large corporation", 1 of which is a market facilitator from Latin America and the Caribbean, and 1 is a buyer from France.

It is reasonable to expect that by 2038 companies will be able to have addressed scope 3 emission reduction barriers entirely and therefore that their emissions will be consistent with meeting their next near-term target



#### Commentary:

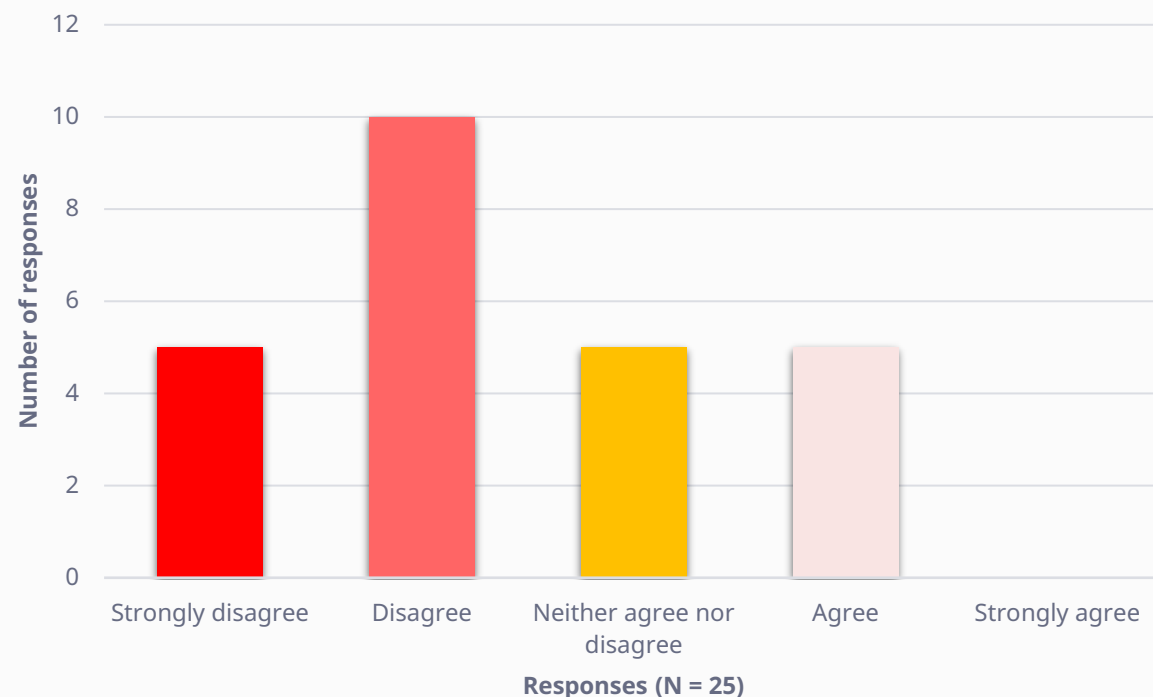
The majority of the respondents (N=16) indicated disagreement (strongly disagree and disagree), closely followed by the respondents that remained neutral (N=11).

The "strongly disagree" responses came from the "Civil Society, Academia & Research" (N=13) and "VCM-related body or initiative" (N=3) groups, representing mainly the views of USA and UK. Similarly, the majority of the "disagree" responses came from "Civil Society, Academia & Research" and "VCM-related body or initiative" (N=6) and 1 "SME" and 1 "large corporation" from the USA which is a seller of carbon credits.

The respondents who indicated being "neutral" were mainly from the "SME", "VCM-related body or initiative" and "Civil Society, Academia & Research" and 1 "large corporation" from Brazil that is a market facilitator.

The 1 "strongly agree" and 2 of the "agree" response came from respondents representing a "large corporation" 2 of which are buyers of carbon credits and 3 respondents from "Civil Society, Academia & Research" 1 of which is a seller of carbon credits.

It is credible for companies to make a Scope 3 Claim if they are retiring high-quality carbon credits in an amount that is lower than their total scope 3 emissions gap provided they demonstrate investment for future scope 3 emission reductions.

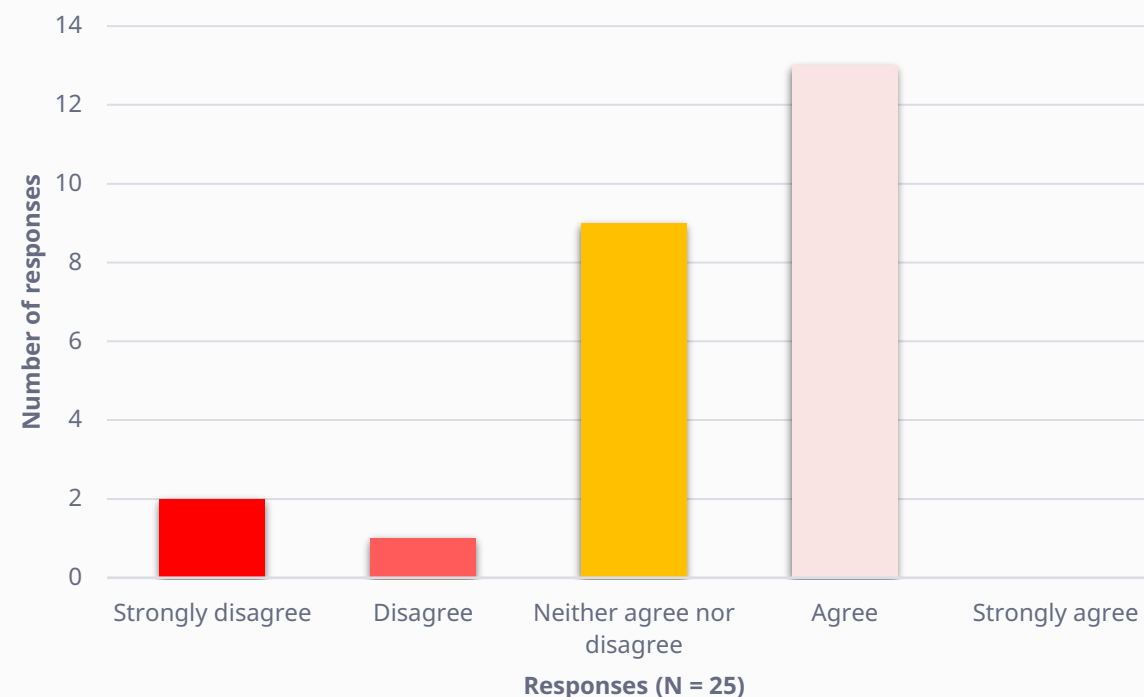


#### Commentary:

The majority of the disagreeing responses (strongly disagree+ disagree) come from "Civil Society, Academia & Research" (N=4) and "VCM-related body or initiative" (N=4) and 1 large corporation which is a market facilitator. 5 are market facilitators and 4 are sellers.

2 of the respondents who stated that they "agree" are representing the "large corporation" group. A is a buyer representing France and the other is a seller representing USA. The other seller in this group is a "Business Network Association" from Japan.

Cumulative emissions resulting from non-linear trajectories shall not be greater than the cumulative emissions that would have resulted from a linear trajectory to ensure that the company's emission reduction pathway is coherent with a science-aligned out

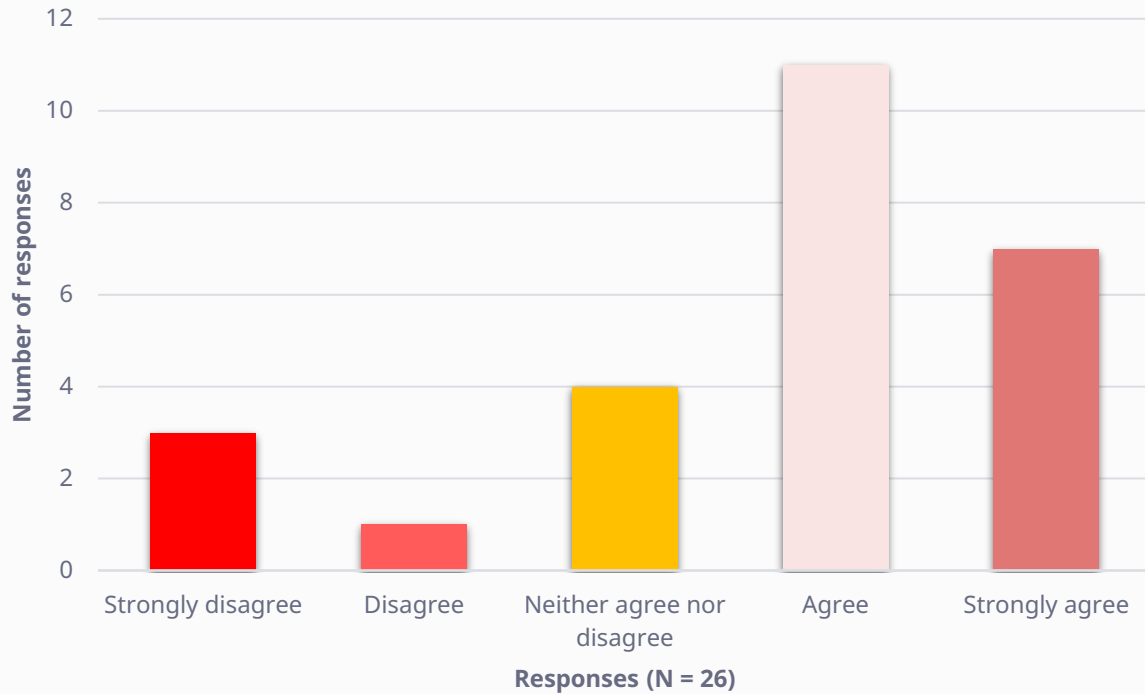


#### Commentary:

The "strongly disagree + disagree" responses came from "Civil Society, Academia & Research" and the "neither/nor" group is mainly "Civil Society, Academia & Research" and "VCM - related body or initiative" with 1 "large corporation" from France that is a buyer of carbon credits.

The "agree" responses come from a heterogenous group, with 4 market facilitators and 3 sellers.

The volume of high-quality carbon credits retired to make a Scope 3 Claim should be equal to, or greater than, the total gap between their most recently reported scope 3 emissions and their scope 3 emissions indicated by their trajectory for the same year



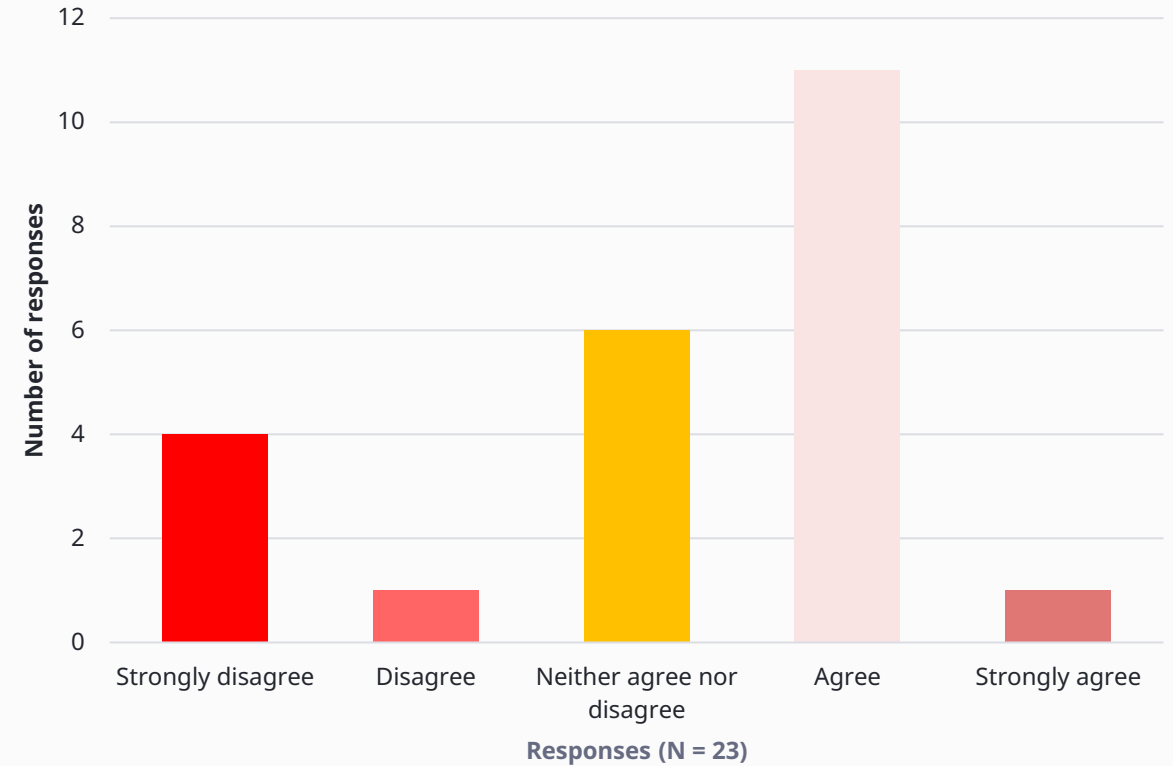
#### Commentary:

All the respondents in disagreement (strongly disagree and disagree) are from the "Civil Society, Academia & Research" group. 1 stated being a market facilitator in the USA.

5 of the respondents stating that they "agree" are from "VCM-related body or initiative". There are 6 respondents who are sellers of carbon credits and 1 from "large corporation" that is a buyer representing France.

The combination of the "strongly agree" group is quite heterogenous and 3 of them are market facilitators.

The use of the carbon budget concept ensures a credible science-based approach and simplifies the claim calculation.



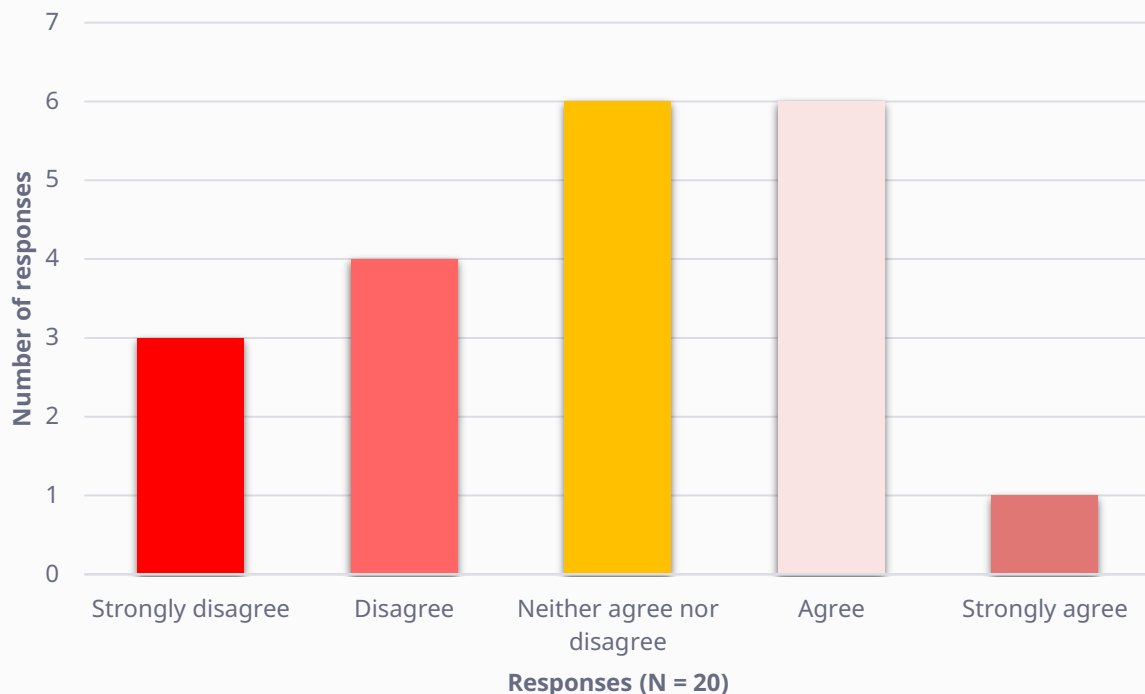
#### Commentary:

4 of the respondents disagreeing (strongly disagree and disagree) are from the "Civil Society, Academia & Research" and "VCM-related body or initiative" groups. 1 of them stated being a market facilitator from the UK.

Similarly, the "agree" responses also came from the "Civil Society, Academia & Research" (N=3) and "VCM-related body or initiative" (N=5) groups. 6 of the respondents are sellers of carbon credits and there is no buyer.

The 1 "strongly agree" response came from a "large corporation" in Brazil, that is a market facilitator.

The limit of 40% of the maximum total scope 3 emissions gap for the amount of carbon credits to be retired in a specific year is sufficient to prevent companies from using an excessive amount of their budget in any given year, especially at the beginning



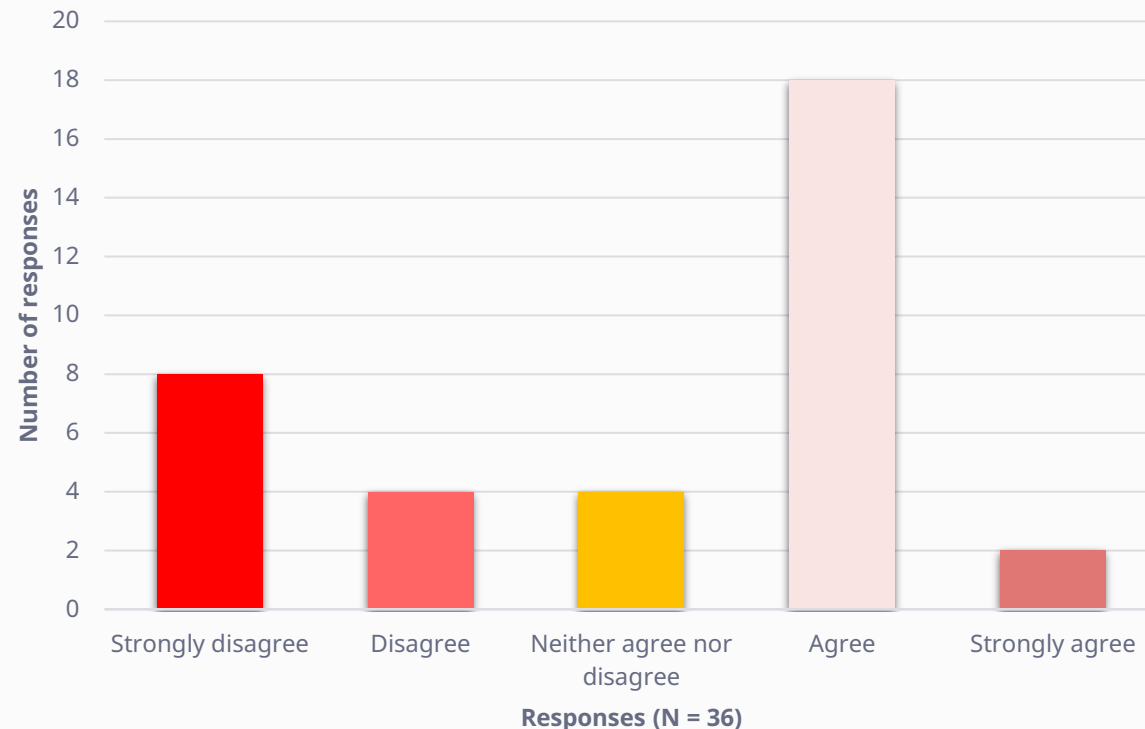
#### Commentary:

The numbers of respondents disagreeing (strongly disagree and disagree) and agreeing ("strongly agree" and "agree") are equal (N=7), where disagreement lean towards being stronger than agreement.

In the disagreement group, 4 respondents are representing "VCM-related body or initiative" and 2 are representing "Civil Society, Academia & Research". There are 3 sellers, 2 market facilitators and 1 national policy maker.

The agreement group (strongly agree and agree) is quite heterogenous in terms of stakeholder group representation and involvement in carbon markets.

Considering the proposed requirements and guardrails, use of the Scope 3 Claim by companies will help accelerate progress towards global net-zero.

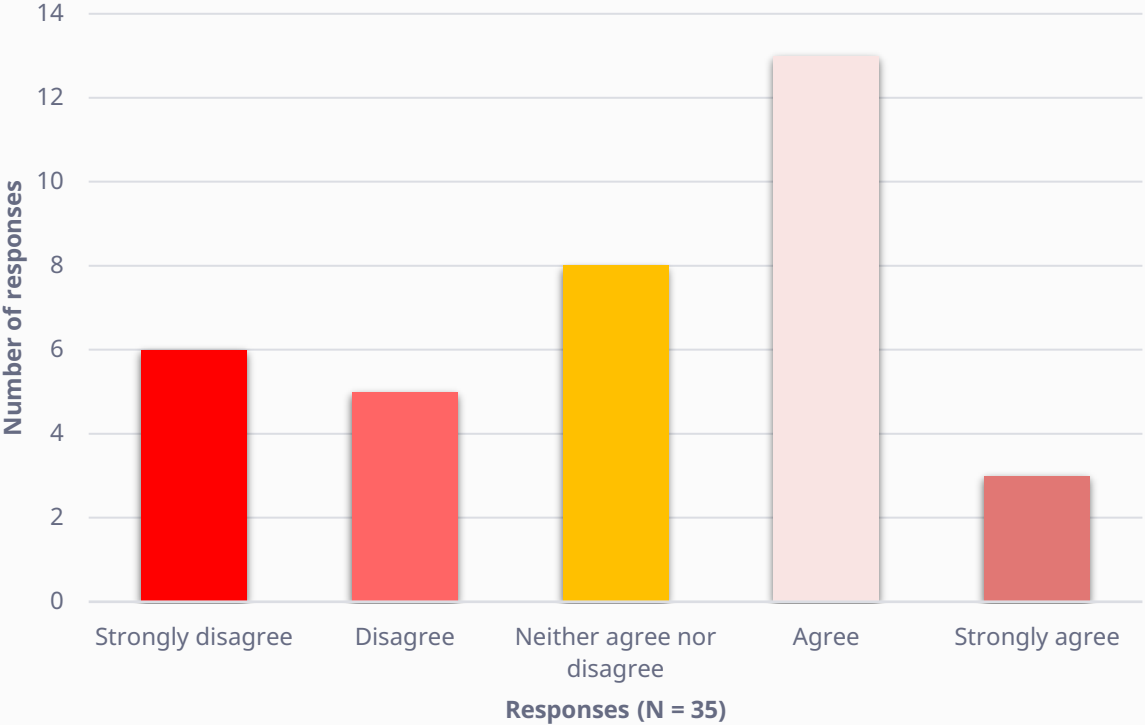


#### Commentary:

The majority of the "strongly disagree" group is from "Civil Society, Academia & Research" (N=5). This group includes 1 response from "VCM - related body or initiative" which is a carbon seller and 1 anonymous "large corporation". The "disagree" group is heterogenous, including 1 "large corporation" from the USA that is a buyer.

The "agree" responses are anonymous, with the largest group being "VCM - related body or initiative" (N=4) 2 sellers and 2 market initiators. The 2 responses from "large corporation" representatives are from buyers in France and Italy. 1 "strongly agree" is from a "VCM -related body or initiative" from a USA seller and 1 is from a market facilitator in the USA.

The claim appropriately balances the requirements placed on companies with the rigour needed to ensure that companies' actions on retiring high-quality carbon credits are credible.



**Commentary:**

The majority of the "strongly disagree" and 'disagree' responses are from "Civil Society, Academia and Research". There is 1 "large corporation" in the group from USA which submitted anonymous responses. The composition of the "disagree" group is heterogenous and there is 1 "large corporation" which is a buyer from the USA.

The "agree" group is also made up of heterogenous stakeholder profiles, including 2 from the "large corporation" respondents, both of which are buyers from Italy and France. The "strongly agree" responses came from a variety of stakeholders, 2 of which are sellers representing Japan and USA.