

Scope 3 TWG Group C Meeting Minutes

Meeting 10

Date: July 10, 2025

Time: 09:00 – 11:00 AM ET

Location: Virtual

Attendees

Technical Working Group Members

- | | |
|--|--|
| 1. Elijah Innes-Wimsatt, Conservation International | 5. Nadia Montoto, KPMG |
| 2. Alexandre Kelemen, Mangué Tech | 6. Colin Powell, PwC |
| 3. Megan Kennedy, General Motors | 7. James Salo, S&P Global Sustainable1 |
| 4. Shannon McIlhone, Partnership for Carbon Accounting Financials (PCAF) | 8. Arundhati Srinivasan, Maersk |

Guests

N/A

GHG Protocol Secretariat

1. Alexander Frantzen
2. Claire Hegemann
3. Dario de Pinto

Documents referenced

1. Discussion Paper C.1 - Investments - Version 2.0
2. Scope 3 - Group C - Meeting C.10 - Presentation – 20250710 (“Presentation”)

Summary

Item	Topic and Summary	Outcomes
1	Housekeeping and decision-making criteria The Secretariat presented the meeting agenda, housekeeping rules, and decision-making criteria.	N/A
2	Scope of work and recap of previous issues The Secretariat outlined the remaining meetings of phase 1 and the TWG meeting break in August.	N/A
3	Full scope 3 TWG survey results The Secretariat presented the results from the all TWG member survey following the full group meetings in May and June. All 13 proposed revisions from group C received majority support.	N/A
4	Short positions The Secretariat presented language for a proposed exclusion of short positions in category 15.	The Secretariat will consider if short positions fit into the language on facilitated emissions, and if not will add language that short positions are not investments and should not be included in category 15.
5	Insurance The Secretariat presented a proposal for insurance, re-insurance and claims payments, including classification, requirements, calculation method and boundary guidance.	The Secretariat may follow up on this issue via a post-meeting survey.
6	Underwriting The Secretariat presented requirements (accounting, reporting, boundary), and a calculation method reference to PCAF.	N/A
7	Other financial activities The Secretariat presented classification and proposed boundary and reporting requirements.	N/A
8	Commodities The Secretariat raised the question of the treatment of commodities bought for investment purposes and presented proposed language for the classification of commodities into categories 1, 15 or 16.	The Secretariat will work on unambiguous language for commodities, and the topic of electricity trading will be further discussed in the next meeting.
9	Licensing XX	The Secretariat may follow up on this issue via a post-meeting survey.
10	Time planning and next steps The next meeting will be held on July 31 st , at 9:00 – 11:00 AM ET.	N/A

Discussion and outcomes

1. Housekeeping and decision-making criteria

- Refer to Presentation slide 3 – 8.
- The Secretariat presented the meeting agenda, housekeeping rules and decision-making criteria.

Discussion

- N/A

Outcomes

- N/A

2. Scope of work and recap of previous issues

- Refer to Presentation slides 9 - 10.
- The Secretariat outlined the remaining meetings of phase 1 and the TWG meeting break in August.

Discussion

- N/A

Outcomes

- N/A

3. Full Scope 3 TWG survey results (May/June)

- Refer to Presentation slides 11 – 14.
- The Secretariat presented the results from all Scope 3 TWG member surveys regarding Group C proposed revisions from full group meetings in May and June. All 13 proposed revisions from group C received majority support.

Discussion

- N/A

Outcomes

- N/A

4. Short Positions (exclusion of)

- Refer to Presentation slides 15 – 17.
- The Secretariat presented language for a proposed exclusion of short positions in category 15.

Discussion

- A TWG member stated that they had not heard of any requirements for short positions, but supports category 16 being comprehensive, as the Standard should cover different market participants. The definition of category 16 needs to be comprehensive, as it is possible that more cases exist that have not been listed yet. The member supported it going into category 16.
 - The Secretariat asked if Category 16 should be named “facilitated and/or other emissions”, or if that would be too broad.
 - The member stated that a definition of facilitated would need to be agreed upon first, to make that determination.
 - A TWG member suggested keeping category 16 restricted to facilitated and being very specific about what that means. Including ‘other’ would create a lot of confusion.
- A TWG member stated that this is akin to the approach used for derivatives. Shorts are a trading strategy, not an investment per se. Is the proposal to distinguish it in that way? The member was

cautious about quantifying short positions, as that could be an artificial way to show emissions reductions. A short position is a bet against a company, not an emissions reduction.

Outcomes

- The Secretariat will consider if short positions fit into the language on facilitated emissions, and if not will add language that short positions are not investments and should not be included in category 15.

4. Insurance

- Refer to presentation slides 18 – 26.
- The Secretariat presented a proposal for insurance, re-insurance and claims payments, including classification, requirements, calculation methods and boundary guidance.

Discussion

- A TWG member agreed with the proposal, stating that they would be in favor of insurers shall account for emissions associated with tangible property. The member expressed concern about intangible property, asking when intangible property would cause emissions. ^(OB)
 - The Secretariat suggested the example of health insurance, where most of the money paid in claims payments is used to cover overhead services and doctors, not the medical equipment used.
 - The member stated that they agree with 'may' language.
 - The Secretariat added that insurance payments will only increase as climate change disasters occur, hence it being sensible to include this in Scope 3.
- The Secretariat asked if boundary guidance should be stripped and replaced with a reference to PCAF.
 - A TWG member stated that it is unnecessary to have both the guidance and the reference, if the requirement is going to be that insurers shall report in concordance with PCAF. Then it is redundant to repeat the text.

Outcomes

- The Secretariat may follow up on this issue via a post-meeting survey.

1.1 Underwriting and issuance

- Refer to Presentation slides 27 – 30.
- The Secretariat presented proposed requirements (accounting, reporting, boundary), and the calculation method(s) specified by PCAF Part B.

Discussion

- The Secretariat stated that the boundary requirements text on slide 29 could be removed
 - A TWG member stated that they would flag for PCAF to consider

Outcomes

- N/A

4. Other financial activities

- Refer to Presentation slides 31 – 33.
- The Secretariat presented classification and proposed boundary and reporting requirements.

Discussion

- N/A

Outcomes

- N/A

5. Commodities

- Refer to Presentation slides 34 – 38.
- The Secretariat raised the question of the treatment of commodities bought for investment purposes and presented proposed language for the classification of commodities into categories 1, 15 or 16.

Discussion

- A TWG member stated their strong agreement with adding guidance for commodities. They added that they were unsure if the item should be added to category 15, noting that the trading of oil (or electricity) was itemized as category 16 in the index of cases presented previously for category 16.
 - The Secretariat replied that commodity trading could be put into category 16. However, if a commodity is bought via an ETF or mutual fund, it is an investment and would be listed in category 15. The difficulty lies in parsing the different instruments by which a commodity can be bought and the different purposes for which a commodity can be bought, and unambiguously classifying the purchase and/or sale of a commodity into category 1, 15, or 16.
 - The member agreed, stating that placing the physical trading of oil into category 16 and buying of oil via an ETF into category 15 is confusing.
 - The Secretariat stated that one of the rules for facilitated activities is that the facilitator never owns the asset. So, in the example of oil trading, if the oil is bought and sold, then it wouldn't satisfy the proposed definition for identifying a facilitated activity and thus would go into category 1 or 15.
 - The member voiced their overall agreement, and willingness to discuss it in more detail.
 - The Secretariat stated that it would try to devise language for placing commodity trading into category 1 or 15, and that it would only land in category 16 in case of a futures contract.

Outcomes

- The Secretariat stated that the topic of electricity trading would be followed up on in the next meeting.

6. Licensing

- Refer to Presentation slides 39 – 47.
- The Secretariat introduced the topic of licensing, outlining current boundary guidance and proposed revisions, including two different attribution approaches.

Discussion

- N/A

Outcomes

- The Secretariat may follow up on this issue via a post-meeting survey.

7. Time planning and next steps

- Refer to Presentation slides 48 – 50.
- The next meeting will take place on July 31st at 9:00 – 11:00 AM ET.

Discussion

- N/A

Outcomes

- N/A

Summary of written submissions received prior to meeting

N/A