

Scope 3 TWG

Phase 2

Meeting Minutes

Meeting 9

Date: February 26, 2026

Time: 09:00 – 11:00 AM ET

Location: Virtual

Attendees

Technical Working Group Members

1. Nasser Ayoub, EPD International
2. Alissa Benchimol, Greenhouse Gas Management Institute
3. Lindsay Burton, Ernst & Young
4. Stephanie Cap, WBCSD
5. Bin Chen, Fudan University
6. Leo Cheung, The Carbon Trust
7. Betty Cremmins, Independent
8. Mathilde Crepy, ECOS
9. Dario Alessandro de Pinto, Banca d'Italia
10. Verena Ehrler, IESEG School of Management
11. Holly Emerson, Duke University
12. Hugo Ernest-Jones, Science Based Targets initiative
13. Ibrahim Eryazici, ISO
14. Talita Esturba, WayCarbon
15. Victor Gancel, Danfoss
16. Anne Grau, ISO
17. Alasdair Hedger, Ellen MacArthur Foundation
18. Susanne Vedel Hjuler, Independent
19. Atsushi Inaba, ISO
20. Elijah Innes-Wimsatt, Conservation International
21. Tom Jackson, Loughborough University
22. Alexandre Kelemen, Mangué Tech
23. Meghan Kennedy, NetApp
24. Michael King, Cisco Systems, Inc.
25. Aysegul Koseoglu, Inter IKEA
26. Marion Kurdej, EcoAct
27. Tim Letts, WWF
28. Alan Lewis, Smart Freight Centre
29. Wenjuan Liu, RMI
30. Ryan Maloney, Apple
31. Shannon McIlhone, Partnership for Carbon Accounting Financials (PCAF)
32. Christoph Meinrenken, Columbia University
33. Nadia Montoto, KPMG
34. Elliot Muller, CIRAIG, Polytechnique Montreal
35. Nicola Stefanie Paczkowski, BASF
36. Hetal Patel, Phoenix Group
37. Vishwesh Pavnaskar, Indorama Ventures
38. Colin Powell, PwC
39. Verena Radulovic, Center for Climate and Energy Solutions (C2ES)
40. Benedicte Robertz, Umicore
41. James Salo, S&P Global Sustainable1
42. Fabiola Isabel Schneider, University College Dublin
43. Julie Sinistore, WSP
44. Stacy Smedley, Eastern Research Group
45. Arundhati Srinivasan, Maersk
46. Sangwon Suh, Watershed
47. Ulf von Kalckreuth, Deutsche Bundesbank

Guests

N/A

GHG Protocol Secretariat

1. Alexander Frantzen
2. Claire Hegemann
3. Luke Jones

4. Allison Leach

Documents referenced

2. Scope 3 – Full Group – Meeting 9 - Presentation – 20260226 (“Presentation”)

Summary

Item	Topic and Summary	Outcomes
1	Attendance and housekeeping The Secretariat presented the meeting agenda, housekeeping rules, decision-making criteria, and timeline for phase 2.	N/A
2	Survey Outcomes The Secretariat presented the results of the package TWG surveys on category-specific minimum boundary revisions (Series D) and data disaggregation.	N/A
3	Minimum boundary requirements for categories 10 and 11 The Secretariat presented revision E1. Minimum boundary requirement for category 10 and 11, organized into subitems E1.1 through E1.8.	N/A
4	Next steps The Secretariat presented the next steps.	The Secretariat will distribute meeting minutes and post-meeting survey

Discussion and outcomes

1. Housekeeping

- Refer to Presentation slides 2 – 9.
- The Secretariat presented the meeting agenda, housekeeping rules, decision-making criteria and timeline for phase 2.

Discussion

- N/A

Outcomes

- N/A

2. Survey Outcomes

- Refer to Presentation slides 10 – 17.
- The Secretariat presented the results of the package TWG surveys on category-specific minimum boundary revisions (Series D) and data disaggregation.

Discussion

- A TWG member asked the Secretariat to elaborate on decision-making in light of the ISO partnership, and who will retain final decision-making ability
 - The Secretariat clarified that the ISB will retain decision-making power.

Outcomes

- N/A

3. Minimum boundary requirements for categories 10 and 11

- Refer to Presentation slides 18 – 70.
- The Secretariat presented revision E1. Minimum boundary requirement for category 10 and 11, organized into subitems E1.1 through E1.8
 - E1.1 Consider definitions of direct use-phase and indirect use-phase (cat 11)
 - E1.2 Consider definitions of processing vs use of products
 - E1.3 Optionality of indirect use-phase emissions in required scope (cat 11)
 - E1.4 Inclusion of cradle-to-gate (well-to-tank) emissions for fuels/energy
 - E1.5 Explicit inclusion of cradle-to-gate emissions for capital goods
 - E1.6 Accounting for indirect energy loss in systems
 - E1.7 Accounting for non-physical products and services
 - E1.8 Boundary treatment for products with multiple uses, or diverse customer bases

Discussion

E1.1 Consider definitions of direct use-phase and indirect use-phase

- A TWG member asked whether a logistics company transporting goods (e.g., water or aluminum foil) would need to report the embodied greenhouse gas emissions of those products as part of its reporting.
 - A TWG member responded that such emissions would be optional and could fall under facilitated emissions, which are optional except for certain oil and gas cases under category 16. The member noted that the group had discussed whether it was inconsistent to make oil and gas the only required case in category 16, but that this requirement resulted from the vote. The member added that the group may receive pushback on this requirement.
- A TWG member asked whether a logistics company transporting different goods (e.g., aluminum foil and charcoal) would be required to report emissions from the combustion of the charcoal.
 - A TWG member responded that this interpretation could be consistent with the current draft wording, and that it may represent an edge case likely to generate requests for clarification.
- A TWG member stated that the requirement appears inconsistent with the aim of making the standard future-proof. The member noted that assigning embodied emissions to the transport of fossil fuels but not to other transported goods creates inconsistent incentives for a low-carbon future and suggested that neither fossil fuel transport nor other goods transport should be required.
 - A TWG member agreed that singling out a specific sector could create concerns and stated that many clients may raise comments on this issue.
 - A TWG member added that the group had recently received a white paper from European utilities recommending against the requirement.
 - A TWG member reiterated that singling out one sector could conflict with broader accounting principles and questioned why similar requirements would not apply across sectors.
- A TWG member asked whether the group would consider the tension between designing more durable products and the potential increase in scope 3 category 11 emissions. The member suggested the possibility of reporting annualized category 11 emissions.
- A TWG member asked whether chapter 8 of the standard addresses allocation of emissions to intermediary inputs or earlier-stage components in the context of category 10.
 - A TWG member responded that the relevant discussion may instead appear in the section on category 16 and embodied emissions.
 - A TWG member confirmed that the issue had also been raised with an energy company, which expressed concerns about the requirement.

- A TWG member asked whether the requirement included language specifying exclusive or dedicated use of transport infrastructure for the oil and gas industry.
 - A TWG member responded that such language was discussed but not included in the final package that was voted on.
 - Several TWG members recalled that the concept of “dedicated” infrastructure had been discussed.
- A TWG member stated that significance thresholds and knowability may be relevant considerations, noting that oil and gas transport companies typically know what they are transporting and that these emissions are significant.
- A TWG member asked whether the requirement refers to “dedicated” infrastructure, suggesting that general logistics services transporting items such as charcoal may not be included if the infrastructure is not dedicated.
- A TWG member stated that the primary objective should be to provide decision-relevant information.
- A TWG member stated that concerns about consistency influenced their vote against the proposal from a greenhouse gas accounting perspective, noting that the proposal includes transported fuel but excludes the transport emissions of vehicles that combust the fuel.
- A TWG member stated that dissatisfaction from a particular sector should not determine whether a requirement is adopted.
 - A TWG member stated that they would accept that the fossil fuel sector may be dissatisfied with such requirements.
- A TWG member noted that a similar argument could be made from the perspective of renewable energy companies and emphasized that decision-making criteria should be science-based.
- A TWG member raised the issue of professional services in the context of category 16, including sectors such as advertising, legal services, and consulting.
 - A TWG member noted that research initiatives are examining emissions associated with services, including advertising.
 - A TWG member added that the digital carbon footprint of professional services—such as cloud computing, data storage, and real-time bidding infrastructure used in advertising—can be substantial but is often not reflected in carbon accounting.
 - A TWG member referenced [Purpose Disrupters](#)
- A TWG member stated that the oil and gas sector is fundamentally inconsistent with climate goals and questioned whether focusing requirements on that sector should be controversial.
- A TWG member emphasized that methane accounts for a significant share of current planetary warming and argued that accounting efforts should prioritize emissions sources that have the greatest impact, including but not limited to oil and gas.
- A TWG member noted that items such as such as office supplies reported in category 1 are unlikely to be significant drivers of emissions reductions.
- A TWG member raised concerns that transport companies facilitating fuel movement are not themselves part of the oil and gas sector and warned that imposing requirements on them could discourage engagement with GHGP or SBTi.
 - Another TWG member responded that companies with broad transportation portfolios may not be considered dedicated distributors under the draft definition.
 - A TWG member replied that the current wording may not clearly establish that distinction.
 - A TWG member suggested clarifying whether the definition should refer to a company’s “primary role”.
- The Secretariat explained that category 16 was intended to isolate edge cases and noted that a disaggregation requirement under revision B7 means that optional and mandatory items are to be reported separately so that users can clearly identify which elements are optional. The Secretariat noted that the issue would be revisited in several months.
- A TWG member emphasized that the role of GHGP is to create reporting categories that capture relevant emission sources across sectors. The member stated that determining which emissions should be included in climate targets is the role of other initiatives, such as SBTi, and argued that emissions sources should not be excluded from the accounting framework solely because they may not currently be included in targets.
 - Another TWG member agreed, noting that GHGP should not be used to impose sector-specific policy and should instead focus on maintaining a consistent accounting framework.

- A TWG member added that the discussion may benefit from focusing more on how emissions should be accounted for rather than on how responsibility should be allocated.
- A TWG member stated that the slides do not adequately capture a proposal previously submitted. The member noted that the proposal included additional detail, including definitions of “final product” and “sold product,” as well as categorization based on whether a product consumes energy during use.
- A TWG member noted that maintaining the current framework may still leave ambiguity because the definition of “direct” emissions relies on circular logic (i.e., defining something as direct because it directly performs an activity).
- A TWG member suggested using concrete examples to clarify the distinctions, such as an engine in a fossil-fuel vehicle (which clearly consumes energy during use) compared with clothing (which may only involve indirect energy use during washing or drying).
- A TWG member expressed concern that one of the proposed options appeared highly subjective and could lead to inconsistent interpretation or misuse by organizations reporting in bad faith.
- A TWG member presented their proposal in more detail.
 - A TWG member commented that the examples were helpful but noted that product classification could still be debated. For instance, a screw could be considered a final product if sold as a standalone item (e.g., in artwork), but an intermediate product if used to assemble something else. The member suggested that additional examples may be required.
- A TWG member asked whether the proposed categorization resembles the approach used in the SEC Conflict Minerals Rule, noting that companies may already be familiar with similar distinctions.
- A TWG member stated that the distinction between final and intermediate products depends primarily on how a product is used by customers rather than on the intrinsic characteristics of the product itself.
- Several TWG members raised concerns about the practicality of allocating use-phase emissions to intermediate product manufacturers.
 - One TWG member asked how an engine manufacturer could determine the share of a final vehicle’s use-phase emissions attributable to its component, given differences in vehicle design, driving conditions, and fuel types. The member considered this potentially burdensome and impractical.
 - Another TWG member responded that sector-specific guidance could help address this challenge and cited the aviation sector as an example where standardized methods exist.
- A TWG member added that without clear guidance, intermediate product manufacturers could see large increases in their reported Category 11 emissions even though they may have limited control over those emissions. The member warned that this could obscure the emissions sources most relevant for mitigation.
- A TWG member noted that PCRs already exist for some sectors, such as tires, which allow manufacturers to estimate use-phase emissions.
- Another TWG member stated that these estimates rely on broad assumptions and that the results may not be sufficiently meaningful because tire-related emissions depend heavily on vehicle type, drivetrain, driving conditions, and geographic context.
- The member noted that in previous work on automotive standards, these challenges contributed to a decision not to pursue detailed allocation methods for certain components.
- A TWG member highlighted existing guidance that if a company sells an intermediate product such as a motor to an automobile manufacturer, the motor manufacturer may account for the use-phase emissions attributable to that motor within Category 11.
- A TWG member suggested that development of sector-specific guidance may be necessary following the general Scope 3 guidance to address such complexities.
- A TWG member noted a conceptual challenge between reporting use-phase emissions and marketing claims about emissions reductions from innovative products. The member suggested that some of these discussions resemble consequential or avoided emissions accounting rather than attributional Scope 3 accounting and therefore may not be decision-useful within the current reporting framework.
- A TWG member clarified that the intent of the proposal was not to expand the scope of emissions required to be reported, but rather to provide clearer guidance on how emissions should be categorized and reported.
- Another TWG member agreed with this interpretation and noted that the proposal appears to focus on improving reporting clarity rather than increasing reporting burden.

E1.2

- A TWG member stated that an analytical definition could be developed to clarify how emissions in these categories could be measured. The member explained that input–output economics could be used to quantify relationships between industries, including downstream relationships, by estimating the proportion of value a product contributes to a final output and allocating emissions accordingly. The member offered to submit a proposed definition for consideration at the next meeting.
 - The Secretariat asked whether such an approach could help clarify where processing of sold products ends.
 - A TWG member responded that the approach could help address this boundary question and confirmed that the proposal would be shared with the group.
- A TWG member stated that they understood that work on these categories should focus on clarifying wording to ensure consistent reporting, rather than redefining minimum boundaries. The member expressed concern that one of the options under discussion appeared to reopen questions about minimum boundaries.
 - The Secretariat clarified that the primary intent is to clarify definitions first, after which the group can consider what elements should be required versus optional.
- A TWG member asked whether, under option 2, an intermediate product that does not undergo a formal transformation when incorporated into a final product would be excluded from Category 10.
 - The Secretariat confirmed that this was the intended interpretation of that option.
 - The TWG member responded that they disagree with excluding emissions from such assembly steps.
- A TWG member emphasized that it is important to develop a sufficiently abstract definition that can apply across different sectors.
- A TWG member suggested that the group review a wide range of practical examples across sectors and attempt to categorize them to identify common patterns, noting that the discussion had become highly abstract.
- A TWG member stated that the guidance should be aligned with the methodology for product carbon footprints under ISO 14067, which provides rules for calculating emissions during the product use stage.
- A representative from the Corporate Standard Secretariat stated that, for related topics in the Corporate Standard, the current approach is to avoid referencing specific external programs or standards directly in the document. Instead, such references could be maintained on a technical support webpage, allowing updates over time without revising the standard itself.
- A TWG member asked whether there is a formal definition for the term “counterpart value chain partner.”
- A TWG member emphasized that it is inevitable that the TWG will need to address product-level considerations within GHGP, because companies ultimately aggregate emissions from individual products and services. The member stated that the TWG will need to work through these complexities.
- A TWG member stated that inclusion of emissions in these categories should be required when material.
- A TWG member suggested using the term “tier 1 customer”
 - Another TWG member indicated they had also considered this terminology.
- A TWG member noted that if companies sell to wholesalers or intermediaries, relying solely on tier-based terminology may introduce interpretation challenges. The member suggested grounding the boundary in relation to the final product used by the end consumer, covering all processing steps prior to inclusion in that final product.
- A TWG member stated that focusing on tier 1 customers could support climate action because companies can more directly engage with these partners. The member added that such an approach may also lead to higher-quality Scope 3 data compared with attempting to trace emissions across multiple downstream tiers.
- A TWG member proposed draft wording “For intermediary goods sold by the reporting company, all reasonably expected final products shall be identified and disclosed along with key assumptions and the allocation method clearly stated.”

Outcomes

- The Secretariat will share a follow-up survey with the TWG.

4. Next Steps

- Refer to presentation slides 71 – 73.

Discussion

- N/A

Outcomes

- N/A

Summary of written submissions received prior to meeting

N/A