2026 Scope 3 Emissions Playbook

SWEEP

Supply chain carbon accounting and compliance for businesses

Guide | Supply Chain

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Introduction

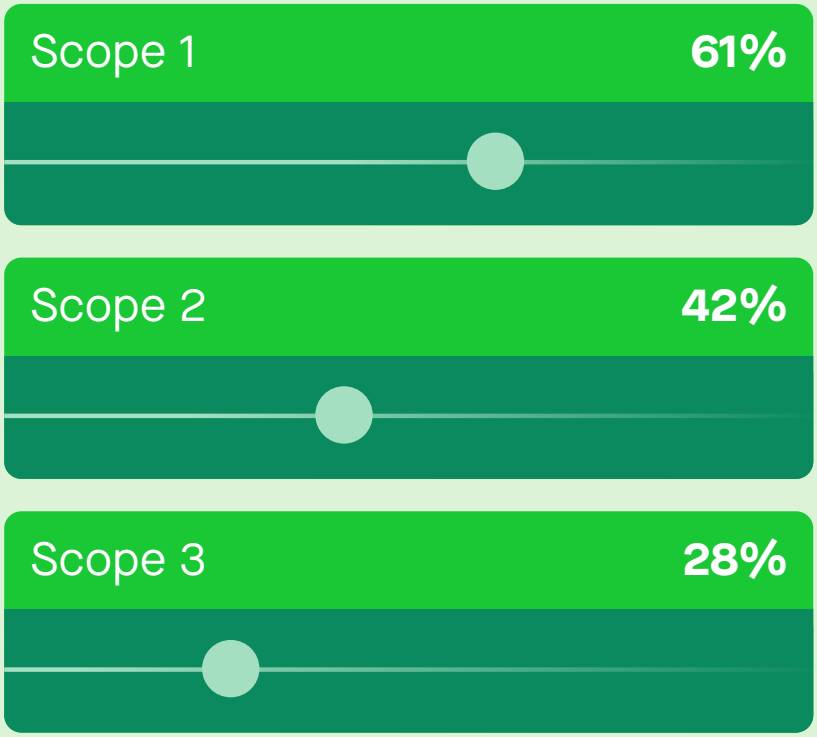
Your supply chain is responsible for up to 60% of global emissions, making it a critical area for reducing your company's carbon footprint. With regulations tightening in 2025, it's essential to act now. While many companies have made strides in reducing their direct emissions, supply chain emissions—often the largest part of your carbon footprint—remain under-addressed.

In a recent survey by Sweep and Capgemini, only 28% of companies are measuring their Scope 3 emissions, even though these emissions can be up to 11 times greater than those from your own operations. But with 86% of businesses now requiring suppliers to prove their green credentials, waiting to act could put you at a competitive disadvantage.

The Carbon Disclosure Project (CDP)

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

How many businesses track their emissions data



Supply chain emissions are

higher than operational emissions

The Carbon Border Adjustment Mechanism (CBAM)

CBAM is an EU policy designed to prevent carbon leakage by imposing a carbon price on imports from countries with less stringent climate regulations. It ensures that imported goods are subject to the same carbon costs as those produced within the EU, promoting fair competition and reducing global emissions.

Why should you measure your supply chain emissions now?

The CSRD has now reached its final version: if your company has more than **1,000 employees** and generates more than **€450 million in revenue**, you will be required to start reporting your **Scope 3 emissions as of 2028** (for the **2027 financial year**).

At the same time, since **1 January 2026**, the **EU Carbon Border Adjustment Mechanism (CBAM)** has introduced carbon pricing on imports based on their embedded emissions. If your supply chain is international, the impact of carbon pricing on imports will be even more significant.

It is therefore essential to act today: not only to ensure compliance, but also to safeguard your competitiveness.

How decarbonizing your supply chain benefits your business

Smarter supplier decisions

Measuring carbon emissions lets you identify climate-conscious suppliers, aligning your goals with theirs to drive sustainability throughout your value chain.

Cost-saving opportunities

Pinpointing emissions hotspots helps you find efficiency improvements, cutting both your carbon footprint and operational costs.

Enhanced reputation

Customers, investors, and partners want to see genuine climate action. Decarbonizing your supply chain will demonstrate your commitment, giving you a competitive edge.

Responsibility for supply chain emissions is shared. Without effectively engaging your suppliers, you won't be able to achieve your climate goals.

But get them on your side, and you have a good chance of driving collective and collaborative climate action. And in doing so, you'll become a Forever Company.

Measurement: Engaging your suppliers

Three ingredients for an effective calculation

There are three key ingredients needed for a robust calculation of your supply chain emissions:

1. The right measurement method for your baseline.
2. The sophistication of the supply chain.
3. A lack of data accuracy.

Let's go through each of these in more detail.

1. Select the right method based on your data

The best method for establishing a baseline measurement for your supply chain emissions depends mostly on the supply chain data at your disposal and the resources available for tracking and measuring emissions. Below, we give you an overview of the four key ways to calculate the carbon footprint of your supply chain. Sweep helps you to select the right method based on your data maturity.

Emissions baseline

A baseline emission measurement is the initial measurement of a company's greenhouse gas emissions that serves as a reference point for tracking progress towards carbon footprint reduction goals.

Four methods of measurements

Industry averages – These are sectoral emission factors, or averages of the emission data submitted by organizations operating in a given sector. They can be used as a starting point for carbon footprint calculations in the absence of more accurate data.

Spend-based – This is based around the cost of purchased goods or services. The value is multiplied by a given emission factor to calculate an estimate of your total emissions. Spend-based emission factors are derived from an industry average of emission levels usually at a national level. This means they aren't super accurate. On the plus side, spend-based methodology is relatively simple to implement and can provide a useful approximation of your company's indirect emissions.

Supplier-based – As this is primary data, it's the most accurate form of Scope 3 accounting. It involves tracking the emissions from individual suppliers, and then using that data to calculate

the emissions associated with your company's purchased goods and services.

Hybrid – The hybrid method uses a mix of the above methodologies. It usually presents a fairly accurate picture of your total emissions, but it can be complex and resource-intensive to implement.

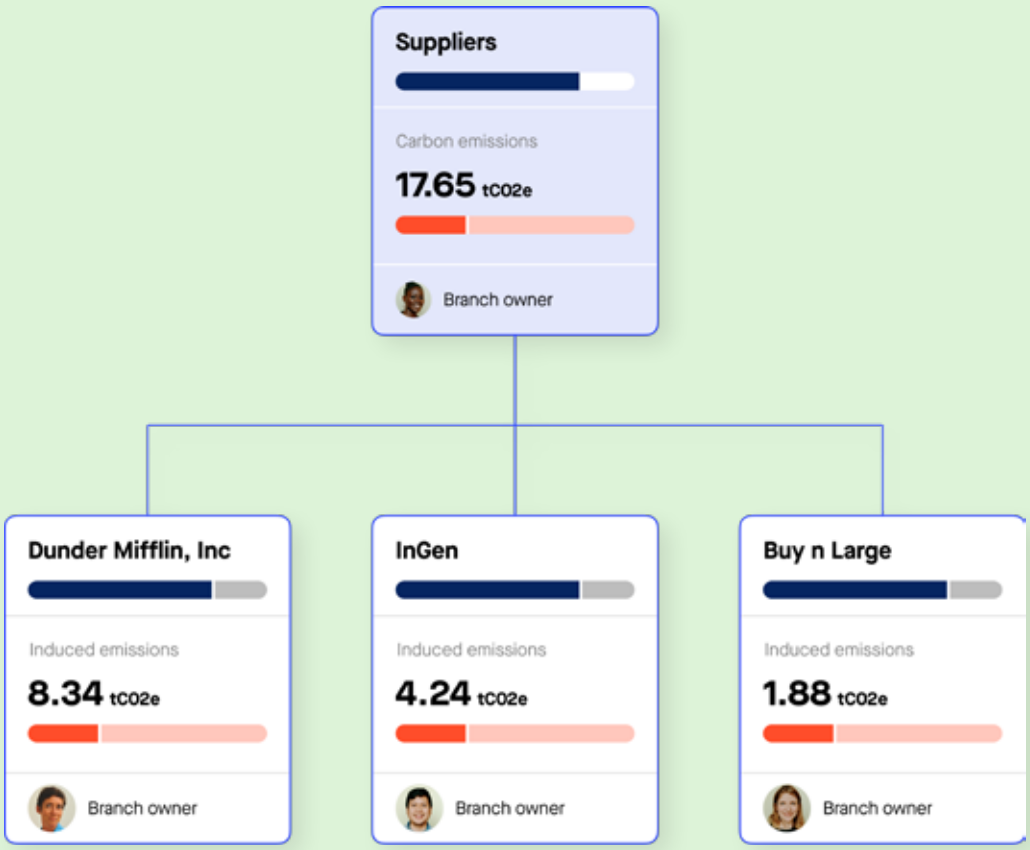
Primary emission data

This type of data refers to the actual, measured or calculated emissions from a particular source or activity. It's typically collected through direct measurement, monitoring or modeling of the emissions generated by activities such as fuel combustion, industrial processes, or transportation.

2. Map your supply chain contributors

Mapping your supply chain contributors is crucial as it gives you a clear picture of the activities, processes, and systems involved in the entire chain. It also helps you identify your top emitters.
With a clear map (which we refer to as a 'Tree' in Sweep) you'll be able to visualize exactly what data you'll need and from whom. You can also use this to conduct a baseline measurement of your emissions using the data that you have at your disposal.

"We need to start demystifying the challenges of supply chain emissions. It starts with empowering teams and supplier educational resources and user-friendly tools like Sweep. When I started digging into QIMA's carbon footprint, Sweep's Tree was incredibly helpful to understand, structure, and get a full overview of our global emissions. That's a key step to identifying missing data and our main emission sources, and taking action from there." Anouschka Jansen, Director Sustainability Solutions at Qima.



3. Collect more accurate data and set targets

Focus on the strategic suppliers using the Pareto principle of 80-20: 20% of your suppliers are likely responsible for 80% of your carbon footprint.

Focus on these suppliers first, and get them on board by making more exact data collection as simple as you can. Provide your procurement and sustainability teams tools to automate data collection for purchased goods and services. Empower them to send surveys to suppliers to collect missing data.

The Pareto Principle

The Pareto Principle specifies that 80% of consequences come from 20% of the causes, highlighting an unequal relationship between inputs and outputs.

Customer story: ManoMano

ManoMano, Europe's largest DIY, gardening, and home improvement marketplace, needed to accurately measure its carbon footprint in order to meet its ambitious Science-based carbon reduction targets aligned with the Paris Agreement. With 5,000 sellers, 19 million products, and 50 million visits per month, the challenge of collecting and processing data was immense.

By integrating Sweep, ManoMano automated the calculation of its carbon footprint, using data-driven tools to model its vast value chain. Sweep's platform empowered the company to monitor key data sets monthly and quarterly, allowing real-time management of its emissions. This streamlined approach reduced human error and ensured more reliable results.

Fanny Fleuriot, Senior Lead Carbon Manager at ManoMano, said: "Sweep really saved us a lot of time and allowed us to do more regular monitoring," she says. The ability to track emissions more frequently—monthly or quarterly—has enabled ManoMano to stay on top of its targets and take immediate action to mitigate its carbon impact.

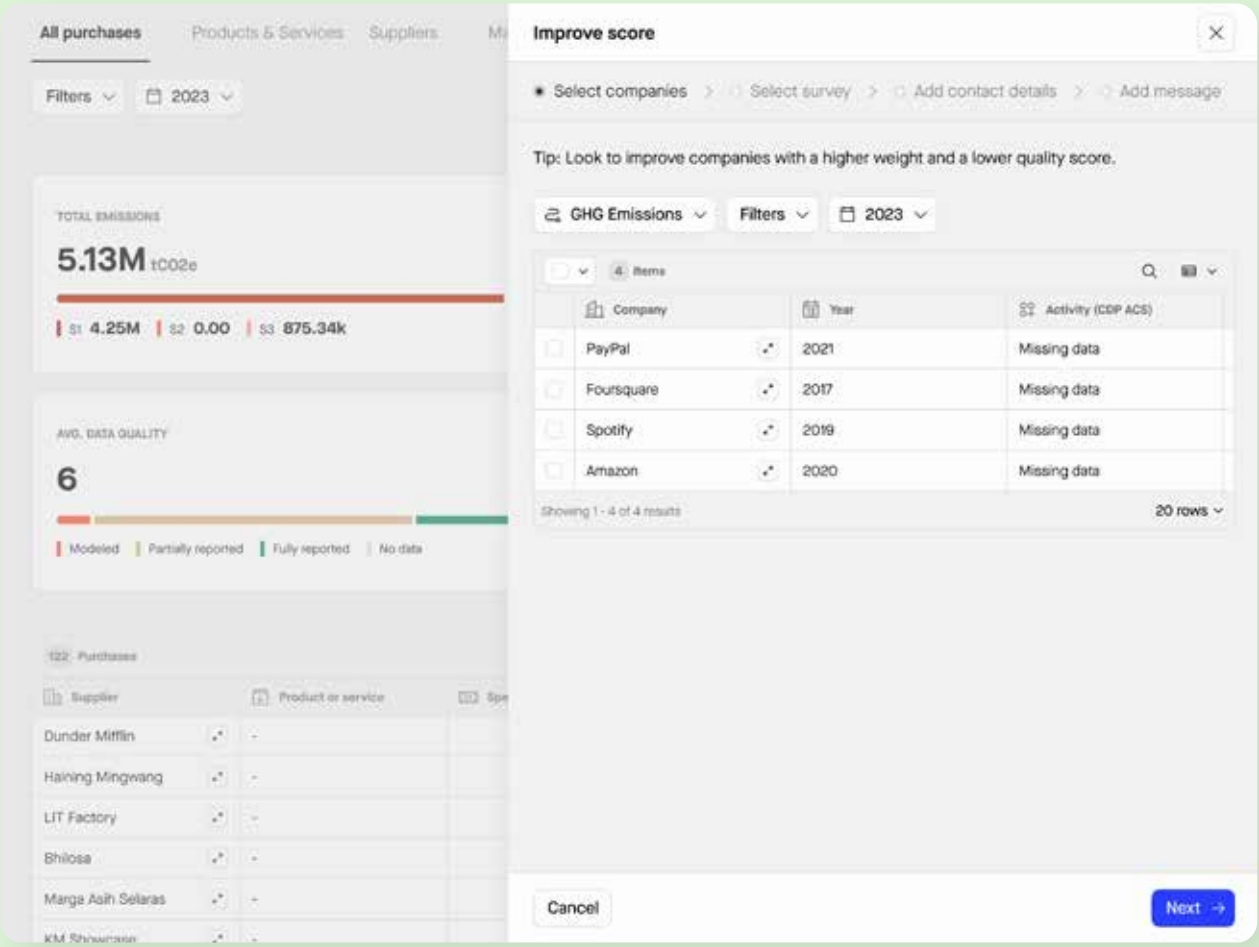
Read more about ManoMano's climate journey here.

The Sweep methodology

If you don't have exact supplier-based data at your disposal, don't worry. You can still obtain a baseline measurement for your supply chain emissions. Our platform is specifically designed to suit companies with varying levels of data maturity.

We can help you:

1. Model your supply chain using benchmark data and identify your emission hotspots. We use industry estimates and spend-based data as a starting point.
2. Send each supplier a straightforward climate survey. This is the first step to embarking on their own climate journey and tracking the impact of their actions. Note that you can adapt our climate surveys to make them suited to your needs.



Remember: climate action is not a straight line

It's tempting to think that taking climate action is a four step, linear process: measure, set targets, reduce, communicate... Although – for the sake of clarity – this guide addresses each of these elements, the reality is somewhat different. In fact, a climate action pathway is best seen as a spiral of activity, moving ever outwards.

Your company can begin measuring its carbon footprint using benchmark data. Use this to set targets and engage in reduction activities across your supply chain. But once you start reducing your emissions, you need to reach a deeper level of accuracy with your carbon measurement. Here, getting data directly from your suppliers is crucial.

The below diagram shows how your climate action should evolve and grow – from a straightforward baseline measurement, to a comprehensive reduction strategy involving your entire value chain.

Proportional emissions vs product carbon footprint approach: which is better?

Once you've measured your emissions, the next step is understanding how to communicate them to your internal and external stakeholders in an understandable way. Below are two commonly used approaches.

The proportional footprint

This is based around the cost of purchased goods or services. The value is multiplied by a given emission factor to calculate an estimate of your total emissions. Spend-based emission factors are derived from an industry average of emission levels usually at a national level. This means they aren't super accurate. On the plus side, spend-based methodology is relatively simple to implement and can provide a useful approximation of your company's indirect emissions.

The product carbon footprint

Measuring a product's carbon footprint is valuable for procurement because it gives you an at-a-glance overview of the environmental impact of the products that your company is purchasing and using. This information can be used to make informed purchasing decisions and can help reduce your overall emissions – while identifying potential cost savings.

With Sweep, you can define your product system boundaries i.e. all the activities, processes, and suppliers involved in producing and delivering your products to the end user. You can then efficiently collect climate data from your entire value chain.

You'll obtain a robust estimate of the carbon footprint for that particular product – giving you greater purchasing power.

Measuring a product's carbon footprint gives you a comprehensive understanding of the emissions associated with its production, distribution, use, and disposal.

"Eco-designing products takes time. You have to test different materials and processes across all life cycle stages to find the optimal configuration to create the most durable product with the lowest carbon footprint overall. Sweep helps us simulate these changes to inform the development of our low-carbon products and optimize our overall climate strategy", says François Regnier, Finance director at Withings.

Target setting

What are Science-based targets?

Science-based targets are goals set to align with the level of decarbonization needed to limit global warming to 2 degrees Celsius or less, as outlined in the Paris Agreement.

1. Setting separate targets for Scopes 1, 2, and 3

A common method in carbon accounting is to establish a starting point, known as a baseline year, and then set science-based targets (SBTs) to decrease emissions in comparison to that baseline. It's worth setting separate targets for your Scope 1, 2, and 3 emissions, either absolute or intensity-based.

Absolute emission targets
Absolute emission targets refer to a specific amount of emissions that your company commits to reducing or avoiding over a given period of time. This target is set in terms of the total amount of emissions and isn't dependent on the growth of your business, or the profits made in a given year.

Example: Duff's Beer pledges to reduce its Scope 3 emissions by 40% by 2030.

Intensity-based emission targets
Intensity-based emission targets refer to a reduction in emissions per unit of economic activity. They allow businesses to set emission reduction targets while at the same time accounting for growth or business changes (such as mergers or acquisitions).

Example: Honeydukes pledges to remove 5 metric tonne (MT) of CO_2 per $1 million in sales.

2. Setting supplier climate targets

As category 1, Scope 3 emissions represent the biggest part of your carbon footprint, you'll have to work with your suppliers to align on your science-based targets – their targets effectively feed into your broader company target.

You might view this as a next generation climate KPI – is your supply chain aligned with the science-based trajectory of limiting global warming to 1.5 degrees?

Part 2

What's the temperature of your supply chain?

This is a powerful idea borrowed from the financial sector. Financial organizations are increasingly demonstrating their commitment to climate action. To monitor progress and make more informed decisions, they need transparent and comparable metrics.

Regulators are exploring the measurement of financial portfolio temperature as a way for investors to better understand their impact on climate change. The temperature method translates the projected emissions of companies within a given portfolio into a rise in average global temperatures. It can be used to indicate, for example, whether a portfolio is likely to keep global warming to 1.5 degrees, as outlined in the Paris agreement.

In fact, investment performance is likely to soon be reported not just on returns, but also in terms of temperature.

Why not adopt the same idea for supply chains?

Identifying carbon hotspots and planning reduction activities

Carbon simulation

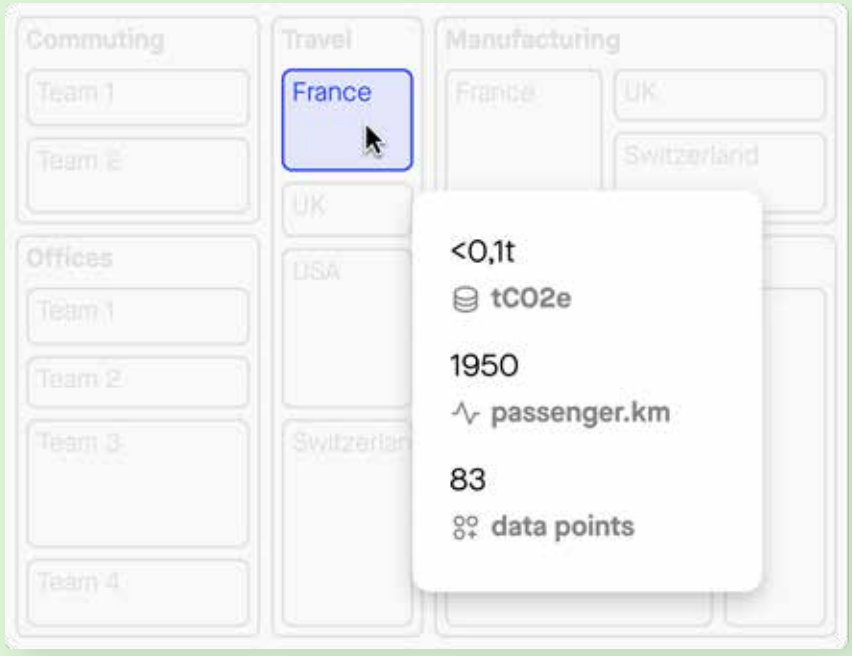
Carbon simulation can help companies to identify and quantify emission sources, assess the effectiveness of different emission reduction strategies, and support decision-making on environmental initiatives.

Once you've set your targets, it's time to start implementing reduction activities. We would advise starting with two or three key initiatives and engage your suppliers in these. Then check in regularly to track your joint progress against targets.

A targeted approach to reduction

A data-driven strategy for carbon reduction allows for more precise targeting, increased efficiency, and accountability in building a more sustainable business.

Sweep can help. We can empower you to get a thorough understanding of carbon emissions across your supply chain, enabling a more targeted approach to reduction. You'll have access to a powerful carbon simulation tool which can help you test the impact of specific activities in terms of reduction potential, cost, and feasibility. This will also support you to drive collaboration between CSR and procurement.



Reporting your supply chain emissions

When it comes to reporting, one of your key KPIs will be your suppliers' progress on their Scope 3 emissions. This will require you to share your reporting tool with each of them and to regularly monitor progress against targets. Each individual supplier target will fit into your own overall climate target.

Some companies choose to classify their suppliers based on their progress towards decarbonization. The idea is that a supplier can move up to the next level once they've taken the next step in measuring or addressing their emissions.

You might choose to classify your suppliers based on where they are on their sustainability journey.

The below levels is just one suggestion of how you could conduct your classification:

Level 1. Suppliers that have achieved net zero for Scopes 1 and 2, and their Scope 3 reduction trajectories are aligned with a 2°C max increase in temperature.

Level 2. Suppliers whose Scope 1 and 2 trajectories are aligned with a 2°C max increase in temperature and their Scope 3 calculations are 80% based on physical data.

Level 3. Suppliers whose Scope 1 and 2 trajectories are aligned with a 2°C max increase in temperature and their Scope 3 calculations are 60% based on physical data.

Level 4. Suppliers that have calculated their Scope 1 and 2 emissions based on physical data and their Scope 3 carbon footprint based on spend-based data.

Level 5. Suppliers that are using a spend-based approach across all scopes to calculate and act on their carbon footprint.

Such classifications enable you to more easily demonstrate progress against targets.

Did you know?

Microsoft, Unilever and General Motors were among the first companies to classify their suppliers based on their progress towards decarbonization.

E.g. In January 2022, we had 10% of suppliers at level 3, 20% at level 4 and 70% at level 5. But in January 2025, we have 5% of suppliers at level 1, 15% at level 2, 30% at level 3 and the remainder at level 4.

Your company's Scope 3 emission reports are likely to be requested by a number of stakeholders, including customers, suppliers, investors, and analysts. Reporting is also essential for complying with industry standards. These depend on your region and scope of operations.

Corporate Sustainability Reporting Directive (CSRD) & European Sustainability Reporting Standards (ESRS)

The CSRD, now finalised following the **December 2025 trilogue agreement**, expands sustainability reporting obligations across the EU. New thresholds and timelines have been adjusted to reduce the administrative burden.

- Who it applies to
  - **EU companies:** More than **1,000 employees** AND more than **€450 million** in net worldwide turnover.
  - **Non-EU companies:** A subsidiary or branch in the EU generating at least **€200 million in turnover**, with consolidated EU turnover of at least **€450 million**.
- What you need to report
  Scope 1, 2, and 3 emissions, including value chain impacts.
  The **double materiality** assessment is maintained:
  - the company's impact on the environment and society, AND
  - the impact of ESG issues on the company.
  Value chain cap: Large companies may only request information from suppliers with fewer than 1,000 employees that is aligned with the **VSME standard**.
- Timeline
  - **2028 (for FY 2027):** "Wave 2" companies (new thresholds)
  - **2029 (for FY 2028):** Non-EU companies
- ESRS
  Detailed standards for transparent reporting of ESG (environmental, social, and governance) data. EFRAG has published **simplified ESRS**, with final validation expected during **2026**.

Find out more

Corporate Sustainability Due Diligence Directive (CSDDD)

The CSDDD aims to ensure that companies address environmental and human rights risks throughout their operations and value chains. The **December 2025 trilogue** significantly revised the thresholds and timeline.

- Who it applies to
  - **EU companies:** More than **5,000 employees** and more than **€1.5 billion** in global turnover.
  - **Non-EU companies:** Generating more than **€1.5 billion** in turnover within the European Union.
  - **SME protection**: Large companies may only request information from SME suppliers where it is genuinely necessary to fulfil their due diligence obligations.
- What you need to do
  Identify, prevent, and mitigate negative impacts on human rights and the environment (deforestation, forced labour, pollution).
  Risk prioritisation based on severity and likelihood across the entire value chain, including indirect suppliers.
- Timeline
  July 2029: Expected applicability for large companies
- Penalties
  Fines of up to **3% of global turnover** (reduced from the original 5%). Civil liability has been removed from the final text. Contract suspension is optional, favouring remediation and support rather than immediate termination..

CSDDD reinforces the EU's commitment to sustainable business practices, urging companies to embed human rights and environmental responsibility into their core operations.

Find out more

Bilan d'Émissions de Gaz à Effet de Serre (BEGES)

France's BEGES legislation requires companies with over 250 employees to track and report Scope 1, 2, and 3 emissions.

- Key update
  As of 2022, Scope 3 emissions reporting is mandatory, covering supply chain emissions and more.
- Obligations
  Companies must set emission reduction targets and report on their progress.

Find out more

Supply Chain Act

Germany's Supply Chain Act, effective since 2023, enforces due diligence on human rights and environmental impacts across global supply chains.

- Applicability
  Companies with HQs in Germany or substantial business operations in the country.
- Focus
  Companies must ensure their supply chains meet environmental and human rights standards.

Find out more

Streamlined Energy and Carbon Reporting (SECR)

The SECR requires large companies and LLPs to report their energy use and emissions, including some Scope 3 categories.

- Who it applies to
  Companies with 250+ employees or £36M+ turnover.
- What's included
  Scope 1, 2, and, for quoted companies, some Scope 3 emissions.

Find out more

Sustainable Disclosure Requirements (SDR)

The UK is consolidating regulations under the SDR framework, which will integrate and expand upon the SECR.

- What you need to know
  CSRD and CBAM are game-changers for EU businesses, mandating Scope 3 reporting by 2025. BEGES in France and SECR in the UK require Scope 3 reporting, with Germany's Supply Chain Act enforcing environmental standards.

Find out more

Book a demo

Sweep: Your partner for supply chain emissions

Managing Scope 1, 2 and 3 emissions is a major challenge for organizations with complex supply chains and multiple business units. Our platform makes data collection simple and efficient, organizing disparate data sources into one single measurement.

Streamlined data collection

Easily gather carbon data from suppliers across your value chain.

Collaborative reduction

Set joint targets across your value chain and jointly monitor progress.

Free access for your value chain

We don't charge your partner companies for using our platform.

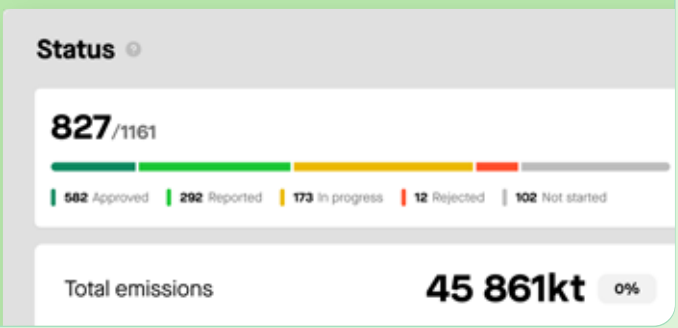
Total security

Your data is safe with Sweep. We're SOC certified and ISO 27001-compliant.

Track

Measure and analyze massive datasets from across your organization and its value chain

- Streamline sustainability data collection
- Map data across your value chain
- Spend more time taking positive action



Disclose

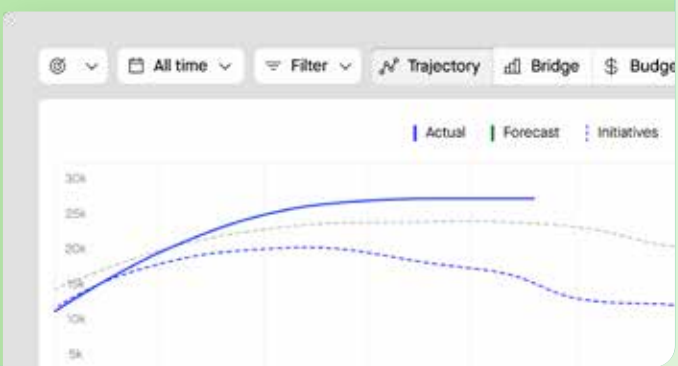
Meet the latest ESG reporting requirements in dynamic business environments.

- Monitor and report against sustainability data
- Gain complete control of sustainability data
- Consolidate all extra-financial data in one place

Act

Go beyond disclosure and take data-driven action on your sustainability goals.

- Move beyond disclosure
- Implement a data-driven sustainability journey
- Celebrate success with customers, suppliers and stakeholders



CAUDALÍE

COMPANY
Caudalie is a natural beauty skincare brand

SIZE
1,100+ employees

INDUSTRY
Consumer Goods

HEADQUARTERS
Paris, France

WEBSITE
caudalie.com

Key takeways

- Sweep has enabled Caudalie to centralize and streamline its sustainability data collection
- Caudalie has successfully calculated its first carbon footprint using Sweep – including identifying emissions hotspots per product or service, and by department
- Caudalie aims to expand use of the Sweep platform to all of its employees, to give them direct feedback on their emissions reduction actions, and identify priority areas

Challenge

Caudalie operates across 37 countries, with over 1,000 employees and products sold at 20,000 locations worldwide, plus an eCommerce site and spa network. Managing sustainability data across its complex value chain was challenging, as data collection occurred in silos with inconsistent methods, often using spreadsheets, making it difficult for the sustainability team to consolidate meaningful insights.

Solution

Sweep centralizes Caudalie's sustainability data on a single platform, allowing employees to identify emissions hotspots and take action. Teams can track emissions at the product level, generate detailed reports by department or product, and calculate the overall carbon footprint. This enables managers to focus on the most impactful areas for emissions reduction and monitor progress toward the company's carbon goals effectively.

'Caudalie chose Sweep partly because the tool allowed both to calculate the annual carbon footprint of the company, but also to report specifically on all the efforts made by product, by department, by different more specific categories.'

Angélique Vacher
Sustainable Development Managerat Caudalíe

swisscom

COMPANY
Swisscom is the largest telecommunications company in Switzerland

SIZE
18,000+ employees

INDUSTRY
Telecommunications

HEADQUARTERS
Ittigen, Switzerland

WEBSITE
swisscom.ch

Key takeways

- Swisscom needed to reduce emissions within the organization, across its value chain and within its customer base in order to meet its 2035 Net Zero emissions target
- Swisscom needed a tool that could streamline carbon management and help the company go beyond measuring emissions
- Using Sweep's platform, Swisscom is able to aggregate all of its supply chain data in one place, and to fill gaps where supplier emissions data is not available with industry benchmarks.

Challenge

Most of Swisscom's emissions come from purchased components and devices, making Scope 3 emissions the focus of its Net Zero strategy. Managing emissions across a network of 3,000 suppliers required extensive coordination. Initially reliant on a 20-sheet Excel file created by a consultancy, Swisscom found it cumbersome, prone to manual errors, and limited to a few team members due to its complexity.

Solution

Swisscom implemented Sweep to streamline its carbon management. The platform automated data collection through surveys, integrated historical data seamlessly, and enabled comparisons of reduction initiatives for optimized decarbonization strategies. Within two years, Swisscom reduced its carbon emissions by 10%, exceeding SBTi requirements for limiting global warming to 1.5°C.

'A person with the patience of an angel would have to send hundreds of emails and organize meeting after meeting to get the relevant data, then manually enter it into Excel spreadsheets. This quickly becomes confusing, especially when you work with thousands of suppliers.'

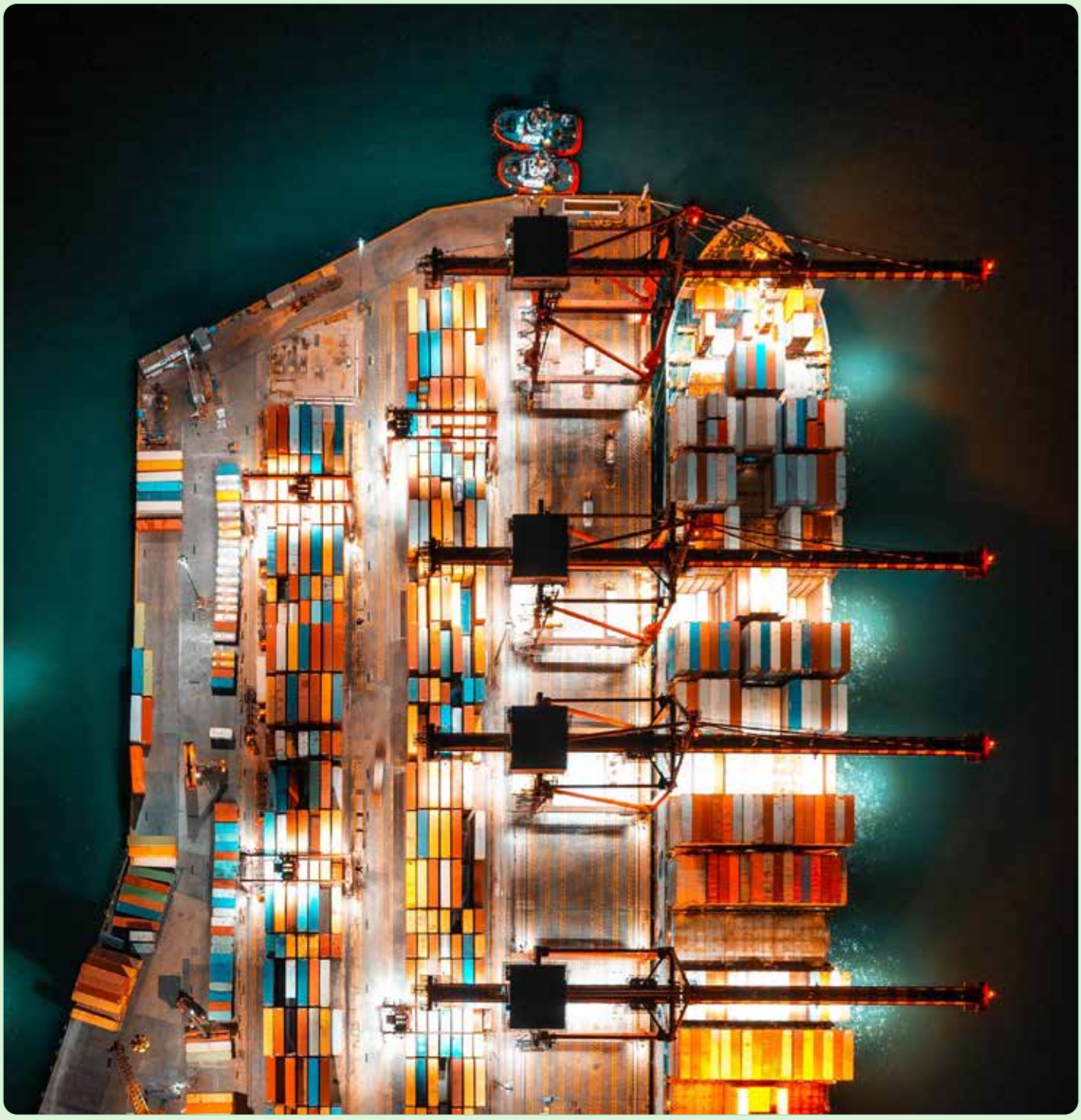
Res Witschi
Delegate for Sustainable Digitalization at Swisscom

A collaborative approach is key

If we could leave you with one leading thought, it's that effectively engaging your suppliers in your decarbonization strategy is key to achieving your climate targets. It may seem like a daunting task, but with the right education, efficient data collection and collaborative reduction activity, you'll have the foundations of a sustainable value chain. And the great news is that Sweep can help you at every step.

Ready to get your supply chain emissions on-track?

We'll help set you on a smoother decarbonization path, so that you can become a Forever Company.



Track. Disclose. Act.

Turn climate transformation into a competitive advantage with Sweep.

Book a demo

Trusted by

orange
sse
APOGEE An HP Company
KANTAR
BOUYGUES
WELLA COMPANY

“The challenge today is turning intentions into action by building strong, meaningful engagement with all our suppliers. With Sweep, our relationships have evolved into true partnerships. The platform gives us reliable data, making it easier to compare suppliers and make smarter decisions to decarbonize our value chain.”

Pascal Décary
VP Global Procurement & Circular Economy, SNCF

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