

# Scope 3 Emissions Starter Guide



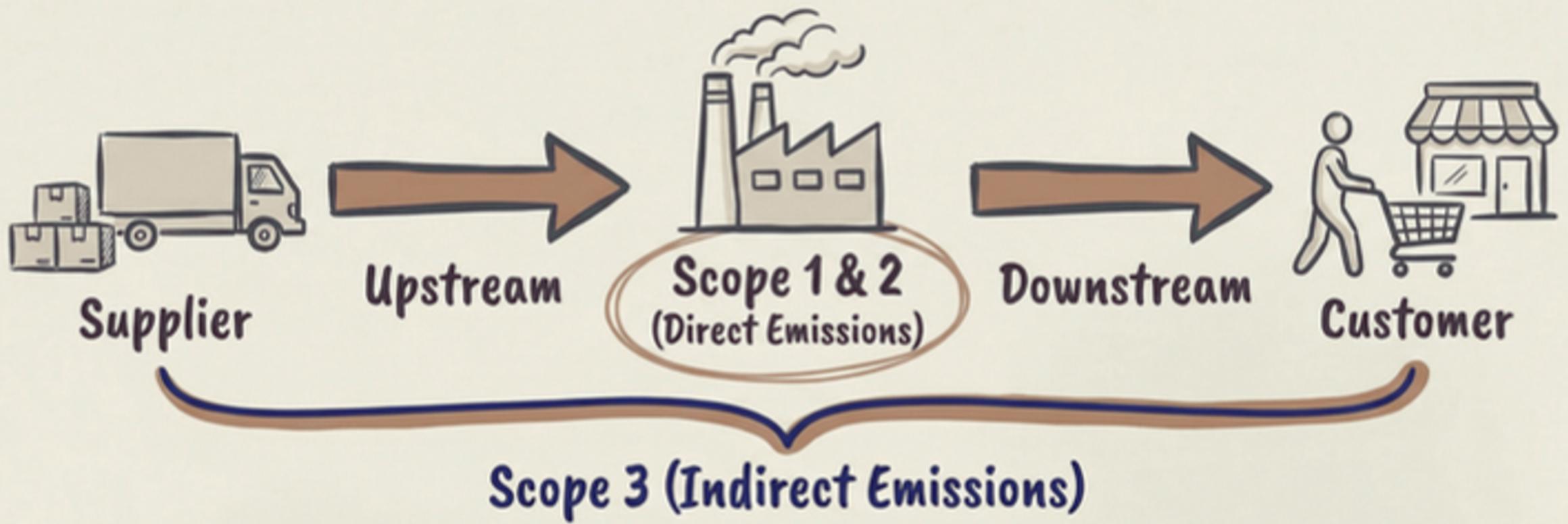
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What you can't see can hurt you. For many companies, Scope 3 hides up to 90% of emissions



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# Beyond your Four Walls



Scope 3 emissions are all the indirect emissions that occur in your company's value chain.

They are not produced by your company itself, but your company is indirectly responsible for them.

# Breaking it Down

## The 15 Categories of Scope 3



**UPSTREAM (8 Categories)**

**DOWNSTREAM (7 Categories)**

**What you BUY**

Emissions before your product is made.

**What you SELL**

Emissions after your product leaves you.

# Upstream: What you BUY



## Cat 1: Purchased Goods & Services

Raw materials, parts, consulting.



## Cat 2: Capital Goods

Buildings, vehicles, Extraction/transport equipment.

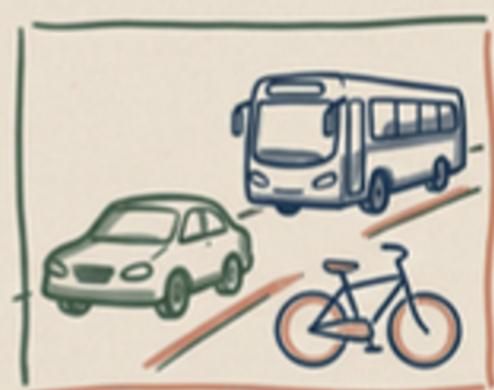


## Cat 3: Fuel & Energy Activities

Logistics paid for of fuel.



## Cat 4: Upstream Transport



## Cat 5: Waste Generated, Disposed & treatment of waste.

## Cat 6: Business Travel

Flights, hotels, trains.

## Cat 7: Employee Commuting

Getting staff to work.

## Cat 8: Upstream Leased Assets

Assets you rent (not owned).

# Downstream: What You SELL



9. Cat 9: Downstream Transport  
Shipping to customers (if you pay).



10. Cat 10: Processing of Sold Products  
If your product is an ingredient.



11. Cat 11: Use of Sold Products  
Energy used by your product.



12. Cat 12: End-of-Life Treatment  
Disposal after use.



13. Cat 13: Downstream Leased Assets  
Assets you own but rent out.



14. Cat 14: Franchises  
Emissions from franchisees.



15. Cat 15: Investments  
Financed emissions (Banks/Investors).

# The Hidden Risk & Opportunities

## Risks

Penalties

Supply chain disruptions

Brand damage

## Opportunities

Cost savings

New green products

Investor attraction



Ignoring Scope 3 is like driving with a blindfold. It hides your biggest climate risks and your greatest opportunities.

# Your 4 - Step Calculation Roadmap



## Calculation Methods Explained

From Easy Estimates to Perfect Precision

### Easy & Less Accurate



**Spend-Based**  
Multiply spend by emission factor.

### Hard & More Accurate



**Activity-Based**  
Use real data (kWh, km).

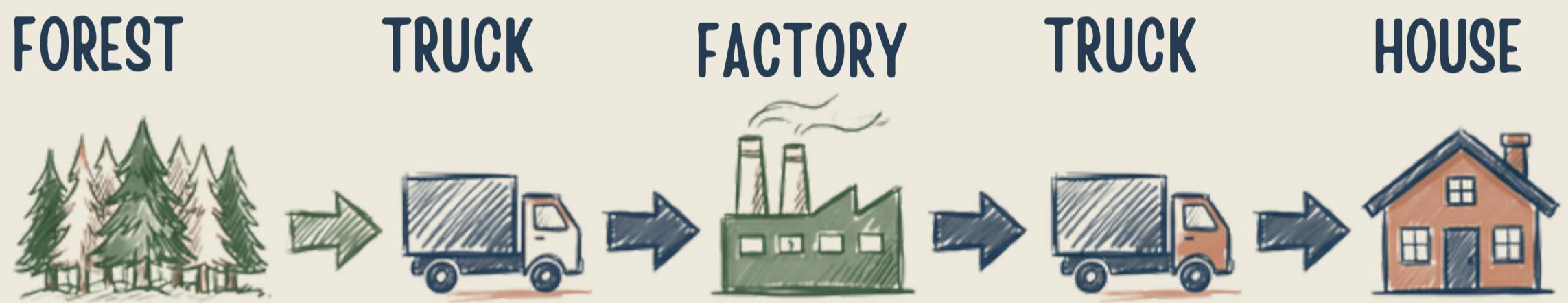


**Supplier-Specific**  
Actual data from suppliers.  
The Gold Standard.

# Case Study: Mission Zero Manufacturing

## A Sustainable Furniture Maker Tackles Scope 3

Mission Zero wants to set a Net Zero target, but first they need to understand their Scope 3 footprint. Let's follow their journey.



# From Estimate to Accuracy

## Calculating Emissions from Timber (Category 1)

### The Quick Estimate



\$1M Spent x  
0.35 tCO2e/\$1000  
= 350 tCO2e

Using Spend-Based Data

### The Real Number



500 tons FSC Timber  
x 0.15 tCO2e/ton  
= 75 tCO2e

Using Supplier-Specific Data

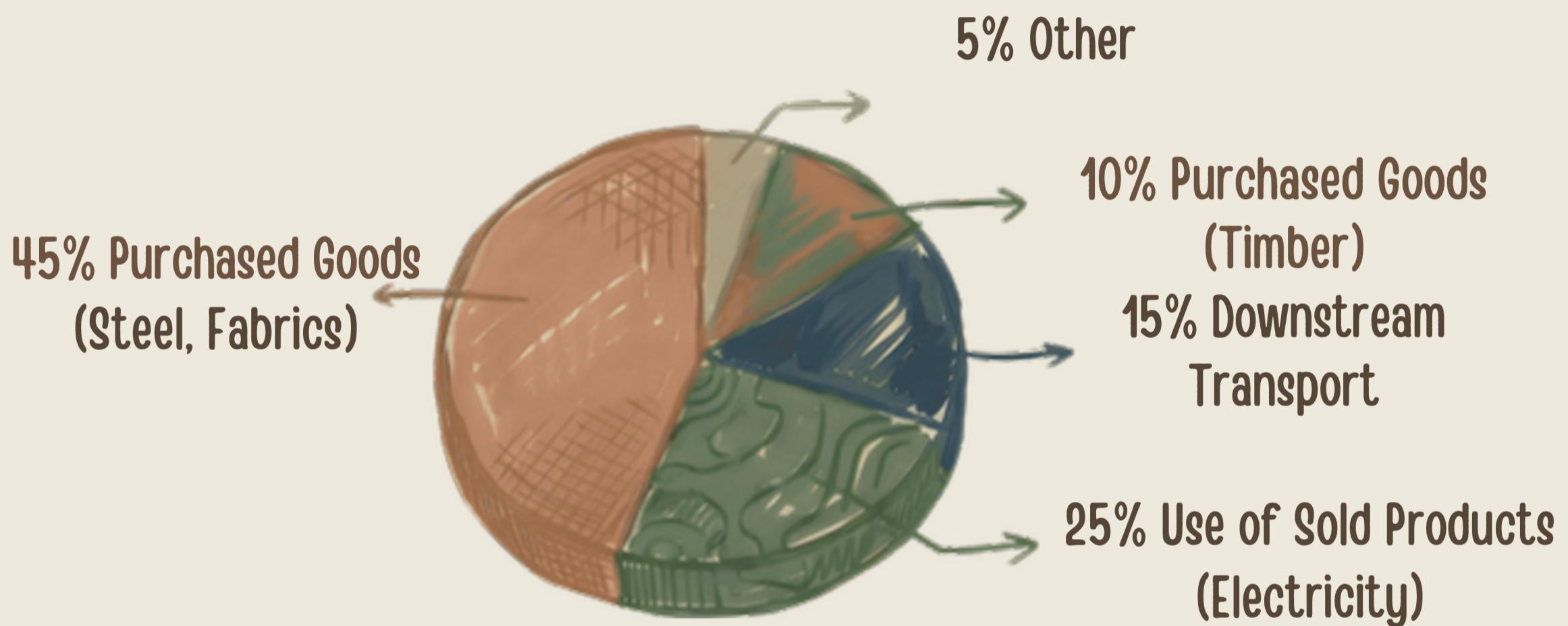
By getting real data, Mission Zero discovered their emissions were 78% lower than the estimate!

\*Illustrative emission factors only; actual factors vary by dataset, geography, and boundaries\*

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# The Full Picture

## Mission Zero's Scope 3 Hotspots



Now Mission Zero knows where to focus: engaging steel suppliers and designing energy-efficient lamps.

# How to Win at Scope 3



Prioritize



Start with your most significant categories

first.

Collaborate with Suppliers



Don't just demand data. Help them learn.

Use Industry Averages



Fill data gaps with credible estimates.

Be Transparent

Disclose methods & weak spots. Honesty builds

trust.

# Was This Guide Helpful



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