

Simplifying and scaling Scope 3 reporting

Steps sustainability leaders can take today to eliminate complexity and surface opportunities

Scope 3 reporting can feel overwhelming. Like any major undertaking, the only way forward is by tackling *major milestones along the way*.



DATA SOURCES

Document Scope 1 and 2 data sources, plus methodologies for calculating emissions. Identify Scope 3 upstream and downstream activities, noting available data sources.



DATA METHODOLOGIES

For each source, determine a method for calculating emissions data. This could include simple procurement-spend calculations, sophisticated life cycle assessment (LCA) data and supplier-specific product carbon footprint questionnaires (PCFs).



VALIDATION

Sustainability regulations that specify Scope 3 reporting increasingly require that data sources are verifiable and validated by a third-party.



INTEGRATION

Automating the flow of internal, LCA and PCF data into an integrated software solution is a complex but worthwhile undertaking. This provides the scalability and nuance for managing an enterprise-level Scope 3 reporting process.



EVALUATE

With enhanced data visibility, it's time to identify potential inaccuracies and GHG emissions hot spots. Begin updating and automating for even greater accuracy.

THE WORRYING GAP IN GREENHOUSE GAS REPORTING

Many companies today do not disclose greenhouse gas (GHG) emissions, and fewer still report to Scope 3. Meanwhile, regulatory pressure is increasing.



43%

OF RESPONDENTS SURVEYED DISCLOSE GHG EMISSIONS



52%

OF THOSE WHO DISCLOSE REPORT ACROSS SCOPE 1, 2, AND 3



46%

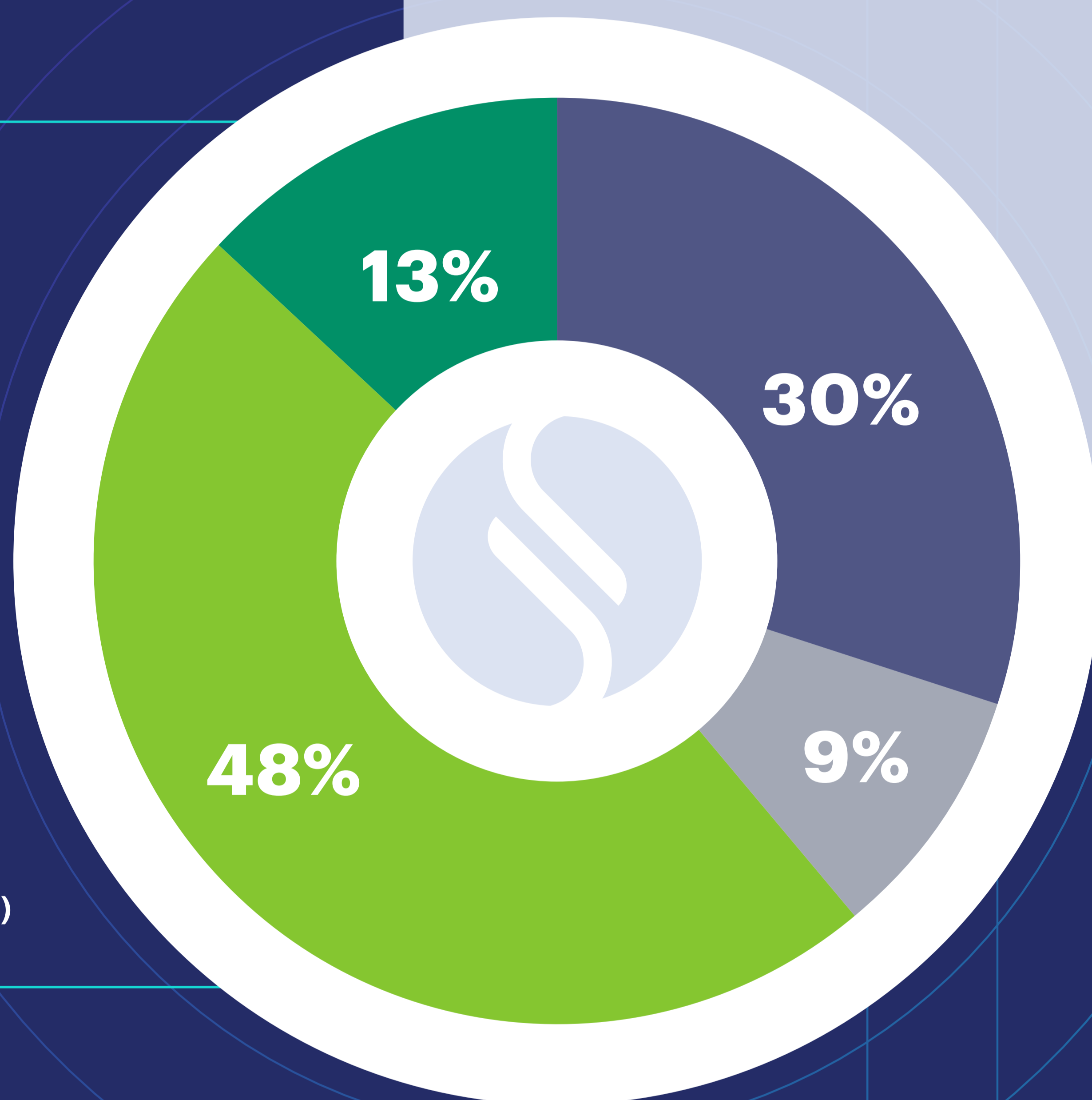
OF RESPONDENTS STATE THAT THEIR COMPANIES ARE REQUIRED TO COMPLY WITH CURRENT OR UPCOMING ESG REGULATIONS

Company data methodologies in use today vary significantly

Survey respondents contributing to our 2024 Scope 3 Report assess and report on GHG emissions through two main methodologies. Integrated solutions can drive incremental improvements in reporting granularity by introducing LCA and supplier-based data.

HOW DOES YOUR COMPANY QUANTIFY VALUE CHAIN EMISSIONS?

- BOTH
- SPEND-BASED DATA
- UNSURE
- LIFE CYCLE ASSESSMENT (LCA)



Turn overwhelm into opportunity

The right solution sets can tie together the most complex value chains — and surface areas for growth.

Reporting on Scope 3 emissions is hard work. At the same time, it's hardly a one-and-done activity. While many consultants can generate high-quality reporting that satisfies regulatory compliance, your value chain emissions fluctuate by the day.

Implementing **scalable and actionable** Scope 3 solutions requires a deliberate process, outlined above, as well as partners who can unite reliable, verified data in a platform that evolves with your business. Sphera's Scope 3 reporting solutions achieve this through a unique combination of proprietary data, integrated software and hundreds of industry subject matter experts, creating solutions for any business, at any scale.