

**wf** GUIDE

# How to calculate scope 3 emissions in your supply chain

An actually helpful, step-by-step guide to make it happen.



worldfavor  
[www.worldfavor.com](http://www.worldfavor.com)

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# Reducing your scope 3 emissions starts here.

Maybe you've already heard. Maybe not.

But the fact is: the vast majority of a company's greenhouse gas emissions aren't created inside their own walls. They're actually born far up- and downstream of its supply chain. And each part of a product's journey – extraction, processing, transport, packaging, consumption, and disposal – produces indirect emissions that companies are still responsible for.

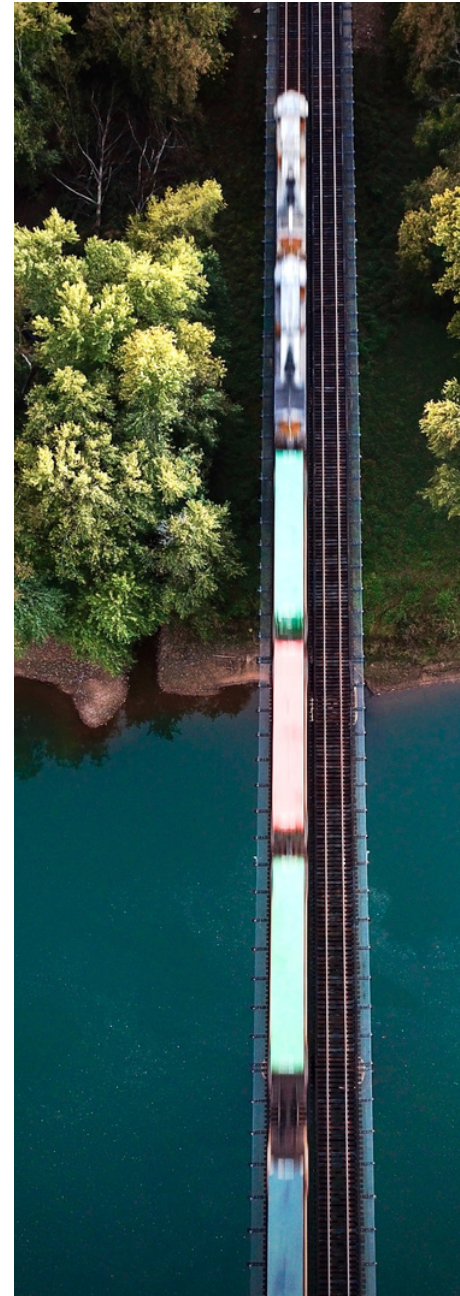
**This type of emissions, also known as scope 3, typically account for over 70% of a company's total emissions.**

But they can also be the hardest type to tackle, and decarbonizing your supply chain requires you to work hand-in-hand straight with the source: your suppliers. To get the most accurate information (and to start working more effectively with emissions in general) you'll need them on-board and ready to calculate, follow up, and report on their GHG emissions data.

Not sure where to start? No worries – you've found the right pdf!

## **IN THIS GUIDE, YOU'LL LEARN:**

- How to get full visibility into your supply chain – even beyond Tier 1 suppliers
- The pros and cons of different scope 3 calculation methods
- How to empower your suppliers to track their own GHG data
- How Worldfavor's CO<sub>2</sub>e Calculator can lighten your workload



## BACKGROUND

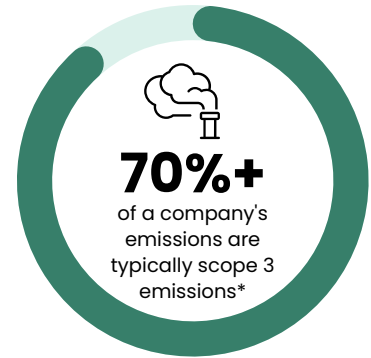
# What are scope 3 emissions?

Scope 3 emissions include all the emissions a company is indirectly responsible for, both up- and downstream of their supply chain. Think of them as emissions that occur because a business is operating, but that aren't directly controlled by the company itself.

### Why do they matter?

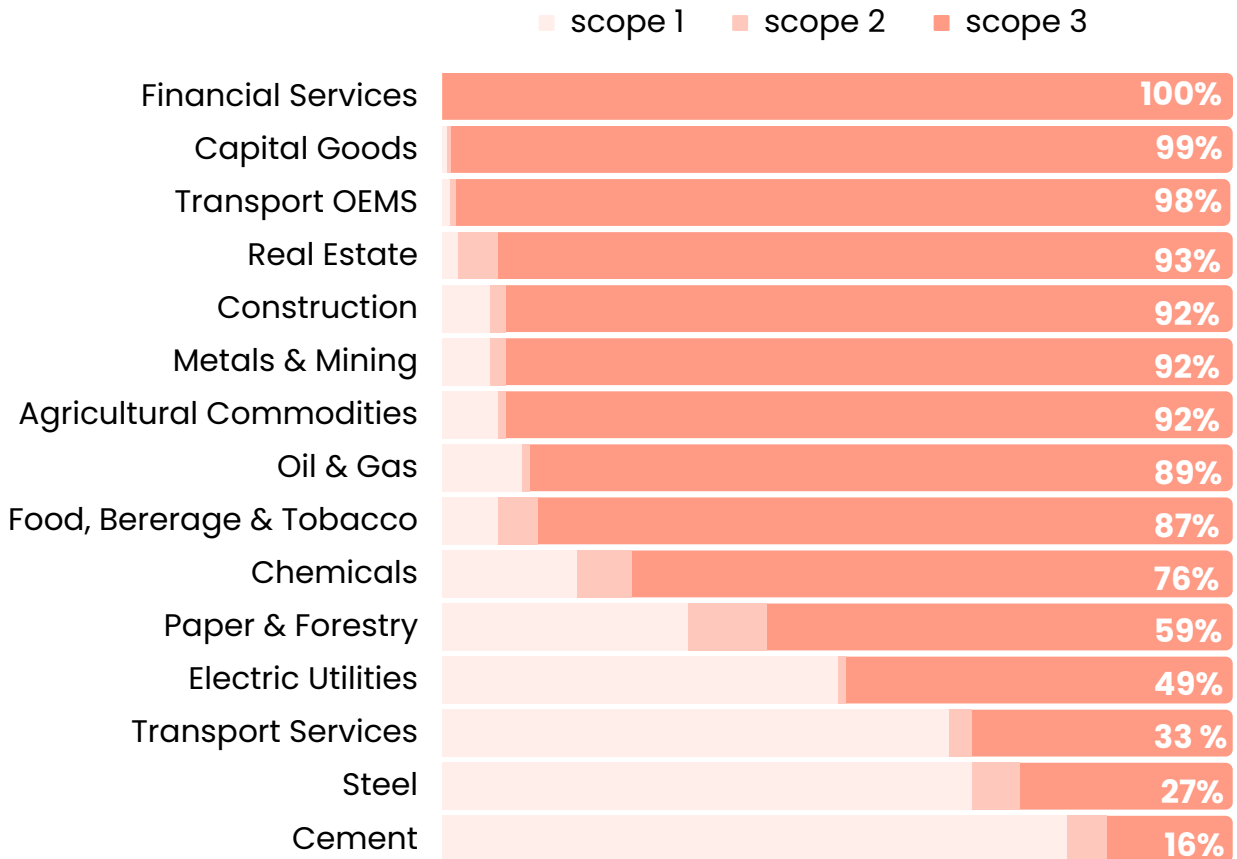
Companies that are serious about sustainability – not just greenwashing – have no choice but to confront their scope 3 emissions. Even across widely diverse industries, this type of emissions (often unknowingly) accounts for the vast majority of negative impacts.

Because of this, private and public stakeholders are increasingly demanding that companies be transparent about the scope 3 emissions of their products.



\*Source: Deloitte

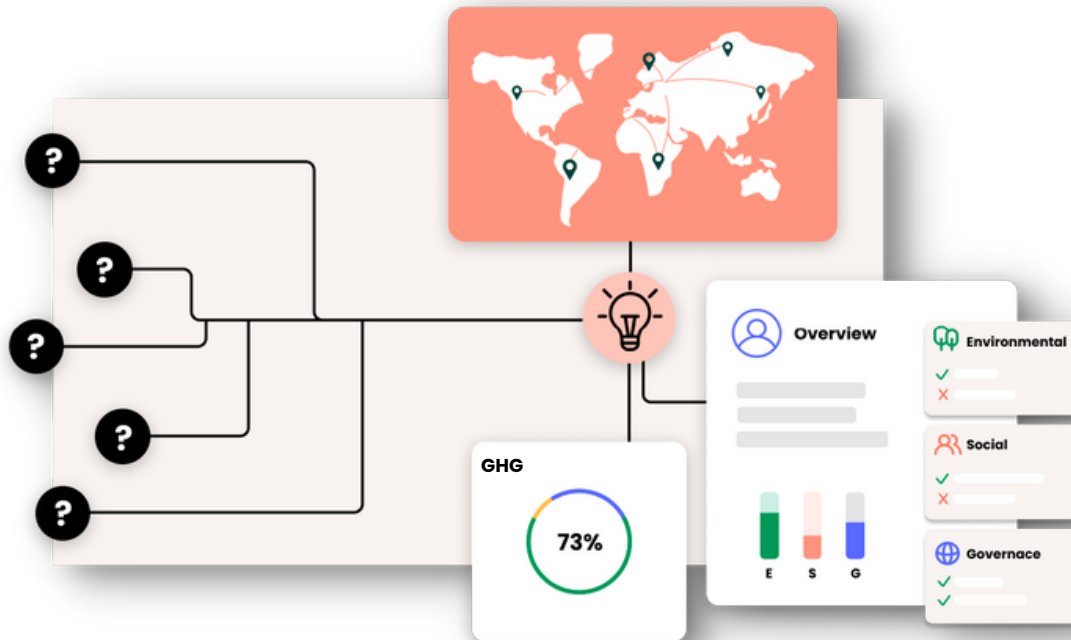
### Let's take a look at the breakdown across industries:



Source: World Resources Institute

## STEP 1

# Map out and review your supply chain



*Worldfavor lets you visualize your entire supply chain, making it easier to measure and track emissions throughout.*

Start by identifying which people and entities are involved in the creation of your final products. List key supplier information and touchpoints, such as headquarters and manufacturing locations, contact information, and ongoing activities – and be sure to update it on a regular basis.

Most companies are made up of multiple tiers of suppliers and sub-suppliers operating all over the world. This makes it challenging and time-consuming to get ahold of this kind of information, unless you have a centralized system where you can manage it all.



### HOW WORLDFAVOR CAN HELP

Worldfavor helps businesses to collect, analyze, and aggregate sustainability and emissions data from suppliers globally. Handle a large volume of data from sources in multiple tiers and gain actionable insights about your supply chain emissions. Your suppliers report their data in an intuitive tool and get their own dashboard to follow their progress – **for free!** Encourage suppliers to take ownership of their sustainability journey, while minimizing the admin for both of you.

## STEP 2

# Decide which method to use for your scope 3 calculation

Once you've figured out which touchpoints should be included in your scope 3 calculation – you need to determine **how to actually collect that data**. According to the [Greenhouse Gas Protocol](#), there are three possible calculation methods:

### MOST COMMON METHODS TO COLLECT SCOPE 3 DATA

Calculation method:	Example:	Accuracy:
<b>SUPPLIER-SPECIFIC METHOD</b> All data is reported straight from the suppliers. The data is already divided according to their various activities.	Collaborating with each of your suppliers, enabling them to report product-specific GHG data.	<b>High</b>
<b>HYBRID METHOD</b> Supplier-specific data (when available), combined with secondary data to fill in the gaps.	Collecting data directly from some suppliers, but using secondary data to estimate emissions from others.	<b>Medium</b>
<b>AVERAGE-DATA METHOD</b> All calculations are based on secondary data and aren't specific to your supplier's various activities.	Uses industry-average data found on third-party databases to estimate suppliers' emissions.	<b>Low</b>

Source: GHG protocol

### SO WHICH METHOD SHOULD YOU CHOOSE?

According to the GHG Protocol, the most accurate method by far is supplier-specific. Without primary data, you risk passing on incorrect information to customers and other stakeholders about the GHG released from your products. Even unintentionally, you could be accused of greenwashing and face legal action – leaving you with irreparable damage to your reputation and revenue.

**In other words, if you want truly accurate and trustworthy data, you need to help suppliers take ownership of the GHG emissions in their own operations.**

But it's one thing to choose renewable energy options for your office, or encourage train travel and video conferences as alternatives to flying – it's a much more difficult task to set sustainability standards for your suppliers.

## STEP 3

# Empower your suppliers to collect their own data

The reality is that most of suppliers probably don't know how to measure their emissions. And this isn't so surprising. If even large suppliers lack the in-house expertise, budget, and tools, how can we expect smaller organizations to already have these in place?

If you want suppliers to start tracking the GHG emissions data needed for your own reporting, it's essential to provide them with the guidance and resources to succeed. But with tight budgets, limited time, and tons of other operations to think about – it's better to use a tool that basically does all the work for you. **And that's where Worldfavor comes in.**

## Grant your suppliers access to the Worldfavor CO2e Calculator:

Please note that your inputs are not saved between sessions. Download a CSV file to save your calculations to be able to continue later.

Download CSV to save progress | Upload CSV to continue where you left off

Search for relevant categories | Filter categories by industry

WF = Emission factor

Category	Quantity	Unit	Actual	Estimated	CO2e
Biodiesel (0.3675)	129	litres	Actual	Estimated	CO2e: 28.604
Biodiesel HVO (0.00070348492883)	234	litre	Actual	Estimated	CO2e: 0.873
Biodiesel HVO (0.0058)	345	litres	Actual	Estimated	CO2e: 12.275
Bioethanol (0.0080)	567	litres	Actual	Estimated	CO2e: 5.109
Biogas (0.0002)	Energy	kWh	Actual	Estimated	
Biopetrol (0.0482)	Energy	litres	Actual	Estimated	
Wood chips (0.0003)	Energy	kWh	Actual	Estimated	
Wood pellets (0.0003)	Energy	kWh	Actual	Estimated	

Delivery vehicles

Truck - Refrigerated (Diesel) | 6 | km | Actual | Estimated

### Summary

Total: **38.86** kg CO<sub>2</sub>e

Actual: 38.86 kg CO<sub>2</sub>e  
Estimated: 0 kg CO<sub>2</sub>e

Number of employees: 0 kg CO<sub>2</sub>e / employee  
Annual turnover: 0 kg CO<sub>2</sub>e / M€/yr

Distribution of CO<sub>2</sub>e

Biogas (0.0002) | Biodiesel (0.3675) | Biodiesel HVO (0.00070348492883) | Biodiesel HVO (0.0058) | Bioethanol (0.0080)

### What is it?

Help suppliers measure, understand, and report on their CO<sub>2</sub> emissions – in one single tool. Pinpoint each business activity for the reporting year and the calculator automatically converts them into CO<sub>2</sub> emission data points – no manual calculations needed.

## BENEFITS OF WORLDFAVOR'S CO2e CALCULATOR

**No prior knowledge needed**  
Your suppliers' business activities are calculated for them.

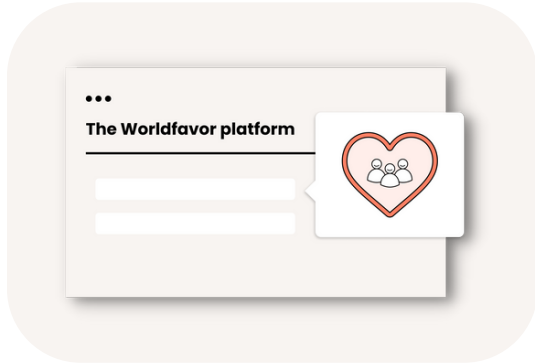
**Saves time and effort for all**  
Suppliers will have the data you need in seconds.

**Eliminates errors that wreck your results**  
Know exactly where suppliers' data comes from.

**Ensures all suppliers use the same methodology**  
Because you can't compare apples with pears.

## DIG DEEPER

# How Worldfavor's CO2e Calculator works



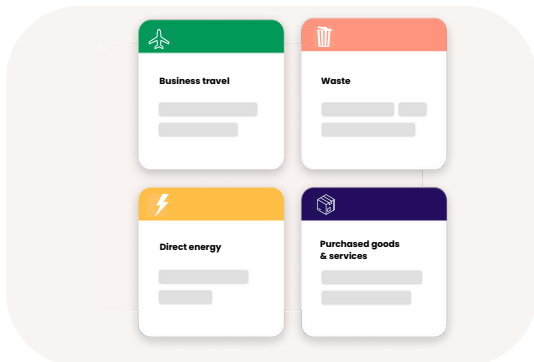
### Invite suppliers to Worldfavor – for free!

Digitally connect with suppliers and grant them access to the Calculator.



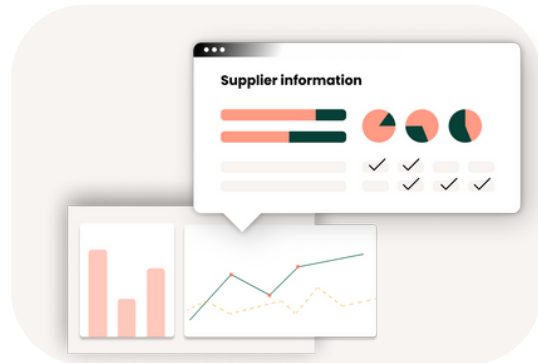
### Automatically convert business activities into GHG emissions

Enable even small or immature suppliers to work smart with emissions insights.



### Choose which metrics to dig into from our standard reports

Analyze the data relevant to emissions – but let the Calculator do the heavy lifting.



### Communicate findings with other stakeholders

Track and share progress – accurate supply chain insights are just a click away.

**Want to know more about Worldfavor and the CO2e Calculator?**

[BOOK A DEMO](#)



# About Worldfavor

Worldfavor's ESG platform helps investors, supply chains, and corporations to manage data and drive sustainable change. Our solutions enable companies to access, share and gain insights from ESG data in one place, empowering sustainability at scale.

Worldfavor's platform empowers companies to seamlessly monitor crucial environmental, social, and governance topics to align with regulations, reduce emissions, and improve overall transparency and sustainability throughout their value chain.

We're on a mission to make sustainable business the mainstream, and today Worldfavor's ESG platform connects over 30,000 companies in 140 countries to make sustainable decisions and create positive impact.

**TRUSTED BY 30,000+ ORGANIZATIONS IN 140 COUNTRIES**


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**intrum**

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**Better for your business. Better for our world.**