

drax

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A guide to Scope 3 emissions

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What's this guide for?

This guide – from business decarbonisation partner Drax Energy Solutions and carbon accounting experts notch – is your handbook for understanding, measuring and reporting your organisation's Scope 3 emissions.

It provides educational content about the activities that contribute to Scope 3 emissions and the reasons to measure and report.

But, crucially, it features practical guidance for starting measurement, improving accuracy, providing compliant reporting to stakeholders and tackling Scope 3 emissions reductions.

Keep it on hand as a reference as you create and develop a Scope 3 reporting process and tackle Scope 3 emissions reductions.



You can jump to specific sections by clicking on the section titles on the 'Contents' page.



Why are Scope 3 emissions important?

Understanding your organisation's emissions footprint means you can see the impact the company's having on the environment.

It's common for organisations to measure or calculate their Scope 1 and Scope 2 emissions to set benchmarks and start the process of emissions reduction. Tackling emissions enables organisations to promote their sustainability progress. It can therefore improve their corporate social responsibility (CSR) and environmental, societal and governance (ESG) credentials.

Scope 3 emissions, however, are typically the largest category of emissions. They can often account for as much as 80% or 90% of an organisation's greenhouse gas (GHG) emissions.

Measuring and understanding your Scope 3 emissions is therefore essential for recognising the full picture of your organisation's environmental impact.

Scrutiny into the accuracy, completeness and integrity of organisations' environmental claims is growing. For example, the Science Based Targets initiative (SBTi), which provides a globally recognised framework for setting sustainability targets, requires companies to state their Scope 3 objectives.

Therefore, recognising your Scope 3 emissions and targeting reductions is becoming crucial in proving your company's sustainability credentials.

Scope 3 emissions are relevant to all organisations. Understanding them and being able to act to mitigate them is critical to an organisation's overall carbon footprint reduction and its ability to meet climate goals.



What are Scope 3 emissions?

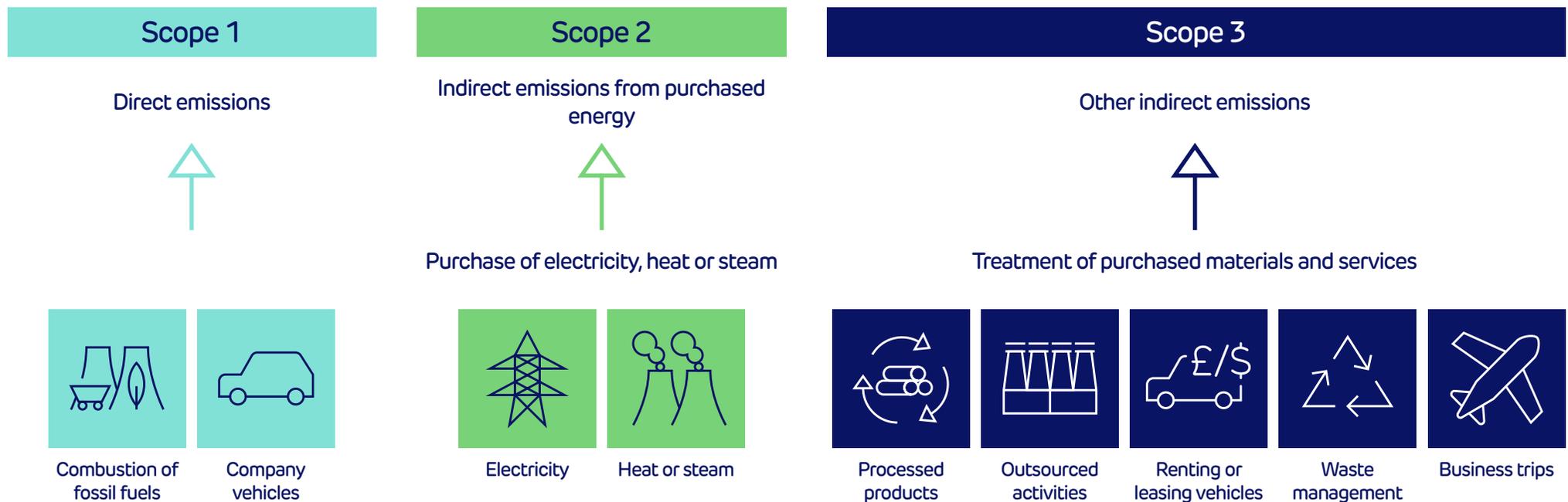
The GHG Protocol Corporate Standard splits an organisation's GHG emissions into three 'scopes'.

Scope 1 relates to emissions organisations are directly responsible for, such as those from the combustion of fossil fuels and use of company vehicles.

Scope 2 refers to the emissions from generating the energy an organisation buys and uses.

Scope 3 covers all indirect emissions that occur in the value chain of the reporting organisation.

Scopes of emissions



Some people refer to Scope 3 emissions as 'value chain' emissions. They relate to the activities that aren't directly connected to the manufacturing processes or day-to-day business activities of organisations and include both 'upstream' and 'downstream' emissions.

Upstream emissions

These are the GHG emissions embedded in everything your organisation buys.

Defining upstream emissions enables organisations to understand the environmental impact of their purchasing decisions. It also provides the means for embedding emissions mitigation as a core part of their purchasing activities.



Downstream emissions

These GHG emissions are the ones that occur as a consequence of your organisation selling products and/or services.

Recognising these emissions helps organisations understand the environmental impact of their products and/or services from 'point of sale' to 'end of life'.



There's more information about upstream and downstream activities in 'What activities contribute to Scope 3 emissions?'

Why report Scope 3 emissions?

In time, all organisations will need to measure and report their Scope 3 emissions in order to fully understand their emissions footprint.

Depending on your organisation's size, you might need to do it now, either as part of broader sustainability reporting obligations or as a consequence of stakeholder expectations.

Frameworks such as SBTi require the large organisations that use them to incorporate their Scope 3 emissions figures within their decarbonisation targets. Smaller organisations, however, can become SBTi compliant simply by committing to report and act on Scope 3 emissions as a first step. (They'll also need to set targets for lowering Scope 1 and 2 emissions.)

Whatever your organisation's size, and whatever existing obligations apply, measuring and reporting your Scope 3 emissions also offers benefits. These benefits broadly sit within three categories – winning customers, attracting employees and reducing costs.



Winning or retaining customers

Organisations and the general public are becoming more sustainability conscious. Some larger companies and public sector bodies require proof of supplier sustainability credentials - through compliance with standards - before inviting them to bid. Others consider a supplier's decarbonisation progress or net zero focus as a key factor in their procurement decisions.

Public sector suppliers already have to report against PPN06/21, which includes certain categories of Scope 3 emission.

One notch customer offering a PPE recycling programme to its customers, enabling them to account for their own emissions reductions, has experienced an uplift in customer engagement and a strengthening of customer relationships.

Another has found that collaborating with its suppliers on Scope 3 emissions and aligning net zero goals has helped build climate credibility for its customers.



Attracting or retaining employees

Being able to clearly demonstrate a commitment to sustainability and emissions-reduction progress – either through compliance with standards or by evidencing progress – can help organisations attract and retain staff. This may be even more relevant for organisations targeting younger employees.

At a macro-level, having an organisational purpose or mission statement that references emissions reduction can support wider employee engagement.

“We’ve noticed that applicants are looking at our green credentials and actively choosing to work for companies with strong sustainability goals.”

notch customer



Identifying cost-reduction opportunities

Across any organisation, waste is responsible for a significant chunk of overall emissions.

‘Waste’ might result from inefficient product or materials transportation. It might relate to charges for landfill or incineration. It might relate to the systems in place to manage by-products and sewage. Or it could simply apply to ineffective procurement.

All of these examples of waste cost organisations financially. Reducing Scope 3 emissions can go hand in hand with improvements in efficiency and significant cost savings.

A recent CDP (formerly Carbon Disclosure Project) report revealed that organisations cutting their Scope 3 emissions have saved US\$13.6 billion in costs.

One notch customer started to reuse the packaging from its suppliers for customer deliveries, too, avoiding the need for crushing and transportation for recycling. This - together with a shift to other more eco-friendly packaging materials - reduced packing costs by 80%.

Another - a housing provider - recognised that tenants were responsible for the majority of its Scope 3 emissions. Measurement and analysis allowed the provider to quantify the cost (and carbon) savings of allocating resources to retrofitting or upgrading to improve efficiencies.

A third has found that collaborating with its suppliers in targeting Scope 3 emissions reductions has enabled waste - and therefore cost - reductions in its supply chain.

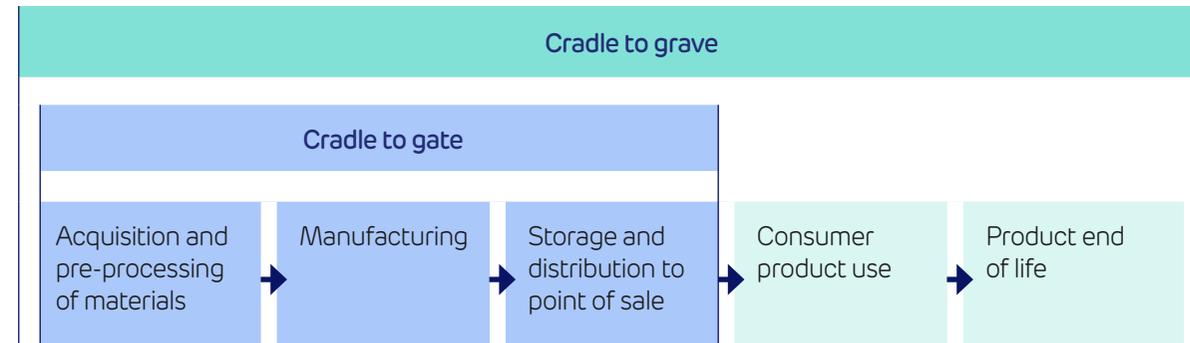


What activities contribute to Scope 3 emissions?

Scope 3 emissions comprise both upstream and downstream emissions.

Most reportable emissions, at a product level, are evolving to be either:

1. Point of sale ('cradle to gate') carbon emissions – covering the cumulative GHG emissions of a product up to its point of sale, or
2. Lifecycle emissions ('cradle to grave') carbon emissions – including all GHG emissions associated with a product's manufacture, use and end-of-life treatment



The table below further categorises the activities that lead to **upstream emissions**.

Upstream emissions category	Description	Key stakeholders*
Purchased goods and services	Everything you buy from suppliers that you use in the operation of your business activities	Your suppliers
Capital goods	Everything you buy from your suppliers that you put on your balance sheet	Your suppliers
Fuel and energy-related activities	Getting the energy and fuels you use to the assets that consume them	Your organisation^
Upstream transportation and distribution	Third party logistics and the associated storage of bringing goods to your business	Your logistics suppliers
Waste generated from operations	Disposal of the waste that your business activities generate	Your organisation and its waste contractors
Business travel	Any travel that's not in owned vehicles but still relates to delivery of business activities	Your organisation and its travel suppliers
Employee commuting	Employees' travel to get to and from their designated place of work	Your organisation and its employees
Upstream leased assets	Operation of any assets that the organisation directly leases~	Your organisation

* Stakeholders include both direct contributors and those with responsibility

^ The emissions figure you'll need to report here derives from your Scope 1 and 2 emissions figures

~ The emissions from this activity should exclude any that you already report under Scopes 1 or 2



The table below further categorises the activities that lead to **downstream emissions**.

Downstream emissions category	Description	Key stakeholders*
Downstream transportation and distribution	Third party logistics to get products from the point of sale to customers	Your logistics suppliers
Processing of sold products	Use of your sold goods in other products	Your customers
Use of sold products	Use of the sold product in its life	Your organisation and its customers
End-of-life treatment of sold products	The processes involved in ending the product's (or the final product your goods are part of's) life	Your organisation and its customers
Downstream leased assets	Others' use of owned assets that your organisation leases to them	Your organisation and its customers
Franchises	The operation of franchises^	Your organisation and its franchises
Investments	Use of any investments your organisation's made~	Your organisation

* Stakeholders include both direct contributors and those with responsibility

^ Excluding franchises' emissions that you've already included under Scope 1 and 2 reporting

~ Predominantly for financial institutions but also includes pension fund investments





Measuring Scope 3 emissions

When it comes to starting Scope 3 emissions measurement, it's important to remember not to let perfection get in the way of progress.

It's unlikely that you'll be able to report comprehensive and accurate figures straight away – but don't let that deter you. Instead, choose a measurement approach, commit to it and start measuring now. Doing so will enable you to:

- Report Scope 3 emissions figures (and therefore more accurate overall emissions figures) sooner

- Improve your understanding of how best to measure Scope 3 emissions – and specifically for your organisation

- Incrementally improve the quality of the data you collect

What to consider before you start

Before beginning to measure your Scope 3 emissions, ensure your organisation's already comprehensively and accurately reporting its Scope 1 and 2 emissions figures.

The success of your Scope 3 measurement and reporting efforts relies largely on your upfront planning. Consider the following factors to embed effective processes and manage expectations.

1 Defining what Scope 3 emissions are relevant

Cross-reference the upstream and downstream categories of Scope 3 emissions (from the tables in the previous section) against your organisation's activities. Consider which are most relevant and which you're likely to be able to reduce most easily.

2 Setting reporting timeframes

Look at the potential benefits to your organisation when setting timeframes for Scope 3 emissions measurement and reporting.

Investing time in developing your Scope 3 reporting approach and defining accurate emissions figures now might help your organisation win contracts, retain customers or secure government grants. If that's the case, prioritise measurement and reporting now.

If those immediate rewards don't exist, it'll make more sense to take a more restrained and deliberate approach to developing your measurement and reporting methods.



3 Choosing your approach

Plan an approach to measuring and reporting your Scope 3 emissions. Doing so will help you reach milestones on your reporting journey – but shouldn't prevent you from tweaking your methodology in the future.

1. Identify the most significant categories for your organisation

(See 'Defining what Scope 3 emissions are relevant' on page 12.)

2. Consider cradle... 'to gate' or 'to grave' approach suitability

The 'To gate' approach aligns with the 2024 Partnership for Climate Transparency (PACT) guidance on product-level carbon reporting. 'To grave' is a requirement for lifecycle analysis (LCA).

Tip: In most cases, organisations can start with a 'to gate' approach and expand it to encompass 'to grave' emissions over time.

3. Activity-based versus spend-based options

Prioritise activity-based data wherever possible. PACT guidance gives spend-based analysis the lowest data quality score. However, it's still better to start with spend-based figures with the aim of moving to activity-based than it is to take no action at all.

4. Research existing reporting standards for guidance and measurement frameworks

There are several different reporting standards against which to base your Scope 3 measurement and reporting approaches. Read more about popular ones in [Scope 3 reporting frameworks](#).

5. Consider reporting or regulatory requirements relevant to your organisation

Government-driven statutory reporting initiatives exist specifically for larger companies (e.g. Streamlined Energy & Carbon Reporting, or 'SECR') and for those targeting public sector contracts (e.g. Procurement Policy Note 06/21, or 'PN06/21'). These standards provide a 'best practice' benchmark, whatever your organisation's size or focus, though, so align with them or similar frameworks. Even if your organisation doesn't have an obligation to report against them, it'll enable your stakeholders to see that your reporting's compliant.

6. Define the off-site Scope 1 and 2 emissions that you've already reported

This is for applying a Scope 3 emissions factor to in order to create a baseline figure (see 'Starting measurement' on page 18 for more information).

7. Map out your supply chain by Scope 3 emission-generating activity type

The largest proportion of your emissions is likely to be connected with your supply chain. Finding the best way to segment your suppliers can be the easiest way to start. For many organisations, the top 5-10% of suppliers that they spend with represents 50% or more of their total spend. Focusing on these suppliers enables organisations to concentrate their efforts on what's likely to be a large source of their Scope 3 emissions.

8. Create a data management plan

Data's the single biggest challenge you'll face when measuring Scope 3 emissions. A structured data management plan will help you set parameters for your measurement and manage expectations for the results. Aim to:

- Map all the data you think you'll need
- Highlight the data you already have
- Create a clear 'expansion plan' with timescales
- Focus on the three guiding principles of quality/accuracy, consistency and acquisition efficiency

Spotlight on: Scope 3 reporting frameworks

There are several different reporting standards against which to base Scope 3 measurement and reporting approaches. Here's an overview of some of the most common ones.



GHG Protocol

The [Greenhouse Gas Protocol's](#) the most widely adopted and globally accepted standard for accounting for Scope 3 emissions. Its Corporate Value Chain (Scope 3) Standard defines the 15 distinct categories for reporting across upstream and downstream emissions.

Many other frameworks use the GHG Protocol as a base methodology to align to.

CDP (formerly the 'Carbon Disclosure Project')

[This framework](#) uses the GHG Protocol as the basis for its measurement criteria. It helps organisations measure and manage their environmental impacts across all 15 categories and provides a standardised framework for climate (including Scope 3) disclosures.

Global Reporting Initiative (GRI)

The [GRI's](#) another widely used framework. It provides comprehensive sustainability reporting standards that include detailed guidance on reporting GHGs.

Designed to be universally applicable, the GRI's particularly useful for large and multinational organisations aiming to report their full sustainability impact to a wide audience, not just financial stakeholders.

Streamlined Energy and Carbon Reporting (SECR)

[SECR](#) is primarily for large and listed companies. Its guidance is that all organisations should measure and report on Scope 3 emissions. Its minimum reporting requirement for compliance is to report Scope 1 and Scope 2.



PPN 06/21

The UK Government's [Procurement Policy Note 06/21](#) (PPN 06/21) is specifically for public sector procurement. It requires reporting against Scope 1, Scope 2 and five of the 15 categories of Scope 3 emissions. Suppliers to the NHS have to have a PPN 06/21 report and the 'evergreen' pathway for the NHS suggests its suppliers need a product carbon footprint by 2027. That requires that they have detailed Scope 3 emissions reporting available.

International Sustainability Standards Board (ISSB) standards

Although not a framework for direct measurement of Scope 3 emissions, you're likely to encounter the IFRS's (International Financial Reporting Standards') ISSB standards on your emissions reporting journey. They've effectively replaced the Task Force on Climate-related Financial Disclosures' (TCFD's) framework and provide recommendations for how organisations should assess risks and opportunities of:

- Sustainability legislation
- Climate change

The ISSB's [IFRS S1](#) and [IFRS S2](#) build on TCFD recommendations for how organisations should report emissions, including Scope 3.

Science-Based Targets initiative (SBTi)

The [SBTi](#) uses the GHG Protocol to set science-based emissions reduction targets, which include Scope 3. Under it, larger organisations (> 500 employees) that want an accredited carbon plan need to report on all 15 categories of Scope 3 emissions. They then need to report annually against their targets. Under the new '[SBTi Services](#)' scheme, smaller organisations need to give a detailed plan of Scopes 1 and 2 emissions and commit to measuring and reducing their Scope 3 emissions.

Ecovadis

[This 'gold, silver, bronze' sustainability ratings platform](#) helps organisations assess their environmental, social and ethical performance across their supply chains. Large and multinational organisations often use it to evaluate their suppliers' sustainability and manage their environmental, social and governance risks.

Bronze is often a minimum requirement for suppliers in procurement exercises: they'll need to start measuring their Scope 3 emissions if they want to progress to silver or gold.

The best reporting framework for you will depend on your organisation's goals, the relevance of included categories, the quality and availability of your data, and the cost and effort involved. It's worth speaking to an expert partner to help guide you.

4 Setting targets

You can set formal targets aligned with the requirements of reporting frameworks like SBTi. (It's worth noting that simply aiming for SBTi compliance would qualify as a valid target. Enabling your organisation to declare substantiated emissions figures gives you the means for direct comparison when making future declarations.)

Alternatively, look to set a self-led target that more directly relates to your organisation. These targets can take the form of developing your knowledge or taking action to reduce your emissions.



Knowledge targets focus on specific areas of your organisation with the intention of exploring alternative practices that could reduce emissions. An example might be looking specifically at business travel and identifying potential changes to business-as-usual choices.



Action targets put the research you've undertaken while acquiring knowledge into practice. An example might be aiming to reduce your emissions associated with business travel by 50% over a 12-month period.

If setting action-based targets:

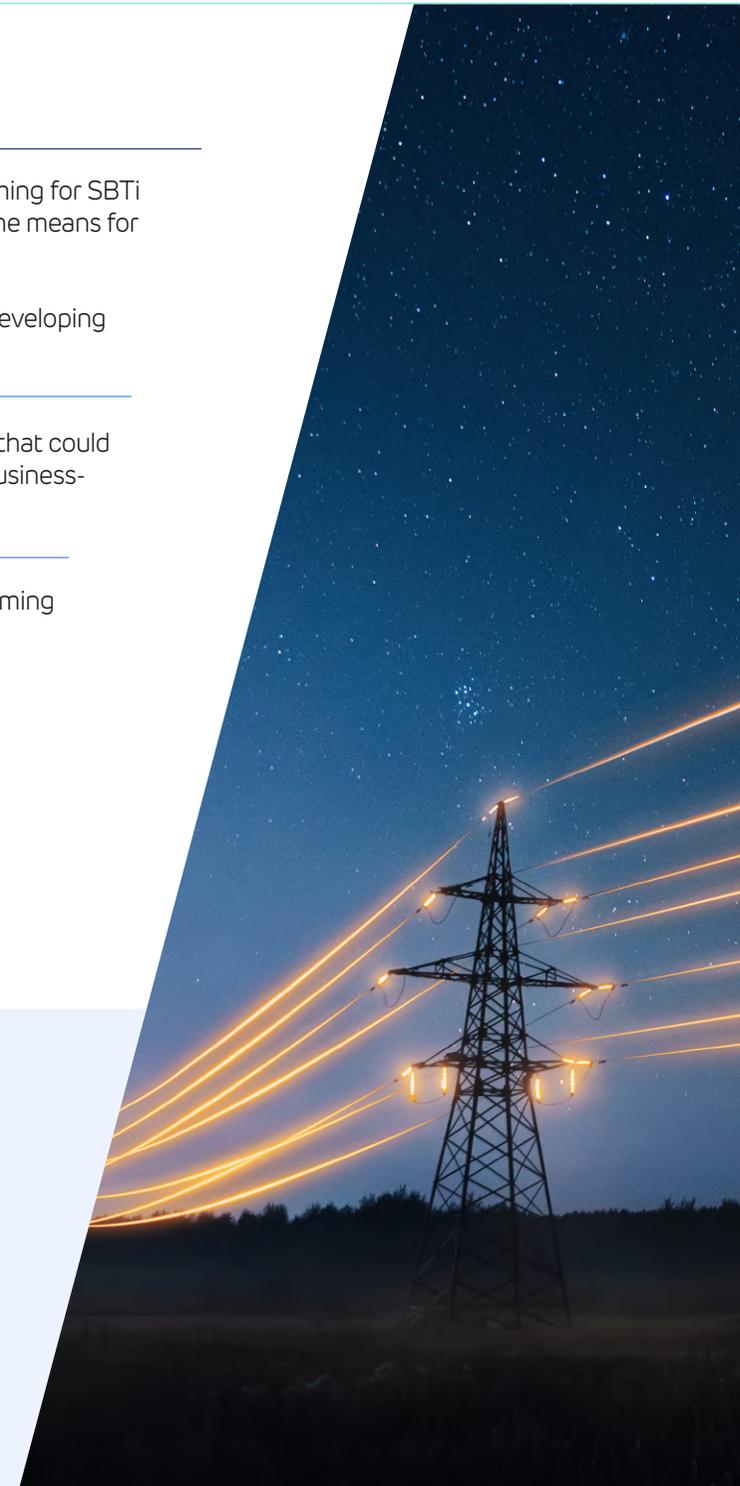
- Consult with regulatory authorities
- Reference other organisations' Scope 3 progress for benchmarking and forming expectations
- Consider how you intend to measure and promote your emissions (see 'Promoting your Scope 3 progress' on page 21 for more information)
- Create realistic short-, medium- and long-term targets (see below)

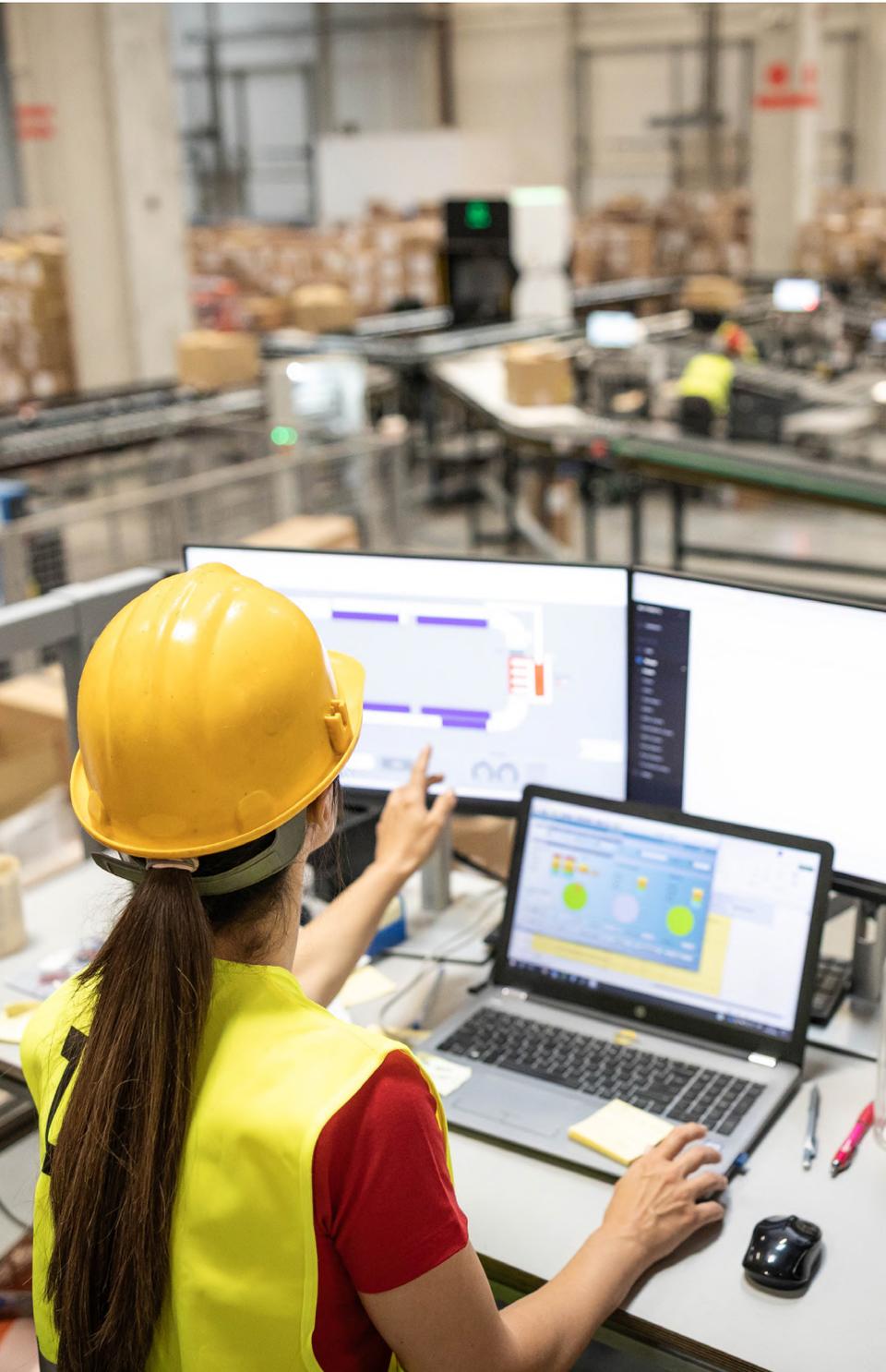
What to aim for

Be careful when setting targets and promoting your progress against them. Some targets – where more is outside of your control – are essentially 'ambitions'.

However, it can help to set multiple targets across the short-, medium- and long-term.

In general, specific targets tend to be 'safer'. For example, "We're aiming to cut Scope 3 supply-chain emissions by 25% across 75% of our spend by 2030" contains more parameters. It enables more control and avoids potential issues with decarbonising smaller suppliers or those with hard-to-abate emissions.





5 Clarifying your starting point

For each category of Scope 3 emissions you've identified as relevant to your organisation, consider where you stand.

It may be that you're either ready to start measuring, to collect existing data – or to [tackle emissions reduction](#).

But you may also find that – while you know that you need to measure – you're not able to do it yet. In this instance, your next steps will involve enabling measurement. Read more in [Acting to plan: planning to act](#).

6 Starting measurement

Start to gather information that already exists within your organisation.

Then, organise that data and align with a [recognised reporting standard](#).

It's also likely that you'll need to approach your suppliers about their emissions. (Read more about this in the [relevant FAQ](#).)

If you're unable to start measuring, it'll still be possible to generate Scope 3 baseline figures by category. This involves applying a Scope 3 emissions factor to off-site Scope 1 and 2 emissions figures you've previously calculated. This is unlikely to generate accurate results, but it's still a starting point.





Challenges

The measurement of Scope 3 emissions is still in its infancy, so – at least initially – it’s unlikely to be simple.

Many organisations won’t have access to existing data. Measuring the Scope 3 emissions relevant to supply chains can be the biggest challenge as suppliers often aren’t able to accurately report their own Scopes 1 and 2 emissions. Using conversion factors in calculations in the absence of available data will result in inaccurate results.

Other organisations may be aware of data inaccuracies. Using data in calculations will amplify the level of inaccuracy – particularly given the scale of Scope 3 emissions.

Lack of measurement accuracy will lead to organisations having to state large margins of error on reported figures. It’s also likely to mean they’ll need to restate figures when more accurate data or more comprehensive measurement approaches are available.



Reasons to be positive

The majority of organisations will experience issues with data availability, quality and accuracy. Yours won’t be alone.

When tackling measurement and reporting:

- Remember that it’s not realistic to aim for 100% accuracy immediately
- Know that making a start will give you a platform from which to develop comprehensiveness and accuracy
- Show your workings - explain the assumptions you’ve made and the conversion factors you’ve used
- Follow a reputable reporting framework
- Use an expert partner to help sense-check your results
- Be prepared to have to further qualify or restate your figures as your data availability, quality and accuracy improves
- Don’t feel that restating figures shows a weakness in previous measurements – see it instead as an improvement in data availability and employed methodology

Taking action

Your next steps will depend on your starting point and might differ for each category of Scope 3 emissions that's relevant to your organisation.



Acting to plan: planning to act

If you haven't been able to measure Scope 3 emissions against certain categories to date, the action you can take will involve planning to be able to measure.

Developing measurement processes might not feel like meaningful progress towards tackling and reducing your Scope 3 emissions. But it's important to recognise that the more you can measure, the more you can plan – and the more scope you have for emissions reductions.



Reviewing options

If you're measuring emissions already but you're not sure in which direction to go, you'll need to carry out further preparation.

Your task will be equivalent to creating a plan to be able to create an action plan.

You may need expert advice from a decarbonisation partner to help you identify changes you can make and to analyse their potential impact.



Tackling emissions now

Of course, the main reason to measure your Scope 3 emissions is to track your progress in reducing them. This will support your ability to promote your commitment to sustainability on your journey to net zero.

Note that tackling and reducing emissions often isn't as simple as working out your existing emissions figures and making plans to reduce them. It's crucial to integrate these plans into your business strategy, too.

Asking your existing suppliers to reduce their emissions can help in the short-term. But embedding a culture of assessing new suppliers based on their sustainability credentials will have more meaningful and long-term results.



Prioritise potential impact

You identified your most significant Scope 3 emissions-generating activities when setting up for measurement. Carry out a similar exercise, but this time identifying those activities for which it'll be simplest to reduce emissions.

Also look at your list of Scope 3-relevant activities and consider potential emissions-reducing alternatives to your current ways of working within each.

Implement change

You may have data to calculate your waste and business travel emissions, for example. You may also have reviewed the options available to you for changing your standard business processes with the intention of reducing emissions.

In these cases, you can set realistic targets and implement the changes necessary to hit them.

Review progress

It's crucial to regularly review your progress. Keep the targets you've set at the forefront of your efforts and be ready to adapt your approach (or your targets) if you're not meeting them.

Promoting your Scope 3 progress

By being able to state your levels of Scope 3 emissions, you'll be able to promote your progress in reducing them.

An initial measurement of Scope 3 emissions forms a baseline. Having one gives each organisation the yardstick to which they can compare. But it's important to consider how you'll state your emissions levels – and how you want to manage comparisons in the future.

Metrics

Be careful which form of metrics you use to share your progress.

Absolute emissions

'Absolute' figures represent totals – either by category of Scope 3 emissions or reflecting the sum total of all categories' emissions combined.

While it's important to understand absolute emissions figures, stating them publicly can be risky – your absolute emissions are likely to increase if your organisation's growing.

Intensity-based emissions

Stating Scope 3 emissions figures based on 'intensity' – per unit of activity or sales, for example – can be a better (and safer) way of promoting your emissions status.

Under intensity-based metrics, it's easier to see your progress in improving carbon efficiency. It's also less likely you'll need to justify increases in reported figures.



FAQs

Some common questions from organisations starting their Scope 3 reporting journey.

Q How do I define what's applicable to my organisation?

A See 'Defining what Scope 3 emissions are relevant' on page 12.

Q How much do I have to report now – and over what period can I report the rest?

A Consider the potential benefits to your organisation to help guide you with setting timeframes. See 'Setting reporting timeframes' on page 12.

Whether you choose to prioritise comprehensive reporting now or take a more conservative, phased approach, remember that Scope 3 measurement and reporting will grow in importance. Starting your Scope 3 journey now – in whatever capacity you choose – will help your organisation in the long-run.

Q How do I calculate emissions?

A See 'Starting measurement' on page 18.

Q What data can I use?

A Your organisation's likely to have existing data against the upstream and downstream emission categories you've identified as most relevant. For example, you may have (or be able to access) data relevant to business travel, waste or employee commuting.

If not, try to obtain or generate data – even if you're aware it's not perfect.

As a last resort, use a spend-based approach to convert your expenditure into emissions figures. As we cover elsewhere in this guide, spend-based reporting represents a low level of data quality – organisations should be aware of this if choosing the approach. However, the focus should be on starting – and spend-based reporting will give your organisation a foundation from which to refine measurement and improve accuracy.

Q What does good (or compliant) look like?

A It's important to ensure that your organisation can't face accusations of intentionally misreporting Scope 3 emissions.

That's why it's a good idea to follow a reporting framework such as the GHG Protocol or SBTi. Doing so will help ensure that your calculation methods align with the latest guidance and reporting standards.

Even when following such frameworks, it's likely that you'll have to make assumptions or use averages or approximated data. Make sure that you state and explain these in your reporting.

Q How do I report changes in emissions or restate my figures as data quality or availability changes?

A The Scope 3 emissions figures you initially report won't be 100% accurate.

When it comes to redeclaring your Scope 3 emissions (or restating them, if you've identified inaccuracies), the figures may have increased.

You should be prepared for this eventuality, and confident to redeclare or restate your figures anyway, with supporting explanation if required. Remember that changes in stated emissions are often the result of refining measurement techniques and improving accuracy.

Your journey to reporting accurate Scope 3 emissions figures will involve challenges – but you won't get there without taking it.



Q **How should I engage with supply chains?**

A Large organisations often need their suppliers to make sustainability progress to comply with reporting framework requirements. If you're requesting details of emissions or sustainable practices from your suppliers, you'll want to be sure not to over-burden them.

It is, however, important to remember that suppliers are likely to reap benefits from measuring and reporting their scoped emissions.

Having visibility of emissions figures and being able to set targets and make reductions will improve suppliers' sustainability credentials and help them win new contracts. Changes to business practices with the intention of reducing emissions can also lead to cost savings.

Bear these factors in mind when discussing emissions reporting with suppliers.

Q **What conversion factors should I use?**

A In the absence of available emissions data, organisations might have to use conversion factors to estimate their emissions figures based on value chain activities outside their control.

Available conversion factors – which you can access from providers' (such as Watershed's) open-source databases – are evolving and improving all the time.

Work with a decarbonisation partner to find the best or most suitable conversion factor for your organisation. It may be that you decide to change which conversion factors you use to calculate your emissions in the future. If this is the case, be open about why you've changed and how this affects the emissions figures you're declaring.

Q **How do I set targets?**

A See 'Setting targets' on page 16.

Q **How do I position missing or changing my organisation's targets?**

A As with reporting changes or having to restate figures (see above FAQ), it's important how you frame potentially negative-sounding news. Be open about the context of your results and explain why you weren't able to meet your targets.

For example, it may be relevant to:

- State what prevented you from hitting targets or what was out of your organisation's hands
- Share positive information about improved data quality leading to higher-than-expected emissions figures
- Reinstate your commitment to reducing your emissions in future now that you're clearer on the source or the extent of your existing emissions
- Say what you're planning to do next, including potentially stating new/revised targets
- Invest in other sustainability initiatives, through carbon dioxide removal projects, for example

About us

Drax Energy Solutions and notch have partnered to provide organisations with a route to expert Scope 3 decarbonisation support.

Drax

Drax Energy Solutions provides decarbonisation services that enhance organisations' net zero journeys. It supplies renewable power as standard and helps businesses:

- Minimise their emissions
- Embrace electric vehicles
- Sell any power they generate

 [/company/drax-energy-solutions](https://www.linkedin.com/company/drax-energy-solutions)
energy.drax.com

notch

notch is passionate about helping organisations track, measure and report their carbon emissions as they aim to reach net zero goals.

notch provides best-in-class carbon accounting software that directly generates fully compliant statutory reporting, in line with international GHG protocol standards. It also supports organisations to develop carbon reduction plans.

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