## Descriptions of scope 3 categories

Figure I shows the 15 distinct reporting categories in scope 3 and also shows how scope 3 relates to scope 1 (direct emissions from owned or controlled sources) and scope 2 (indirect emissions from the generation of purchased purchased electricity, steam, heating and cooling consumed by the reporting company). Scope 3 includes all other indirect emissions that occur in a company's value chain. The 15 categories in scope 3 are intended to provide companies with a systematic framework to measure, manage, and reduce emissions across a corporate value chain. The categories are designed to be mutually exclusive to avoid a company double counting emissions among categories.

Table I gives descriptions of each of the 15 categories. The Scope 3 Standard requires companies to quantify and report scope 3 emissions from each category.

HFCs **PFCs** NF<sub>2</sub> CO. N<sub>2</sub>O SF Scope 1 Scope 2 INDIRECT **DIRECT** Scope 3 Scope 3 **INDIRECT** INDIRECT purchased goods and transportation services and distribution urchased electricity, stea eating & cooling for own investments company facilities capital goods franchise processing of fuel and sold products energy related activities 23 company leased assets travel use of sold vehicles transportation end-of-life waste generated in sold products Upstream activities Reporting company Downstream activities

Figure [I] Overview of GHG Protocol scopes and emissions across the value chain

Source: Figure 1.1 of Scope 3 Standard.