

Scope 1

Direct emissions that are owned and controlled by the organisation. It **must** be included in your company footprint (GHG protocol). For most SMEs, Scope 1 will refer to gas boilers, heating fuel and owned fleet.

EMISSION SOURCE	DEFINITION, INSIGHTS & EXAMPLES	YOUR EMISSION SOURCES	WHAT DATA IS NEEDED?
Combustion of fuels in stationary sources	<p>For on-site generation of heat, steam or electricity.</p> <p>E.g. For most SMEs, Scope 1 will refer to gas boilers, heating fuel and owned fleet.</p>		
Combustion of fuels in company vehicles	<p>Think of this as the fuel you are purchasing for onsite equipment.</p> <p>E.g. Private cars, vans, forklift trucks.</p>		
Physical or chemical processing	<p>The manufacture or processing of chemicals and materials.</p> <p>E.g. Cement, aluminium, and waste processing. Not typically found in the SME sector but there are exceptions, especially around waste processing.</p>		
Fugitive emissions	<p>Only relevant if you regularly top up refrigerant gas to industrial fridges or air conditioning units you will need to include these.</p> <p>If you get the units serviced, it will state on the service record how much has been used. Fugitive emission disclosure is unlikely to be relevant for companies with domestic fridges.</p> <p>E.g. Refrigeration, Air conditioning, Laboratories, Fire suppressants</p>		

Scope 2

Indirect emissions associated with the consumption of purchased electricity, heat or cooling. It **must** be included in your company footprint (GHG protocol).

For most SMEs, Scope 2 will refer to their purchased electricity.

EMISSION SOURCE	DEFINITION, INSIGHTS & EXAMPLES	YOUR EMISSION SOURCES	WHAT DATA IS NEEDED?
Generation of purchased grid electricity	<p>Emissions resulting from the generation of electricity by another organisation.</p> <p>E.g. Electricity purchased from the 'National Grid'</p> <p>! This is most relevant for SMEs</p>		
Generation of purchased steam/heat/cooling	<p>Emissions resulting from the generation of steam or heat by another organisation.</p> <p>⊗ Not relevant for many SMEs.</p>		
District heating/cooling	<p>Emissions resulting from the provision of district heating/cooling by another organisation.</p> <p>E.g. if your business was connected to a heat network. Unlikely to be relevant for most businesses at present time.</p>		

Scope 3

All other indirect emissions that are not produced by the company and not caused by the assets controlled by them.

You choose what to include of Scope 3 based on how 'reasonable' and 'relevant' it is to your business.

Factors to consider

- Has someone requested I include it?
E.g. a funder
- Is it significant to my organisation and likely my footprint. E.g. do we fly our staff around the world regularly?
- Can I access the data?
- Do I have influence over it?
E.g. is there any way of reducing it?

Scope 3

EMISSION SOURCE	DEFINITION, INSIGHTS & EXAMPLES	YOUR EMISSION SOURCES	WHAT DATA IS NEEDED?
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★ Business travel	<p>Focus on the most carbon intensive modes of transport.</p> <p>E.g. Private vehicles (e.g. taxis), air travel (domestic and international). If staff are taking steps to use public transport, we are not too concerned.</p> <p>➔ Access our business travel data collection guide here.</p>		
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★ Waste generated in operations	<p>Disposal and treatment of waste generated by the organisation's operations. Cost-saving opportunities can be enhanced when combined with monitoring purchased goods.</p> <p>E.g. Commercial and industrial waste, separated and mixed recycling.</p>		
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★ Purchased goods and services	<p>Extraction, production, and transportation of goods and services purchased or acquired by the reporting company in the reporting year.</p> <p>E.g. Raw materials, packaging, food, cleaning supplies, furniture etc.</p> <p>Insurance, HR, internet, consultancy, internet etc.</p> <p>Focus on 3 to 5 categories first. E.g. what do you spend the most on per year.</p>		
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Employee commuting	<p>Transportation of employees between home and workplace.</p> <p>E.g. Many businesses are interested in how their employees get to work. In terms of carbon emissions we are more concerned about privately owned vehicles. If staff are commuting on public transport or using active travel modes we can be reassured as they are relatively low carbon.</p> <p>Key point: The control you have over how your employees get to work is relatively minimal and can be very personal to the individual. You may wish to take steps to encourage better practice (e.g. cycle to work schemes), but not report on this within your footprint but discuss and share your success stories elsewhere in your strategy.</p>		
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★ The starred emission sources are useful places to start for **many** SMEs. Data collection can be relatively straightforward and by reducing these emission sources there are several cost saving and carbon saving opportunities available.

Scope 3

EMISSION SOURCE	DEFINITION, INSIGHTS & EXAMPLES	YOUR EMISSION SOURCES	WHAT DATA IS NEEDED?
Capital goods	<p>A key point to consider when making decisions can be: 'will this purchase feed into my Scope 1 and 2 emissions in years to come?' E.g. the fuel/energy efficiency of a car or industrial oven you purchase.</p> <p>E.g. Durable goods used in production of goods or services: fleet vehicles, renewable energy equipment, buildings etc</p>		
Upstream transportation and distribution	<p>Transportation and distribution services purchased from a third party to bring goods and services to your site.</p> <p>E.g. Transport of purchased goods to your business. E.g. apples to your warehouse.</p> <p>Tip: This is where you can identify the potential for more efficient couriers or routes E.g. less frequent deliveries required.</p>		
Downstream transportation and distribution	<p>Transportation and distribution services purchased from a third party to take goods and service from your site to an organisation in the supply chain.</p> <p>E.g. Transport and distribution of goods and services from the organisation to end consumers. E.g. apple pies to the retailer.</p> <p>Tip: Depending on the size of your product, this is where alternative modes of transport (cargo bikes, smaller electric vans) may work.</p>		
Downstream leased assets	<p>The operation of assets that are owned by the organisation (acting as lessor) and leased to other entities.</p> <p>Think about your influence as a landlord. How is your tenant's energy reported? Can you help them improve the energy efficiency of the property?</p> <p>E.g. Includes energy and other emission sources from properties leased out.</p>		
Upstream leased assets	<p>Operation of assets leased by the reporting organisation (where they are the tenant).</p> <p>Can be useful to be aware of when leasing a new property. E.g. ensuring you can retrofit your property under the terms of your lease.</p> <p>E.g. Buildings or assets leased by the organisation from a separate company organisation.</p>		

Scope 3

EMISSION SOURCE	DEFINITION, INSIGHTS & EXAMPLES	YOUR EMISSION SOURCES	WHAT DATA IS NEEDED?
Use of sold products	<p>End-use of goods and services sold by the reporting company in the reporting year.</p> <p>E.g. Refers mainly to products that use energy during use phase.</p>		
Processing of sold products	<p>Processing of intermediate products sold on to third parties.</p> <p>E.g. Sold timber that will be processed further into wood products.</p>		
End-of-life treatment of sold products	<p>Emissions from the waste disposal and treatment of products sold by the organisation.</p> <p>E.g. Disposal of sold products.</p>		
Investments	<p>Emissions resulting from investments.</p> <p>E.g. Designed for if you are investing in other entities as an organisation (e.g. acquisitions, institutional investors).</p>		
Franchises	<p>Operation of franchises in the reporting year, not included in Scope 1 and Scope 2.</p> <p>E.g. Emissions from operation of franchises.</p>		
Fuel and energy-related activities	<p>Extraction, production, and transportation of fuels and energy purchased.</p> <p>E.g. Transmission and distribution losses from electricity, Well To Tank factors for purchased fuels and electricity.</p>		