Normative

Toward net zero

Normative Sustainability Report 2022

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Normative has committed to reaching net zero by 2030. In this report, we share our 2022 greenhouse gas emissions – calculated using Normative's own carbon accounting engine – and explain how we use our emissions data to inform our net-zero plan and sustainability policy.

1. The data-driven path to net zero

A message from Normative CEO & Co-founder Kristian Rönn

The world needs exponential climate action to mitigate the most harmful effects of climate change. The target of global net zero by 2050 is within reach – but to get there, businesses must take action quickly, effectively, and at scale.

At Normative, we provide the data foundation empowering businesses to drive emissions reductions and make progress toward net zero.

But Normative also has its own emissions; we have the same imperative to reach net zero as any other business. And – like thousands of other businesses – we used the Normative carbon accounting engine to produce the accurate, comprehensive, and science-backed emissions calculations that guide our net-zero work.

A data-driven approach to net zero

| Carbon accounting | Informs → | Net-zero actions | Operationalizes in → | Sustainability policy |

Figure 1

Normative is committed to reaching net zero by 2030. In this report, we share our emissions data from 2022 and explain how we base our long-term strategic actions on that data, as well as how we operationalize those actions in our sustainability policy. By showing our net-zero journey, we aim to lead by example and inspire businesses like ours to take data-driven climate action.

April 3rd, 2023

Kristian Rönn
CEO & Founder

2. Overview

A graphical overview of Normative's emissions data, reduction actions, and sustainability policies.

Our net-zero plan is built on comprehensive, accurate emissions data from the Normative carbon accounting engine. Below, figure 2 shows our greenhouse gas emissions – broken down by scope and category – connected to the reduction actions and sustainability policies we developed to address them. These emissions, actions, and policies are explained in greater detail throughout the remainder of this report.

Scope 2	tCO$_2$e	%	Strategic action	Sustainability policy areas
Heating	9.30	0.72%	**Action 3:** Renewable & energy efficient offices	Office
Electricity	6.01	0.46%	**Action 3:** Renewable & energy efficient offices	Office

Scope 3	tCO$_2$e	%	Strategic action	Sustainability policy areas
Purchased goods and services	1215.95	94.03%		
Advertising & market research	397.90	31.14%	**Action 2:** Engage with suppliers	Supplier engagement
Computers and communication equipment	166.41	13.02%	**Action 4:** Circular economy & leasing equipment	Electronics & appliances Circular Economy
Legal & accounting activities	138.26	10.82%	**Action 2:** Engage with suppliers	Supplier engagement
Professional, scientific, and technical activities	132.7	10.38%	**Action 2:** Engage with suppliers	Supplier engagement
Computer Programming & Related Activities	88.04	6.89%	**Action 2:** Engage with suppliers **Action 5:** Renewable and energy efficient servers	Miscellaneous Supplier engagement
Insurance, reinsurance & pension funding	72.41	5.67%	**Action 1:** Sustainable pensions	Sustainable pensions
Real estate	58.07	4.54%	**Action 3:** Renewable and energy efficient offices **Action 8:** Minimize waste	Office
Other goods in specialised stores	48.48	3.79%	**Action 2:** Engage with suppliers **Action 4:** Circular economy & leasing equipment **Action 7:** Vegan food	Supplier engagement Circular Economy Food
Office administrative & other business support activities	21.44	1.68%	**Action 2:** Engage with suppliers **Action 4:** Circular economy & leasing equipment **Action 7:** Vegan food	Supplier engagement Circular Economy Food
Textiles & wearing apparel	20.62	1.61%	**Action 2:** Engage with suppliers	Branded merchandise Supplier engagement
Business travel	41.04	3.17%		
Flights	20.96	1.64%	**Action 6:** Minimize travel	Meetings & travel
Hotel stay	16.53	1.29%	**Action 6:** Minimize travel **Action 7:** Vegan food	Hotels, venues, and events Food
Employee commuting	11.30	0.87%	**Action 6:** Minimize travel	Meetings & travel
Upstream transportation and distribution	6.66	0.51%	**Action 2:** Engage with suppliers	Supplier engagement
Fuel- and energy-related activities	2.77	0.21%	**Action 3:** Renewable and energy efficient offices	Office
Waste generated in operations	0.10	0.01%	**Action 3:** Renewable and energy efficient offices **Action 8:** Minimize waste	Office
Scope 2-3 total	1293.13	100%		

Build a data foundation → Activate your data with verifiable sustainability initiatives →

Figure 2. The numbers and percentages in figure 2 have been rounded to two decimal places

3. Normative's 2022 greenhouse gas emissions

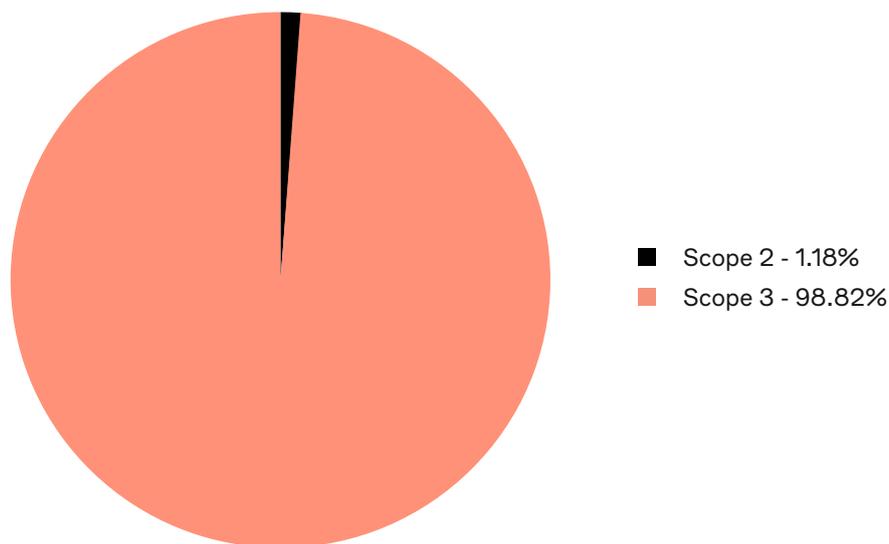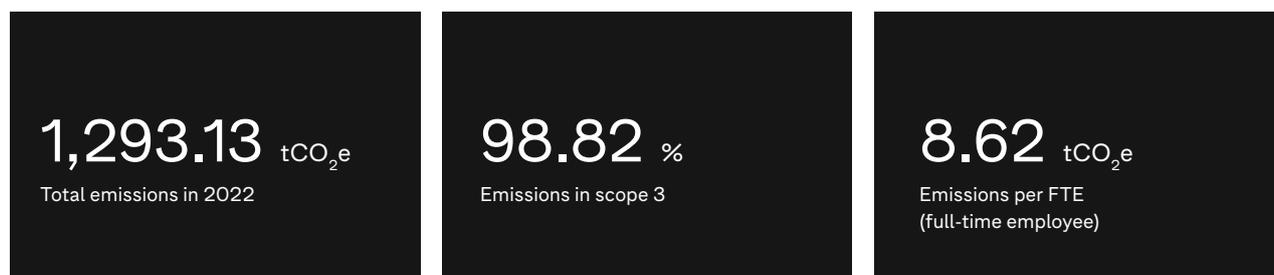An overview of our emissions, broken down by scope

1,293.13 tCO$_2$e	**98.82** %	**8.62** tCO$_2$e
Total emissions in 2022	Emissions in scope 3	Emissions per FTE (full-time employee)

- ■ Scope 2 - 1.18%
- ■ Scope 3 - 98.82%

Figure 3

Normative's 2022 emissions amounted to 1,293.13 tCO$_2$e. Like many software companies, our emissions were concentrated in scope 3, accounting for 98.82% of our carbon footprint; scope 2 accounted for 1.18%. Normative did not have any scope 1 emissions in 2022.

Normative's organizational structure consists of three entities: Normative AB (Sweden), Normative ApS (Denmark), and Normative Ltd (UK). For this report, we have analyzed the emissions of each of our entities, encompassing our entire organization.

In the following sections, find a detailed analysis of Normative's emissions, broken down by scope.

Scope 2

15.31 tCO$_2$e - 1.18% - Categories: electricity; heating

Figure 4

Emissions (tCO2e)
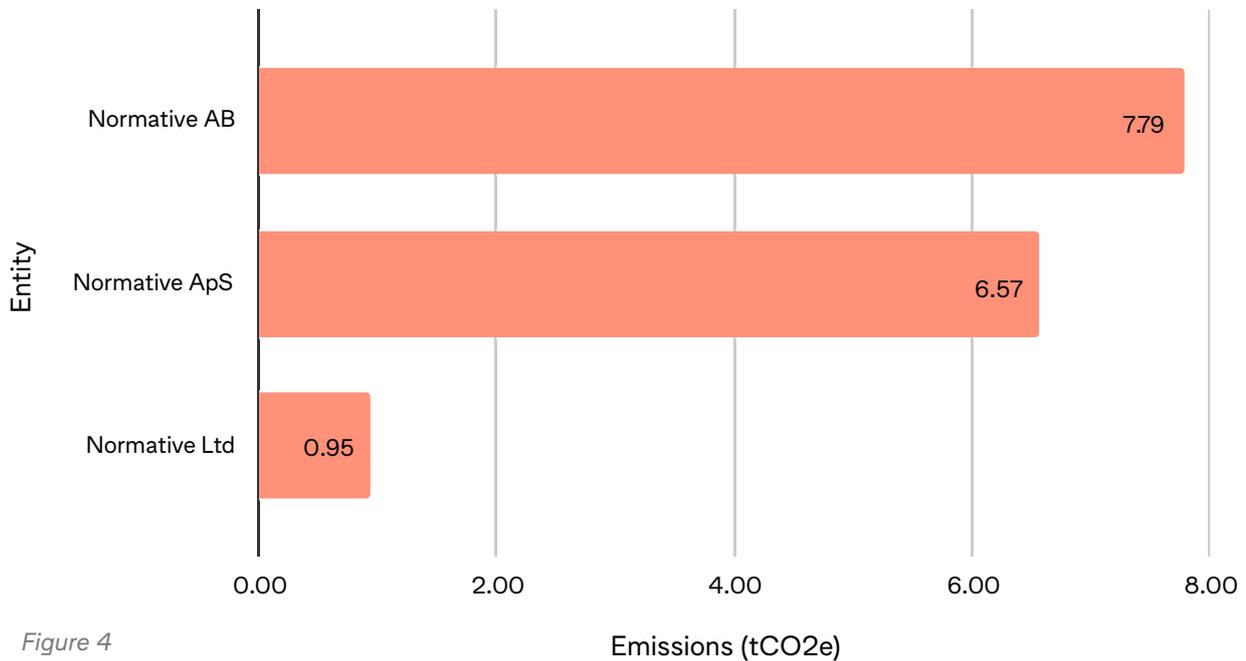
214,933	Total kWh energy used

90.33 %	Renewable energy used

Scope 2 encompasses indirect emissions from utilities such as electricity, heat, steam, and cooling.

Normative's scope 2 emissions came entirely from two sources: heating and electricity. Of the 15.31 tCO$_2$e in Normative's scope 2, heating accounted for 9.30 tCO$_2$e while electricity accounted for 6.01 tCO2e. Broken down by entity, Normative AB accounted for 7.79 tCO$_2$e from its Stockholm office, Normative ApS accounted for 6.57 tCO$_2$e from its Copenhagen office, and Normative Ltd's London office accounted for 0.95 tCO$_2$e.

Renewable sources made up 90.33% of Normative's scope 2 energy usage, for a total of 194,164 kWh of renewable consumption.

Normative uses a market-based method to calculate emissions from electricity usage. In total, 72% of Normative's electricity usage came from renewable sources. 100% of the electricity from Normative's Stockholm and London offices came from renewable sources, while 7% of the electricity used in our Copenhagen office was renewable. The electricity use from the Copenhagen office was calculated using the residual mix.

We used a combination of primary and secondary data to calculate the emissions in this scope. Refer to the "Emissions calculation methodology" section for more detail about our calculations.

Scope 3

1,277.81 tCO$_2$e - 98.82% - Categories: Upstream transportation and distribution; fuel and energy-related activities; employee commuting; business travel; purchased goods and services; waste generated in operations

Normative's scope 3 emissions by category		
Category	tCO$_2$e	Percent
Purchased goods and services	1215.95	95.16%
Business travel	41.04	3.21%
Employee commuting	11.30	0.88%
Upstream transportation and distribution	6.66	0.52%
Fuel- and energy-related activities	2.76	0.22%
Waste generated in operations	0.10	0.01%

Table 1

Scope 3 encompasses all indirect value chain emissions.

The majority of Normative's emissions originate in the value chain. Of Normative's 1,293.13 tCO$_2$e total emissions,1,277.81 tCO$_2$e – or 98.82% – were in scope 3.

These scope 3 emissions come from six Greenhouse Gas Protocol-defined categories: upstream transportation and distribution; fuel and energy-related activities; employee commuting (including working from home); business travel (including hotel stays); purchased goods and services; and waste generated in operations. An additional category, the use of sold products, was considered for inclusion; the emissions from this category were ultimately determined to be negligible, and thus the category was excluded.

A detailed breakdown of our scope 3 emissions per category can be found in Appendix B at the end of this report.

We used a combination of primary and secondary data to calculate the emissions in this scope. Refer to the "Emissions calculation methodology" section for more detail about our calculations.
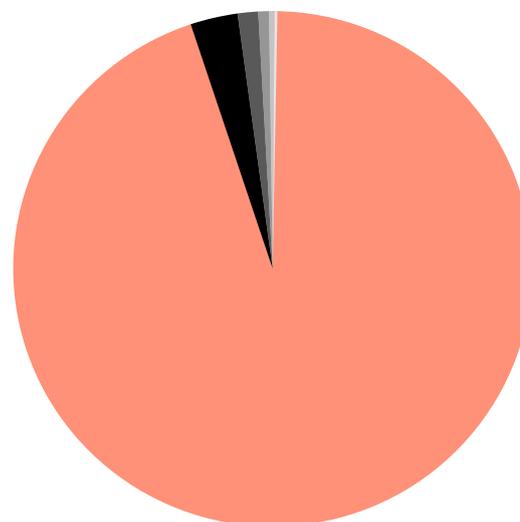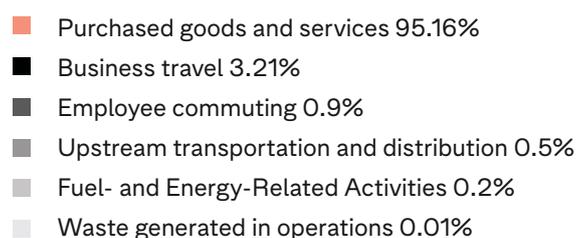

Figure 5

- ■ Purchased goods and services 95.16%
- ■ Business travel 3.21%
- ■ Employee commuting 0.9%
- ■ Upstream transportation and distribution 0.5%
- ■ Fuel- and Energy-Related Activities 0.2%
- ■ Waste generated in operations 0.01%

Tracking progress over time

Normative is a rapidly-growing business, which presents challenges to emissions reduction. We may see our absolute emissions increase in the short term despite the reduction measures we take, due to business growth.

Intensity metrics – such as emissions per full-time employee (FTE) – will help us determine whether our initiatives are having an impact on our emissions while we grow.

Each year, we will calculate our emissions to evaluate the success of our initiatives and to gauge the progress we've made toward our reduction targets. We will share the results in our sustainability report. By the end of the decade, we will begin investing in carbon removal to compensate for the emissions that we can't reduce.

2021 was the first year in which we reported our emissions. Our emissions increased significantly in 2022 compared to 2021. The main driver for this emissions increase is company growth. Since we rely heavily on spend-based calculations, our increase in total spend drove the increase in our total emissions.

Of the ten highest-emitting categories from 2021, seven were also among the highest-emitting in 2022: "Computers, radio, television, and communication equipment;" "Professional, scientific and technical activities;" "Computer programming, consultancy & related activities;" "Insurance, reinsurance & pension funding;" "Real estate;" "Other goods in specialized stores;" and "Office administrative, office support & other business support activities."

There were two new categories that contributed a large share of emissions in 2022: "Advertising & market research" (397.91 tCO$_2$e) and "Legal & accounting activities" (138.26 tCO$_2$e).

The intensity of our emissions per full-time employee has notably increased, which is due to multiple factors. One of the primary reasons is the establishment of new offices in Stockholm, Copenhagen, and London, largely prompted by the cessation of remote work policies necessitated by the COVID-19 pandemic. This led to a corresponding need for office equipment and furniture for our expanding workforce, as well as additional software services to support it. Moreover, as part of our ongoing market expansion initiatives, we have dedicated considerable resources towards marketing and advertising efforts aimed at ensuring sustained growth, which has also increased our emissions. In the subsequent years we expect emissions per FTE to decrease.

In table 2 below, you can find our total emissions from 2021 and 2022, as well as our emissions per full-time employee (FTE) for each year.

Category	2021 total emissions (tCO$_2$e)	2021 emissions per FTE (tCO$_2$e)	2022 total emissions (tCO$_2$e)	2022 emissions per FTE (tCO$_2$e)
Total emissions	173.398	2.668	1,293.127	8.621
Scope 1 emissions	0.000	0.000	0.000	0.000
Scope 2 emissions	1.372	0.021	15.314	0.102
Heating	1.372	0.021	9.301	0.062
Electricity	0.000	0.000	6.012	0.040
Scope 3 emissions	172.026	2.647	1,277.813	8.519
Purchased goods & services	142.747	2.196	1,215.951	8.106
Capital goods	14.690	0.226	0.000	0.000
Business travel	13.222	0.203	41.039	0.274
Employee commuting	0.968	0.015	11.305	0.075
Upstream transportation & distribution	0.145	0.002	6.656	0.044
Fuel & energy-related activities	0.137	0.002	2.767	0.018
Waste generated in operations	0.116	0.002	0.096	0.001

Table 2. All emissions figures are rounded to three decimal places.

4. Net-zero plan

The eight actions that will bring us to net zero by 2030.

2024 - 2030

Work with suppliers to reduce emissions

2023 & before

Vegan food

Minimize travel

Renewable & energy-efficient offices

2024

Sustainable pensions

Circular economy & leasing equipment
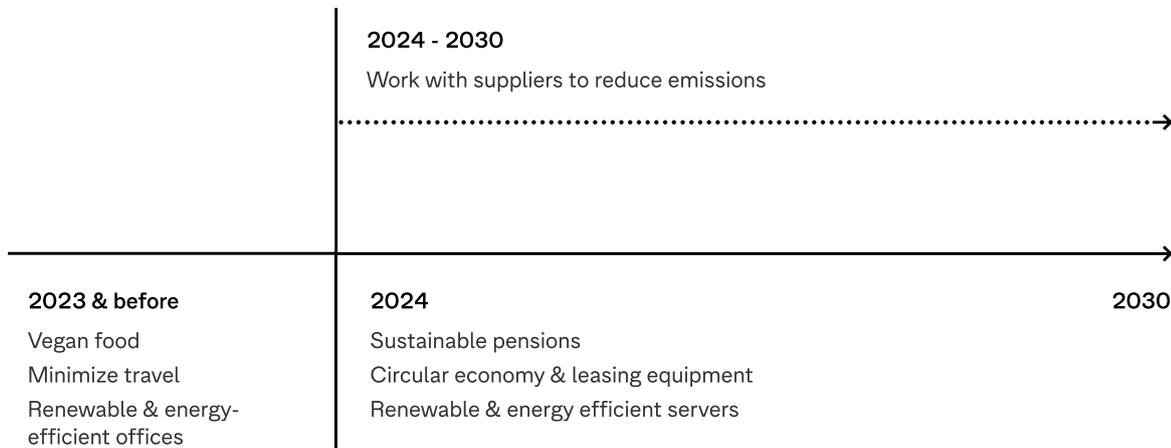
Renewable & energy efficient servers

2030

Figure 6. The figure depicts the net-zero actions that we have taken and will take.

Normative is taking a data-driven approach to reaching net zero by 2030.

By sharing our plan, we aim to demonstrate how a company can use high-resolution emissions data to power its journey to net zero.

We have used our emissions calculations to create the eight-action plan described below, as well as to inform the sustainability policies outlined in the "Sustainability policy" section directly after.

Action 1: Engage with suppliers

We will use Normative's own tools to engage our suppliers in setting net-zero targets, calculating their emissions, and reporting their progress.

We aim to operationalize this action into a Supplier Engagement Policy in 2024 by following the principles outlined in the Exponential Roadmap Initiative's 1.5°C Supplier Engagement Guide.

Accordingly, we prefer suppliers that have public commitments to halve their emissions before 2030. If no such commitments exist, we clearly communicate our expectations to suppliers and encourage them to set targets and take action to halve emissions before 2030. We aim to bolster the message by involving both our own executives and those of our suppliers.

By joining forces with other buyers through 1.5°C-aligned procurement pledges, we send and strengthen a unified message that creates a stronger incentive for suppliers to act.

We also encourage suppliers to assess and publicly report yearly progress towards their target of halving emissions before 2030. By decarbonizing our supply chain, we minimize emissions from the "Purchased Goods and Services" category within scope 3. In 2022, the emissions from this category totaled 1,215.95 tCO_2e, which is 94.03% of our total emissions. (A detailed breakdown of the emissions in this category can be found in Appendix B).

Action 2: Renewable & energy efficient servers

Our company is committed to minimizing our environmental impact and promoting sustainability in our operations. Therefore, we ensure that all hosting and cloud computing services used for deploying our carbon accounting engine run on renewable electricity.

We prioritize the efficient development of our systems, ensuring they are optimized from a computational complexity perspective. This approach not only promotes energy efficiency but also contributes to the longevity and reliability of our systems. Furthermore, we will work with our digital service providers to make sure that they also run their servers on renewable electricity.

By combining the use of renewable electricity with efficient system development, we minimize emissions from the "Computer Programming & Related Activities" and "Professional, scientific, and technical activities" sub-categories within the "Purchased Goods and Services" category in scope 3. In 2022, the emissions from these sub-categories totaled 220.74 tCO_2e, which is 17.07% of our total emissions. (A detailed breakdown of our scope 3 emissions can be found in Appendix B).

Action 3: Circular economy & leasing equipment

Normative recognizes the importance of promoting sustainable practices in the procurement and disposal of electronic equipment, office equipment, and office furniture.

Leasing equipment from third-party providers can be a sustainable option, as it reduces the need for the business to purchase new equipment and can potentially prolong the life of existing equipment. However, it is important to select a third-party provider that has ambitious reuse policies that aim to extend the life of each product as much as possible. This includes refurbishing and repairing equipment, as well as safely disposing of it at the end of its useful life. By 2024, we aim to operationalize these principles in a Circular Economy policy, based on the principles outlined by the EU Waste Framework Directive and the Ellen MacArthur Foundation.

By prioritizing the reuse and recycling of equipment instead of its disposal in landfills, we minimize emissions from the "Computer and Communications equipment" sub-category within the scope 3 category "Purchased Goods and Services." In 2022, the emissions from this sub-category totaled 166.41 tCO_2e, which is 12.87% of our total emissions. (A detailed breakdown of the emissions in this category can be found in Appendix B).

Action 4: Sustainable pensions

Normative recognizes that pensions represent a large source of investment capital, which can have significant environmental and social implications.

Investing in unsustainable industries – such as fossil fuels – can contribute to climate change, habitat destruction, and other environmental harms. To ensure that our investments align with our values and priorities, we will

encourage sustainable pension investments amongst our employees and establish sustainable investment options as a company default with our pension provider.

By encouraging pension alternatives with lower carbon impacts, we minimize emissions from the "Insurance, Reinsurance & Pension Funding, Except Compulsory Social Security" sub-category of the "Purchased Goods and Services" category within scope 3. In 2022, these emissions totaled 72.41 tCO$_2$e, which is 5.60% of our total emissions.

Action 5: Renewable & energy-efficient offices

To minimize our environmental impact, we prioritize the design and operation of energy-efficient office buildings.

Whenever possible we aim to follow BREEAM and LEED certification standards. These standards evaluate a building's sustainability performance, taking into account various factors such as energy efficiency, water consumption, indoor environmental quality, and materials used in construction.

Two of our three offices – in Stockholm and London – operated on 100% renewable electricity in 2022, and will continue to do so in the future. Our third office, in Copenhagen, transitioned to 100% renewable electricity at the start of 2023.

By decarbonizing our offices, we minimize emissions from the "heating" and "electricity" categories within scope 2. In 2022, the emissions from heating and electricity totaled 9.30 tCO$_2$e and 6.01 tCO$_2$e, respectively. This work will also reduce the emissions from scope 3 categories "Fuel- and energy-related activities" and "Waste generated in operations," which in 2022 totaled 2.77 tCO$_2$e and 0.10 tCO$_2$e, respectively. Combined, these categories in scope 2 and 3 are responsible for 1.41% of total emissions.

Action 6: Minimize travel

Normative promotes a digital meeting culture and minimizes unnecessary travel, to reduce carbon emissions and save resources.

In cases where travel is necessary, we opt for train travel when the journey would take under six hours. This approach helps to minimize carbon emissions and other pollutants associated with air travel, which are major contributors to climate change.

By adopting a digital meeting culture and prioritizing sustainable travel options, we minimize emissions from the "Business travel" category within scope 3. In 2022, the emissions from this category totaled 41.04 tCO$_2$e, which is 3.17% of our total emissions.

Action 7: Vegan food

Normative's policy of preferring vegan food is a reflection of our commitment to sustainability and reducing our environmental impact. Animal agriculture is a significant contributor to greenhouse gas emissions, deforestation, and water pollution. By prioritizing vegan options, we are reducing the demand for animal products and supporting a more sustainable food system.

While we value the ethical treatment of animals, and believe that animals have the right to be treated with respect and dignity, we also recognize the urgent need to address climate change. As a company, we believe that we have a responsibility to reduce our carbon footprint and promote more sustainable business practices.

By choosing vegan options whenever possible, we minimize emissions from the "Purchased Goods and Services" and "Business travel" categories within scope 3. In 2022, the emissions from these categories totaled 1,215.95 tCO_2e and 41.04 tCO_2e, respectively. Our total emissions from food, beverages, and catering were 22.57 tCO_2e. (A detailed breakdown of the emissions in these categories can be found in Appendix B).

Action 8: Minimize waste

As a software company, minimizing waste in our offices is an essential aspect of our commitment to environmental sustainability and responsible resource management. In doing so, we follow the waste hierarchy as outlined in the EU Waste Framework Directive.

Firstly, we try to prevent waste from occurring in the first place by, for example, abstaining from buying things that are not needed by our employees. We also work to implement various waste reduction strategies, such as promoting a paperless work environment by encouraging digital documentation, advertising, and communication. We provide recycling bins for all relevant categories and teach our employees how to use them properly. Moreover, we lease our equipment whenever possible (Action 3).

By taking a waste minimization approach, we reduce emissions from the "Waste Generated in Operations" category within scope 3. In 2022, the emissions from these categories totaled 0.10 tCO_2e. However, it is important to highlight that this number is likely to go up significantly once we begin replacing some of our older electronics hardware, and as employees begin returning to the office from previous work-from-home arrangements.

5. Sustainability policy

As a company, Normative strives to minimize its environmental impact. Our sustainability policy codifies this ambition into clear guidelines.

We want to be a role model when it comes to carbon reduction, and to lead by example. In that spirit, we have summarized our internal sustainability policy's guidelines below.

All guidelines are assigned a priority:

- ■ **Requirement.** We put in the effort needed to make it happen because it's either relatively easy or very consequential for our emissions.

- ■ **Strongly encouraged.** As a starting point, we should aim to do this action. But there is a limit to how much effort we put into making it happen, depending on how consequential it is for our total emissions.

- ■ **Encouraged.** It's nice if we can do it, so we explore the possibility. But there is a limit to how much effort we put into making it happen, depending on how consequential it is for our total emissions.

Practices with ■ and ■ are assigned "effort budgets." These budgets state how much extra time and money we are willing to spend to make it happen, and reflect how consequential the practice is for our total emissions.

For example, having offices with district heating and BREEAM or LEED certifications make a big difference in our total emissions, and have effort budgets of 40 hours and +20% cost, respectively.

For one person purchasing food, on the other hand, the effort budget to find a vegan option is 5 minutes and +30% cost, since we recognize this might be hard when one is traveling or has limited time.

We use "effort budget" thinking because we recognize the need to prioritize. We expect our largest contribution to fighting climate change to come from helping our customer companies decarbonize, and we want to stay focused on the actions that make the biggest difference for that goal. We put in a lot of effort when the consequences are significant, but we don't aim to be perfect when we think our efforts can have a larger impact elsewhere.

Area	Initiative
Meetings & travel	■ If the train journey takes under six hours, we go by train. ■ Always choose video conferences over unsustainable travel when the former is possible and sufficient. ■ For taxi and bus travel, we go by hybrid or fully electric vehicles.
Hotels, venues, and events	■ For company-wide meetings and events, we choose hotels and venues that have a clear sustainability policy. ■ When employees book accommodation for themselves, they should choose hotels with clear sustainability policies. ■ Decorations or equipment for office parties should be rented or purchased second-hand.
Food	■ Vegan food for larger purchases (to serve five or more people). ■ Vegan food for smaller purchases (fewer than five people). ■ If no vegan options can be found, food purchases should be vegetarian. ■ Prefer organic food for larger purchases. ■ Prefer locally-produced food for larger purchases (food produced within 30km).
Office	■ Electricity must come from certified renewable sources. ■ LED light bulbs should at minimum meet the energy efficiency class B, in accordance with the European Union energy label. ■ Use water-saving nozzles on all water taps. ■ Offices should have district heating. ■ Offices should be in BREEAM or LEED-certified buildings. ■ Furniture (including for home offices) should be purchased second-hand. ■ Air hand dryers or reusable towels instead of paper towels, for office bathrooms. ■ Sustainably certified hand and dish soap. ■ Follow local recycling advice.
Electronics & appliances	■ Computers must be energy-efficient. ■ Prefer extended warranty and service agreements, enabling us to fix what's broken rather than buying new.

Area	Initiative
Electronics & appliances	■ Use rechargeable batteries with long service lives. ■ Use energy-efficient computer monitors and office appliances. ■ Use recycled hardware when it doesn't compromise performance.
Branded merchandise	■ Only produce branded merchandise if there are clear benefits we can't find elsewhere. ■ We only produce branded merchandise if we are confident the recipients will actually appreciate and use it. ■ Seek options to print on second-hand items or "deadstock." ■ If no second-hand options are found, use suppliers with sustainable supply chains.
Miscellaneous	■ All online hosting and servers should run on renewable electricity. ■ Avoid disposable items whenever possible.

Additional work to be done

In order to operationalize the eight net-zero actions outlined in this report, we need to expand our sustainability policy to include additional policies related to supplier engagement (Action 1), the circular economy (Action 3), and the promotion of sustainable pensions (Action 4).

6. Calculation methodology

Normative uses a science-backed emissions calculation methodology informed by the Greenhouse Gas Protocol.

Carbon calculations are only as good as the data and methods used to generate them. The Normative methodology is built on a proprietary implementation of the Greenhouse Gas Protocol and a deep database of emissions factors.

Based in the Greenhouse Gas Protocol-recommended hybrid methodology, Normative's engine can use both transaction data and activity data in its emissions calculations, ensuring comprehensive coverage of all of a business's sources of emissions. To achieve the most accurate calculations possible, Normative's carbon accounting engine selects the best approach depending on the type of data provided by a business.

The engine then uses intelligent automation to process the business data. This includes mapping the data to the Normative taxonomy – an internal classification system – as well as converting units and currencies where needed.

Finally, the engine combines the processed data with Normative's large database of scientifically-vetted emissions factors to produce emissions calculations.

Material/Activity lbs, kgs, km		
or	X Emissions Factor	= Emissions Estimate
Transaction $, €, £		

Figure 7. A simplified representation of Normative's emissions calculation methodology.

Learn more about Normative's carbon calculation methodology

In a unique move in the industry, we have published a whitepaper on the Normative carbon accounting methodology.

By sharing our methodology, we aim to provide transparency, further support the auditability of our calculations, and demonstrate how Normative establishes a new level of scientific accuracy in emissions accounting.

The Normative methodology whitepaper

Our whitepaper explains in detail the fundamentals of corporate carbon accounting, and outlines Normative's proprietary implementation of the Greenhouse Gas Protocol.

Download the whitepaper →

7. Appendix

Appendix A: Scope 3 categories of the GHG Protocol

The table below contains more information on the scope 3 categories used by Normative to prepare this report. The category names, descriptions, and minimum boundaries have been defined by the Greenhouse Gas Protocol's Technical Guidance for Calculating Scope 3 Emissions.

Category	Category description	Minimum boundary
1. Purchased goods and services	Extraction, production, and transportation of goods and services purchased or acquired (e.g., raw materials, products, legal counseling, etc.) by the reporting company in the reporting year, not otherwise included in categories 2 - 8	All upstream (cradle-to-gate) emissions of purchased goods and services
3. Fuel- and energy-related activities (not included in scope 1 or scope 2)	Extraction, production, and transportation of fuels and energy purchased or acquired by the reporting company in the reporting year which are not already accounted for in scope 1 or scope 2, including: a. Upstream emissions of purchased fuels (extraction, production, and transportation of fuels consumed by the reporting company) b. Upstream emissions of purchased electricity (extraction, production, and transportation of fuels consumed in the generation of electricity, steam, heating, and cooling consumed by the reporting company) c. Transmission and distribution (T&D) losses (generation of electricity, steam, heating and cooling that is consumed [i.e., lost] in a T&D system) – reported by end user d. Generation of purchased electricity that is sold to end users (generation of electricity, steam, heating, and cooling that is purchased by the reporting	a. For upstream emissions of purchased fuels: All upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding, combustion) b. For upstream emissions of purchased electricity: all upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding, combustion by a power generator) c. For T&D losses: All upstream (cradle-to-gate) emissions of energy consumed in a T&D system, including emissions from combustion d. For the generation of purchased electricity that is sold to end users: Emissions from the generation of purchased energy

Category	Category description	Minimum boundary
3. Fuel- and energy-related activities (not included in scope 1 or scope 2)	company and sold to end users) – reported by utility company or energy retailer only	
4. Upstream transportation and distribution	Transportation and distribution (paid by the reporting company) of products purchased by the reporting company in the reporting year between a company's tier 1 suppliers and its own operations (in vehicles and facilities not owned or controlled by the reporting company). Transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g., of sold products), and transportation and distribution between a company's own facilities (in vehicles and facilities not owned or controlled by the reporting company)	The scope 1 and scope 2 emissions of transportation and distribution providers that occur during the use of vehicles and facilities (e.g., from energy use) *Optional: The life cycle emissions associated with manufacturing vehicles, facilities, or infrastructure*
5. Waste generated in operations	Disposal and treatment of waste generated in the reporting company's operations in the reporting year (in facilities not owned or controlled by the reporting company)	The scope 1 and scope 2 emissions of waste management suppliers that occur during disposal or treatment *Optional: Emissions from the transportation of waste*
6. Business travel	Transportation of employees for business-related activities during the reporting year (in vehicles not owned or operated by the reporting company)	The scope 1 and scope 2 emissions of transportation carriers that occur during the use of vehicles (e.g., from energy use) *Optional: The life cycle emissions associated with manufacturing vehicles or infrastructure*
7. Employee commuting	Transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by the reporting company)	The scope 1 and scope 2 emissions of employees and transportation providers that occur during the use of vehicles (e.g., from energy use) *Optional: Emissions from employee teleworking*

Appendix B: More detail on scope 3 emissions

Category	Description	tCO$_2$e
Purchased goods and services	Purchased goods and services > Services & Activities > Professional, scientific and technical activities > Advertising & Market Research	397.91
Purchased goods and services	Purchased goods and services > Machinery & Equipment > Electrical equipment, instruments, machinery & appliances > Computers, radio, television and communication equipment	166.41
Purchased goods and services	Purchased goods and services > Services & Activities > Professional, scientific and technical activities > Legal & Accounting Activities	138.26
Purchased goods and services	Purchased goods and services > Services & Activities > Professional, scientific and technical activities	132.70
Purchased goods and services	Purchased goods and services > Services & Activities > Publication & programming services > Computer Programming & Related Activities	87.43
Purchased goods and services	Purchased goods and services > Services & Activities > Financial and insurance activities > Insurance, Reinsurance & Pension Funding, Except Compulsory Social Security	72.41
Purchased goods and services	Purchased goods and services > Services & Activities > Administrative and support service activities > Real estate	58.07
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Other goods in specialised stores	48.48
Purchased goods and services	Purchased goods and services > Services & Activities > Administrative and support service activities > Office Administrative, Office Support & Other Business Support Activities	21.44
Purchased goods and services	Purchased goods and services > Textiles & wearing apparel	20.62
Business travel	Business travel > Flight	20.96

Category	Description	tCO$_2$e
Business travel	Business travel > Accommodation > Hotel stay	16.53
Purchased goods and services	Purchased goods and services > Services & Activities > Other service activities > Activities Of Membership Organisations	14.19
Employee commuting	Employee commuting	11.30
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Food, beverages and tobacco in specialised stores	9.64
Upstream transportation and distribution	Upstream transportation and distribution > Transport support activities and activities for Travel agencies	6.59
Purchased goods and services	Purchased goods and services > Services & Activities > Hotels and Restaurants	5.90
Purchased goods and services	Purchased goods and services > Services & Activities > Publication & programming services > Postal services and Telecommunications	5.88
Purchased goods and services	Purchased goods and services > Services & Activities > Rental of Machinery, Equipment, Personal and Household Goods	5.14
Purchased goods and services	Purchased goods and services > Food Products	4.76
Purchased goods and services	Purchased goods and services > Services & Activities > Other service activities	4.35
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles > Household goods	4.22
Purchased goods and services	Purchased goods and services > Services & Activities > Financial and insurance activities > Financial Service Activities, Except Insurance & Pension Funding	3.28

Category	Description	tCO$_2$e
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods	2.95
Business travel	Business travel > Rail	1.9
Purchased goods and services	Purchased goods and services	1.83
Purchased goods and services	Purchased goods and services > Education	1.60
Fuel and energy-related activities	Distribution of heat	1.51
Fuel and energy-related activities	Distribution of electricity	1.26
Business travel	Business travel	1.11
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Trade not in stores, stalls or markets	0.97
Purchased goods and services	Purchased goods and services > Services & Activities > Arts, entertainment and recreation	0.96
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Other household equipment in specialised stores	0.95
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Information and communication equipment in specialised stores	0.89
Purchased goods and services	Purchased goods and services > Services & Activities > Publication & programming services > Information Service Activities	0.62

Category	Description	tCO$_2$e
Purchased goods and services	Purchased goods and services > Furniture	0.60
Purchased goods and services	Purchased goods and services > Services & Activities > Other service activities > Printing & Reproduction Of Recorded Media	0.56
Purchased goods and services	Purchased goods and services > Services & Activities > Professional, scientific and technical activities > Scientific Research & Development	0.41
Purchased goods and services	Purchased goods and services > Machinery & Equipment > Electrical equipment, instruments, machinery & appliances > Office machineries and computers	0.40
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade and Repair Of Motor Vehicles, Equipments & Machinery	0.39
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles > Information and communication equipment	0.35
Purchased goods and services	Purchased goods and services > Services & Activities > Professional, scientific and technical activities > Project Development, Architectural, Engineering & Technical Activities	0.34
Business travel	Business travel > Taxis	0.29
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles > Food, beverages and tobacco	0.27
Purchased goods and services	Purchased goods and services > Services & Activities > Financial and insurance activities > Activities Auxiliary To Financial Services & Insurance Activities	0.21
Business travel	Business travel > Ferry	0.16
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles	0.12

Category	Description	tCO$_2$e
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles > Other machinery, equipment and supplies	0.12
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Cultural and recreation goods in specialised stores	0.11
Waste generated in operations	Waste generated in operations > Refuse > Household residual waste > Landfill	0.07
Upstream transportation and distribution	Upstream transportation and distribution > Water transport	0.07
Business travel	Business travel > Bus	0.06
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Wholesale Trade, Except Of Motor Vehicles & Motorcycles > Other specialised wholesale	0.05
Purchased goods and services	Purchased goods and services > Machinery & Equipment > Other Machinery & Equipment	0.04
Purchased goods and services	Purchased goods and services > Processing > Food Products > Processing of other food products	0.02
Purchased goods and services	Purchased goods and services > Beverages	0.02
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Via stalls and markets	0.01
Purchased goods and services	Purchased goods and services > Services & Activities > Public administration and defence; compulsory social security	0.01

Category	Description	tCO$_2$e
Waste generated in operations	Waste generated in operations > Refuse > Organic: food and drink waste > Composting	0.01
Purchased goods and services	Purchased goods and services > Services & Activities > Human health and social work activities	0.01
Waste generated in operations	Waste generated in operations > Paper > Paper > Closed-loop	0.01
Purchased goods and services	Purchased goods and services > Wholesale and retail trade > Retail Trade, Except Of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods > Non-specialised stores	0.01
Waste generated in operations	Waste generated in operations > Metal > Mixed cans > Open-loop	0.003
Waste generated in operations	Waste generated in operations > Paper > Board > Closed-loop	0.002
Waste generated in operations	Waste generated in operations > Refuse > Household residual waste > Open-loop	0.002
Waste generated in operations	Waste generated in operations > Plastic > Average plastics > Open-loop	0.001
Waste generated in operations	Waste generated in operations > Electrical items > WEEE - mixed > Open-loop	0.0003

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