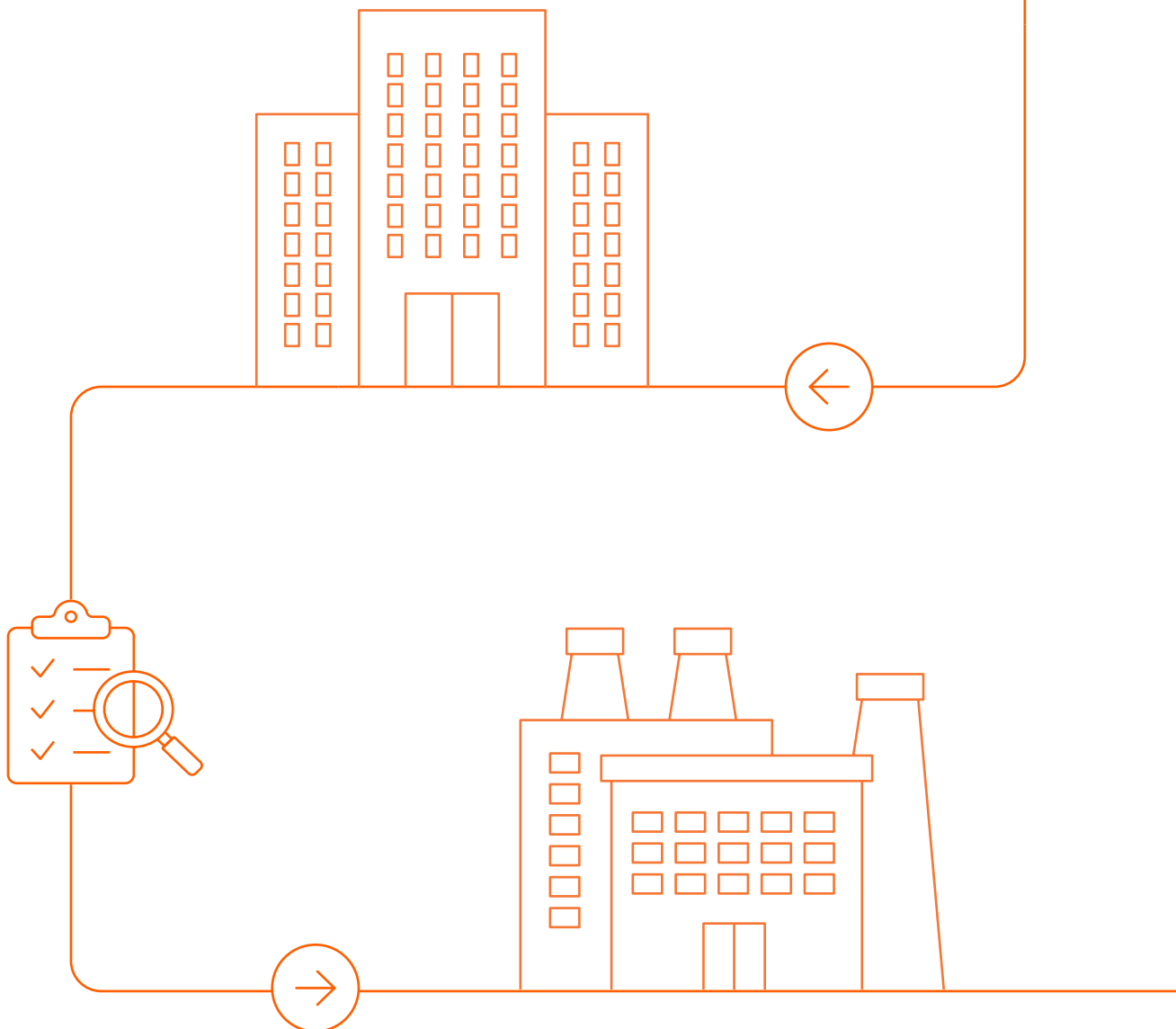


# Getting to grips with Scope 3

As decarbonisation efforts shift towards Scope 3, explore which areas to focus on and the implications and opportunities across various market sectors.



# Tackling over 70% of your total emissions

The urgent need to decarbonise is putting greater focus onto Scope 3 emissions. In this white paper, we take a closer look at which areas will likely have the biggest impact and where change can most easily be effected. It also explores the implications across some key market sectors and offers practical advice to help you remain compliant and keep your net zero journey on track.



Despite an uncertain political landscape and a glut of sensationalist headlines, the drive towards net zero continues to gather pace. According to **PwC's Second Annual State of Decarbonization Report** published in 2025, 84% of companies are either maintaining or accelerating their climate targets.

Today, Scope 3 emissions – resulting from your organisation's value chain, such as employee commuting, waste disposal and supply chain activities – are moving into focus. Given that most estimates state that these account for over 70% of an organisation's total emissions, this focus is no great surprise. However, many organisations are finding them harder to report on since they require input from partners, suppliers and customers across the value chain.



Getting to grips with Scope 3 looks at the reporting challenges and opportunities across some key industry sectors, offering practical tips to keep your net zero journey on track:

- The ins and outs of Scope 3
- Five areas to focus on
- Top tips to get ahead



Scope 3 reporting shouldn't be viewed as just another compliance burden – it's a powerful lens through which to identify efficiency gains and innovation opportunities across your entire value chain."

**Jane Stevensen**

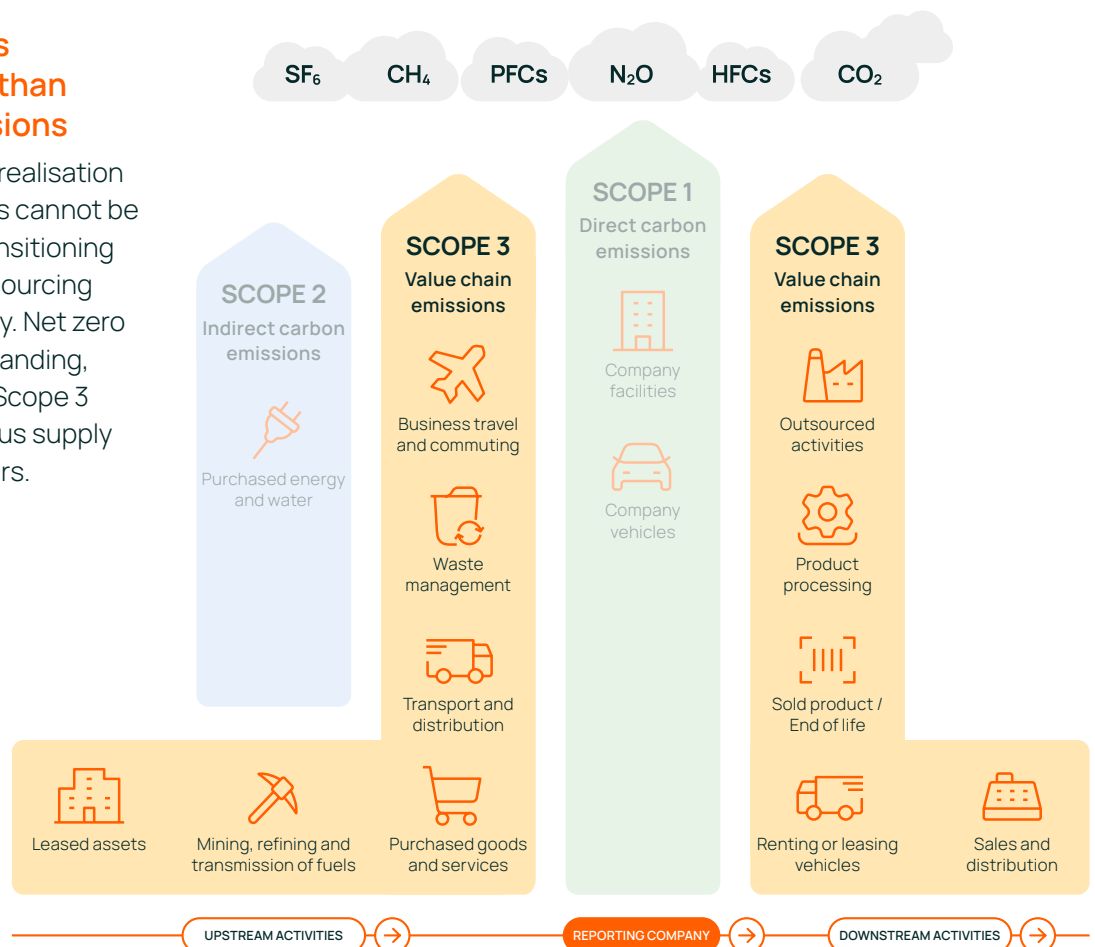
Former Task Force on Climate-related Financial Disclosures (TCFD) Engagement Director

# The ins and outs of Scope 3

Smaller companies are increasingly setting climate goals as businesses intensify supply chain collaboration. According to PwC research, Scope 3 reporting grew rapidly in 2024. Yet many companies are still finding reporting a challenge.

## Scope 3 emissions account for more than 70% of total emissions

There is an increasing realisation that net zero ambitions cannot be achieved by simply transitioning your fleet to EV, or by sourcing lower carbon electricity. Net zero is achieved by understanding, then addressing your Scope 3 footprint and the various supply chains and stakeholders.



**84%**

of companies are either maintaining or accelerating their climate targets

**80%**

surge in 2024 for Scope 3 reporting

**54%**

of companies are on track with their Scope 3 targets

Source: PwC's Second Annual State of Decarbonization Report, 2025

# Five areas to focus on



It is advisable to focus on the Scope 3 areas that will likely have the biggest impact and where change can most easily be effected.

1.



## Business travel

Take a step back and ask yourself: is travel really necessary? These days, technology means face-to-face meetings can be handled virtually. When travel is necessary, there are ways to reduce emissions, such as implementing a no-fly policy for domestic flights or positively encouraging people to take public transport. And why not dive deeper: who in your business travels the most and can you work with them to reduce their footprint?

2.



## Employee commuting

Seek to understand how your employees get to work and whether you can embed more climate-conscious behaviour. One obvious way would be to introduce an EV-only company car policy. There are also health and wellbeing benefits of incentivising alternative commuting methods. Initiatives like a cycle-to-work scheme are not costly to implement but can have a positive impact on people and your footprint.

3.



## Waste generated

Waste can occur right across the product or service lifecycle. Understanding why it is occurring is an important step to reducing it. For example, are you over-ordering products to account for shrinkage, processing or damage? Can you manufacture differently? Design for longevity, disassembly, and recycling?

4.



## Transportation (Upstream)

This is a key area to engage with your suppliers. As an example, you could request that – by a certain date – you will no longer accept anything by diesel HGV or that products must be shipped by electric vehicles only. Giving reasonable notice now allows your suppliers sufficient time to implement changes to the way they do business.

5.



## Transportation (Downstream)

Downstream transportation considerations are similar to those that occur upstream. How are your products being transported to your customers and by what method? Logistics companies are already investing in lower-emission ways to get goods to customers to achieve their own net zero goals. So think hard about who you wish to partner with.



## A closer look at market sectors

These five focus areas are applicable to all market sectors.

However, there are sector-specific considerations worth exploring too.

### Manufacturing



The higher the energy efficiency of the machinery and equipment you use in your processes, the lower each unit will cost to run and may require less maintenance. It is also important to consider the circularity of products: can they be designed for reuse, made to operate more efficiently, or disposed of more mindfully – ultimately making them more attractive to increasingly cost- and energy-conscious consumers?

### FMCG



Consider how far materials must come before they're in the hands of consumers. Saving the equivalent of a few pence per product to source from the other side of the world is increasingly unviable. It is essential to consider end-of-life treatment at design stage. Especially when consumers are seeking more natural, environmentally-responsible products. Climate-conscious decisions now will help your business in the longer term.

### Bio-pharma



If your product requires multi-site global trials this will likely result in significant travel and logistics emissions, so consider carefully how this can be mitigated in advance. Focusing on eliminating fossil fuel use – by leveraging solar PV on buildings to generate the power you need to store in batteries and charge your fleet – can also reduce expenses significantly.

### Hospitality



Think about where products are sourced and whether they can be sourced locally. In hotels specifically, remove or reduce single-use plastics in rooms and ensure energy-efficient practices are followed everywhere. For many parts of the sector, guest travel will account for a significant part of the organisational footprint. Encourage customers to choose the lowest carbon option to reach your venue or look at offering free EV shuttles from local transport.



**Undertaking a life cycle assessment of your product or service.** This is a really insightful way to assess the impact of every step of your product from manufacturing through to use and disposal. It allows you to clearly identify areas for improvement that you may not otherwise see.



What becomes apparent is the similarity between different sectors' carbon footprint. A footprint will be dominated by vehicles, offices, employees and the supply chain. Fundamentally, reducing emissions is similar, irrespective of the industry, because you're still trying to increase efficiency by decreasing consumption, whilst ideally generating new revenue from an increasingly diverse customer base."

**Nick Drake**

Director of Net Zero, Zenergi UK



## Top tips for tackling Scope 3

Getting to grips with Scope 3 can be a challenge but significant opportunities exist for organisations that do so. Our top tips will set you on a path to success.



### Engage with key suppliers

Contact your top 20% of suppliers – these will represent the majority of your upstream emissions and just a simple questionnaire will give you valuable data without overwhelming your teams.



### Focus on what matters most

Use our five focus areas to address your biggest emissions impacts and reflect on how these apply in your industry.



### Be resourceful

If you're struggling to get key data from suppliers or customers, look at industry averages and free calculation tools to give yourself a clear baseline.



### Be honest

Communicate transparently about your progress and challenges. Suppliers and customers appreciate authenticity and will respect your commitment to improvement.



### Consider an expert partner

Whether you need to fill gaps in Scope 1 and 2 reporting requirements or you're under pressure from partners to provide data to support Scope 3, appointing an expert partner is a wise decision.





# Opportunities not obstacles

Mid-market companies are uniquely positioned to gain competitive advantages through Scope 3 emissions management. While larger corporations often struggle with complex global supply chains, mid-market firms can more nimbly engage their value chain partners and implement changes.

So, instead of viewing Scope 3 measurement as a compliance exercise, a different mindset can actually be transformational. This is an area where an expert partner like Zenergi can really make a difference.



Get in touch with one of our net zero heroes to learn more.

[zenergi.co.uk/contact](https://zenergi.co.uk/contact)



Want to discover more net zero perspectives?

Check out our previous white paper:  
[The evolving landscape of net zero.](#)





# Key sources

Zenergi: Internal documentation and expert interviews

[Euronews.com: Top American banks exit net zero alliance](#)

[PwC: PwC's 2025 State of Decarbonization Report](#)

[Edie: Companies more likely to increase climate targets than roll them back](#)

[The Science Based Targets Initiative: Standards and guidance](#)

[Carbon Trust: Scope 3 emissions: Mission impossible or too important to miss](#)

[Zenergi: net zero framework](#)

[Zenergi: How to calculate Scope 1,2 and 3 emissions](#)

[Zenergi: 10 steps to net zero](#)

[Plan A: What is the difference between carbon-neutral, net-zero and climate positive?](#)

[Carbon Trust: What are Scope 3 emissions and why do they matter](#)

[Climate seed: What are Scope 3 emissions and why do they matter](#)

[ESG Today: 84% of Companies Keeping or Accelerating Climate Targets](#)

# Powering a sustainable future



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