

SIMPLIFY & SCALE

# Scope 3 Reporting with SupplierGateway + Sphera



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Supplier  
Gateway®



- ⌚ If you plan on tracking Scope 3 emissions and supply chain ESG by chasing down suppliers, managing multiple spreadsheets, and inputting data into multiple systems, it's time to rethink your plan of attack.

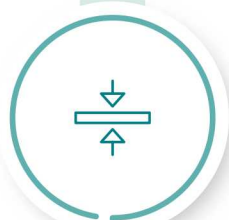
## ➤ Increase supply chain transparency and discover new sustainable purchasing opportunities in four easy steps:



- 01. Identify the suppliers you need to assess.** Most organizations start with their prime suppliers or suppliers in the top 10% of total spend.



- 02. Determine which assessment best suits your needs.** Our Supplier ESG Assessment and GHG Leadership and Reporting Assessment are most often chosen for Scope 3 data collection and overall ESG analysis.



- 03. Create a baseline for your supply chain and individual suppliers.** Responses from your suppliers create both your supply chain and individual supplier baselines. This is your starting point against which you'll measure improvements.



- 04. Establish a feedback method with your suppliers to encourage increased sustainability.** Once your suppliers know where they stand, you can work with them to drive improvements through setting contractual sustainability and ESG KPIs.



# The Numbers on Disclosure

- ⌚ Nearly half of **2,590 U.S.** companies analyzed by S&P Global Sustainable<sup>1</sup> in **2022** disclosed **Scope 1 & Scope 2** GHG emissions.
- ⌚ In **2021, 3,317** companies globally, including those in the U.S., reported **Scope 3 emissions**, showcasing a trend towards broader environmental impact reporting.
- ⌚ **Voluntary GHG** disclosures have significantly increased over the past **five years**, especially among larger companies and specific sectors.
- ⌚ The **SEC's** new rules, adopted in March 2024, will make climate-related disclosures mandatory, likely increasing the number of companies disclosing **GHG emissions**.



## How Fortune 1000 Companies Quantify Supply Chain Emissions

According to the Stanford Faculty Initiative and PWC, Fortune 1000 companies use one or a combination of the following methods to quantify their supply chain emissions:



### Supplier-Specific Data Collection:

Companies gather primary data directly from suppliers regarding their emissions.



### Industry-Average Emission Factors:

In the absence of supplier-specific data, companies apply industry-average emission factors to estimate emissions.



### Hybrid Methods:

A combination of primary data and secondary data (such as industry averages) is used to balance accuracy and practicality.



### Input-Output Analysis:

Economic input-output models estimate emissions based on financial transactions between industries.



### Life Cycle Assessment (LCA):

LCA evaluates the environmental impacts associated with all stages of a product's life.

## Data collection is the foundation of accurate supply chain emissions reporting,

and it doesn't have to be complicated. SupplierGateway's partnership with Sphera helps lay the foundation of accurate ESG reporting through a combination of proprietary information, hundreds of industry experts, and integrated software. Turn confusion into clarity. Whether you're a solo ESG expert or have a team behind you, you can deploy your assessments and get results back in as little as three weeks.

