BRIEFING NOTE 002

Scope 3 in construction

Agree the reporting purpose, screen the value chain and improve the evidence that matters most.

Version 1.3 | Issue and review: 9 September 2026 | 5-minute read

Status: Voluntary accounting framework; reporting, procurement or customer requirements may apply.

Audience: Contractors, manufacturers, merchants and reporting leads.

Executive summary

A company-wide Scope 3 inventory accounts for indirect emissions across the value chain. Check all 15 categories before prioritising materials, subcontracted services and transport. A tender may request a narrower return. Estimates are a useful starting point when their basis and limitations are clear. Confirm the requested output and which businesses and activities it covers before collecting detailed supplier data. Company inventories, project assessments and product declarations answer different questions. A category map helps show likely emissions, gaps and data owners. [1][2]

Start here. Confirm what the report is for, then map all 15 categories and choose the evidence gaps to tackle first.

In plain terms. Scope 1 covers direct emissions from sources you own or control. Scope 2 covers emissions from generating purchased electricity, heat, steam and cooling. Scope 3 covers other indirect emissions across your value chain, including making purchased materials and using or disposing of sold products. [1][3]

Choose the right reporting route

Requested output	Starting point
Company-wide inventory	Screen all 15 categories and explain exclusions. [1]
Tender or Carbon Reduction Plan	Follow the buyer's specified scope. PPN 006 uses five Scope 3 categories; see BN007.
Project or product assessment	Agree the project or product lifecycle method. See BN005 and BN006.

Decide which operations to include

The organisational boundary defines the operations included in the report. Choose a consistent approach based on ownership or control, and record decisions about hired plant and joint ventures. The three approaches are explained beside the sources. [3]

For purchased goods, use supplier data, a mix of supplier and other data, industry averages or spending estimates. Match the method to the evidence and decision. Record units, period, currency, factor version and uncertainty. Price changes can distort spending-based trends. [2]

The categories are designed to avoid double counting within one inventory. The same emissions may appear in different companies' inventories. Report gross emissions separately from offsets or claims about avoided emissions. [1]

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Recommended actions

A practical way to start, with suggested owners and timing:

1. Agree the brief. Keep an approved record of the entity, year, intended users, framework and boundary decisions. *Reporting lead, before collection.*

2. Build the category map. Keep purchasing, sales, transport and asset records alongside relevance, estimates, exclusions and data-quality notes. *Finance and procurement, first screening.*

3. Prioritise better evidence. Choose gaps most likely to change the figure or decision. Request quantities, production stages and source records; record the response and its limits. *Procurement, before the next supplier request.*

4. Reconcile and review. Check missing items, duplicates, units and allocations. Keep review questions and explanations for unusual changes. *Finance and operations, each reporting close.*

5. Make fair year-on-year comparisons. Define the base year, when it must be recalculated and the significance threshold. Disclose and apply this policy consistently; separate operational reductions from method or boundary changes. [1] *Reporting sponsor, before approval.*

Example in practice

Illustrative example: a merchant with no franchises records category 14 as not applicable and keeps evidence of its business structure. Missing commuting data is different: estimate the activity and explain the limitation. Site-based employees still travel to work. [1]

Common mistakes and what to do instead

- Partial return labelled a complete inventory: describe the actual coverage and exclusions.
- A supplier's whole footprint assigned to your purchases without evidence: check product coverage and allocation.
- Missing information entered as zero: distinguish estimates, exclusions and genuinely absent activities.

How Reinventives can help

Our carbon reporting and tender support can start with a category-screening workbook and a prioritised gap list. We map sources and owners, prepare supplier requests and set up repeatable checks. You can improve the evidence progressively from initial estimates. Independent assurance is a separate appointment.

Book a construction reporting conversation: reinventives.co.uk/construction/book

Related briefing notes: BN007 PPN 006 | BN011 Reliable carbon data | BN006 EPDs

Boundary approaches. Equity share uses your ownership share. Financial control means authority over financial and operating policies. Operational control means authority to introduce operating policies. Apply the chosen approach consistently. [3]

Sources and review dates

[1] GHG Protocol, Corporate Value Chain (Scope 3) Standard, 2011 with corrections; chapters 5-7, 9 and 11.

[2] GHG Protocol / Carbon Trust, Technical Guidance for Calculating Scope 3 Emissions, v1.0, 2013.

[3] GHG Protocol, Corporate Standard, revised edition, 2004; chapters 3-4.

Correct as of and sources accessed 9 September 2026 | Next review 9 March 2027

Review on a GHG Protocol amendment, acquisition or disposal, or a material change in methods or data.

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