



AUSTRALIAN SUSTAINABILITY REPORTING STANDARD

SCOPE 3 EMISSIONS PRIORITISATION GUIDELINES

For assistance or questions about this resource, please contact:

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CRITERIA FOR IDENTIFYING RELEVANT SCOPE 3 ACTIVITIES

CRITERIA	DESCRIPTION OF ACTIVITIES
SIZE	They contribute significantly to the company's total anticipated scope 3 emissions
INFLUENCE	There are potential emissions reductions that could be undertaken or influenced by the company
RISK	They contribute to the company's risk exposure (e.g., climate change related risks such as financial, regulatory, supply chain, product and technology, compliance/litigation, and reputational risks)
STAKEHOLDERS	They are deemed critical by key stakeholders (e.g., customers, suppliers, investors or civil society)
OUTSOURCING	They are outsourced activities previously performed in-house, or activities outsourced by the reporting company that are typically performed in-house by other companies in the reporting company's sector
SECTOR GUIDANCE	They have been identified as significant by sector-specific guidance
SPENDING OR REVENUE ANALYSIS	They are areas that require a high level of spending or generate a high level of revenue (and are sometimes correlated with high GHG emissions)
OTHER	They meet any additional criteria developed by the company or industry sector

SCOPE 3 CATEGORIES & EXAMPLES

SCOPE 3 UPSTREAM

	CATEGORY	EXAMPLES
1	Purchased goods & services	Cotton, metals, other materials
2	Capital goods	Machinery, buildings, facilities, and vehicles.
3	Fuel- and energy related Activities <i>(not included in Scope 1 & 2)</i>	Purchased fuels, electricity, T&D losses (including extraction, production & transportation of energy)
4	Upstream transportation and distribution	Activities throughout value chain including air, road, rail, marine and storage
5	Waste generated in operations	Disposal (landfill), recovery, incineration, composting, waste treatment
6	Business travel	Air, rail, bus
7	Employee commuting	Air, rail, bus
8	Upstream leased assets	Leased buildings, factories

SCOPE 3 DOWNSTREAM

	CATEGORY	EXAMPLES
9	Downstream transportation and distribution	Activities throughout value chain including air, road, rail, marine and warehousing
10	Processing of sold products	Energy consumed to process product (e.g. cooking)
11	Use of sold products	Products that consume energy, fuels and feedstocks, products that emit GHGs during use
12	End-of-life treatment of sold products	Disposal (landfill), recovery, incineration, composting, waste treatment
13	Downstream leased assets	Leased buildings, factories
14	Franchises	Franchise outlets, stores
15	Investments <i>Designed for financial institutions</i>	Equity investments, debt investments, project finance, managed investments and client services

SCOPE 3 CATEGORIES & RELATIVE IMPORTANCE

This table lists the top 15 industries in Australia and a qualitative assessment of importance of each Scope 3 category assessed according to ASX-listed corporate sustainability reports.

CATEGORY	Mining	Financial services & banking	Healthcare and social assistance	Construction	Manufacturing	Professional, scientific, and technical services	Education & training	Retail trade	Public administration and safety	Transport, postal, and warehousing	Wholesale trade	Information media and telecommunications	Administrative and support services	Agriculture, forestry, and fishing	Accommodation and food services
1. Purchased goods & services	Very important	Somewhat important	Very important	Very important	Very important	Somewhat important	Somewhat important	Very important	Somewhat important	Somewhat important	Very important	Somewhat important	Somewhat important	Very important	Very important
2. Capital goods	Very important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Very important	Somewhat important	Very important	Somewhat important	Very important	Somewhat important
3. Fuel- and energy related activities	Very important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Very important	Somewhat important	Very important	Somewhat important	Very important	Somewhat important
4. Upstream transportation and distribution	Very important	Not important	Somewhat important	Very important	Very important	Not important	Not important	Very important	Somewhat important	Very important	Very important	Somewhat important	Not important	Very important	Very important
5. Waste generated in operations	Very important	Somewhat important	Very important	Very important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Very important	Very important
6. Business travel	Somewhat important	Very important	Somewhat important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Very important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Somewhat important
7. Employee commuting	Somewhat important	Very important	Very important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Very important	Somewhat important	Somewhat important	Very important	Very important	Somewhat important	Somewhat important
8. Upstream leased assets	Somewhat important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important
9. Downstream transportation and distribution	Very important	Not important	Somewhat important	Somewhat important	Very important	Not important	Not important	Very important	Not important	Very important	Very important	Somewhat important	Not important	Very important	Somewhat important
10. Processing of sold products	Very important	Not important	Not important	Somewhat important	Very important	Not important	Not important	Somewhat important	Not important	Not important	Very important	Not important	Not important	Very important	Somewhat important
11. Use of sold products	Very important	Not important	Somewhat important	Very important	Very important	Not important	Not important	Very important	Not important	Somewhat important	Very important	Very important	Not important	Somewhat important	Somewhat important
12. End-of-life treatment of sold products	Somewhat important	Not important	Very important	Very important	Very important	Not important	Not important	Very important	Not important	Somewhat important	Very important	Very important	Not important	Somewhat important	Somewhat important
13. Downstream leased assets	Somewhat important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Not important	Very important
14. Franchises	Not important	Somewhat important	Somewhat important	Not important	Somewhat important	Not important	Not important	Very important	Not important	Somewhat important	Somewhat important	Very important	Not important	Not important	Very important
15. Investments	Somewhat important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Very important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important	Somewhat important

Legend

Very important

Somewhat important

Not important

Note: This matrix is based on analysis of ASX-listed company sustainability reports and general industry emission patterns in Australia. Actual relevance may vary by specific company operations and size.