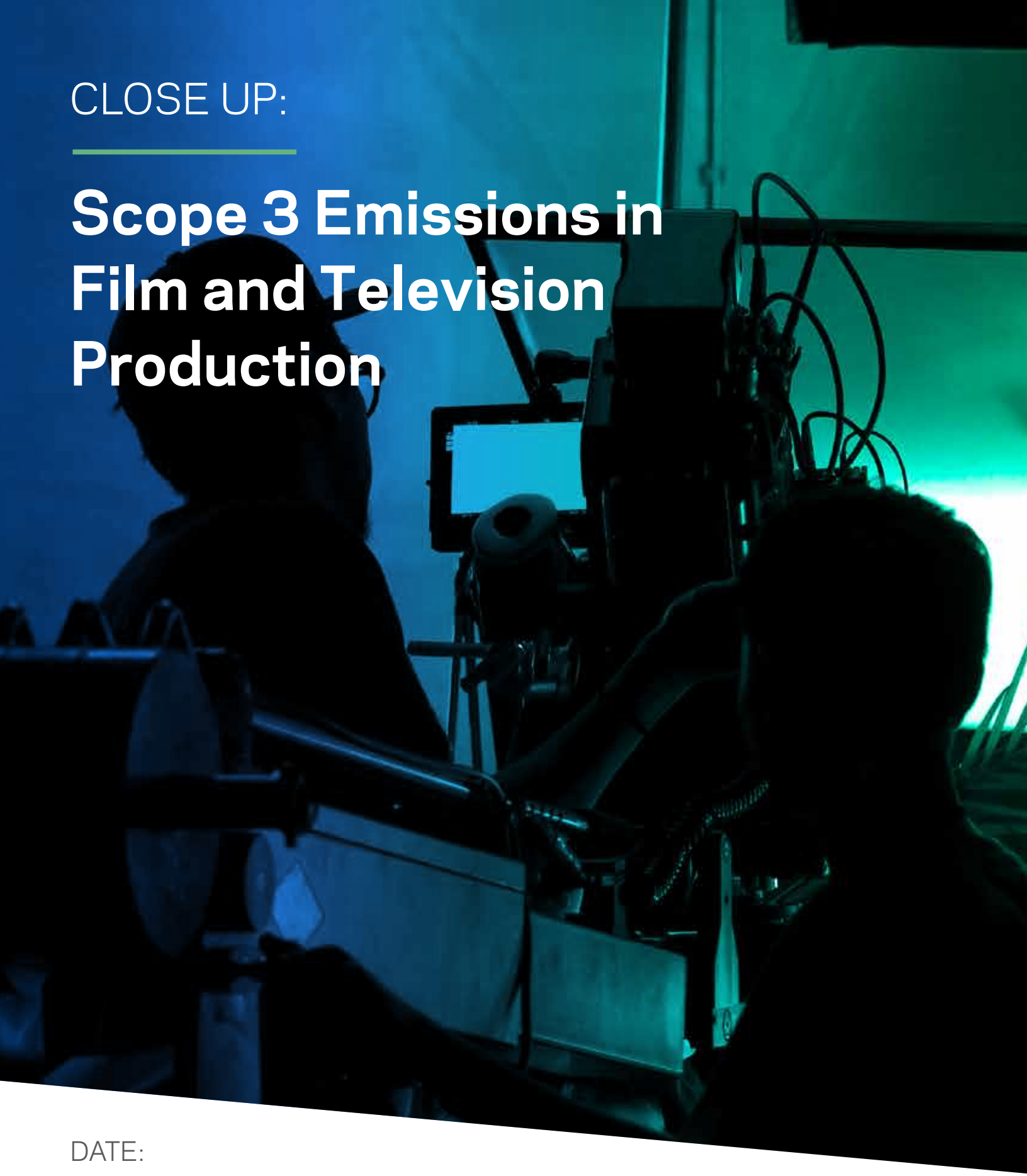
CLOSE UP:

Scope 3 Emissions in Film and Television Production



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Contributors

This whitepaper was developed by ICF in collaboration with members of the Sustainable Production Alliance (SPA) and its Scope 3 Working Group.

Sustainable Production Alliance Members include:

- Sony Pictures Entertainment
- Amazon Studios
- Amblin Partners
- Fox Corporation
- NBCUniversal
- Netflix
- Paramount Global
- Participant
- Village Roadshow Pictures
- The Walt Disney Company
- Warner Bros. Discovery

Introduction

This whitepaper provides guidance on the minimum boundary for a Scope 3 carbon emission inventory generated by a TV show and/or feature film content. This whitepaper recommends entities in a production's value chain such as studios, production companies, broadcasters – streamers, etc. – account for these emissions in their enterprise-wide GHG calculations.

The guidance is presented using the following structure:

- **What:** What Scope 3 emissions must be included in a minimum boundary for a film and/or TV production?
- **Who, When, & Where:** Who should account for the emissions, in what year, and in which scope?
- **How:** How should entities allocate a production's emissions when using different emissions consolidation approaches?

This whitepaper does not define emission calculation methods and is not intended to be prescriptive of every scenario that could occur in a TV show and/or feature film content's value chain.

What Scope 3 emissions must be included in a minimum boundary for a production?

The "minimum boundary" for TV show and feature film content refers to Scope 3 GHG emissions generated from the creation of a TV show and feature film content that an entity in that production's value chain must include when consolidating their emissions.These **minimum boundary** emissions are generally emission that can be directly attributed to the production of a specific TV show or feature film. Emissions **outside of the minimum boundary** tend to be emissions that are attributed to an entity's broader operations (i.e., not associated with a specific production) and emissions related to film and TV show content distribution.

The Sustainable Production Alliance (SPA) examined the 15 Scope 3 emission categories (Table 1) through the lens of the relevancy criteria provided in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (GHG Protocol Scope 3 Standard) (Table 2) to determine if each category should be considered relevant to a TV show and feature film content's lifecycle. SPA considered the production of TV show and feature film content as a "product" when reviewing the relevancy of the upstream and downstream emissions associated with the production's lifecycle. The production as a "product" encompasses the content creation phases of pre- production, principal photography, and post-production and the emissions associated with these phases. Throughout this white-paper, the term "production" is used to refer to the result of these three content creation phases. Thinking of a TV show production or feature film production as a "product" helps distinguish emissions associated with film or TV productions from emissions related to an entertainment company's broader operations.

Table 1: Scope 3 Emission Categories

Upstream Scope 3 Emission Categories	Downstream Scope 3 Emission Categories
• Purchased Goods and Services • Capital Goods • Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2) • Upstream Transportation and Distribution • Waste Generated in Operations • Business Travel • Employee Commuting • Upstream Leased Assets	• Downstream Transportation and Distribution • Processing of Sold Products • Use of Sold Products • End-of-Life Treatment of Sold Products • Downstream Leased Assets • Franchises • Investments

Definitions of each Scope 3 emission category, as defined by the Greenhouse Gas Protocol, are presented in the Relevancy Determinations by Scope 3 Category section.

Table 2: Scope 3 Relevancy Criteria[1]

Relevance Criteria	Criteria Definitions
Occuring	Emissions are known to occur at the production-level.
Size	Emissions contribute significantly to the production's total anticipated Scope 3 emissions.
Influence	There are potential emissions reductions that could be undertaken or influenced by the enterprise.
Risk	Emissions sources 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	Emission sources are deemed critical by key stakeholders (e.g., customers, suppliers, investors, civil society, etc.).
Outsourcing	Emission sources 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.mers, suppliers, investors, civil society, etc.).
Sector Guidance	Emissions have been identified as significant by sector-specific guidance.
Spending or Revenue Analysis	Emission sources are areas that require a high level of spending or generate a high level of revenue (and are sometimes correlated with high GHG emissions).

[1] Adapted from GHG Protocol Corporate Value Chain (Scope 3) Standard *Table [6.1] Criteria for identifying relevant scope 3 activities.*

Key stakeholders from SPA, including production and streaming companies, participated in the relevancy criteria review and stakeholder assessment. Stakeholder perspectives were assessed through available information and resources provided by key SPA participants. Future iterations of the Scope 3 minimum standard could include a more complete range of perspectives from stakeholders including film commissions, government agencies, industry consortiums, third party production companies, auditors, insurance companies, and the public. The continued evolution and refinement of this Scope 3 standard will ensure that a complete collection of feedback and insights are appropriately represented in the relevancy criteria.

SPA's determinations for emissions source relevancy are presented in Table 3. The keys for interpreting SPA's determinations are in Table 4 and Table 5. The determinations presented in Table 3 are based on SPA members' interpretation of the Scope 3 relevancy criteria applied across the industry, not for a specific entity's productions. The determinations are intended to set a general standard for relevancy of emission sources for a production as a "product" across the industry.

Scope 3 relevancy evaluations may vary for individual entities and under varying external circumstances. Additionally, relevancy determinations may be revised in future iterations of this whitepaper due to factors such as technological advances in the film industry, variations in climate change impact projections, or the development of regulatory sector-specific guidance, among other factors.

The emissions included in a TV show and feature film content's Scope 3 minimum boundary can be included in a Greenhouse Gas Declaration (GHG Declaration), along with the Scope 1 and 2 emissions associated with the TV show and feature film content. Appendix A: GHG Declaration provides an example of a GHG Declaration for a production of TV show(s) and feature film content.

Table 3: GHG Protocol Relevancy Criteria Applied to Scope 3 Categories for Production Content Creation and Distribution

	Upstream Emissions (production as the "product")								Downstream Emissions (production as the "product")						
	Purchased Goods & Services	Capital Goods	Fueland Energy-Related Activities	Upstream Transportation & Distribution	Waste Generated in Operation	Business Travel	Employee Commuting	Upstream Leased Assets	Downstream Transportation & Distribution	Processing of Sold Products	Use of Sold Products	End-of-Life of Sold Products	Downstream Leased Assets	Franchise	Investments
Category	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Occurring (at the production-level)	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No*	No	No	No*	No	No	No
Size	Large		Small	Large	Small	Large	Small								
Influence	High		Low	High	Low	High	Low								
Risk	ND		ND	ND	ND	ND	ND								
Stakeholders (industry group)	Yes		Yes	Yes	Yes	Yes	Yes								
Outsourcing	No		No	No	No	No	No								
Sector Guidance	None		None	None	None	None	None								
Spending or Revenue Analysis	High		Low	High	Low	High	None								
Included in minimum boundary?	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
May be categorized with PG&S?	N/A	No	No	Yes	Yes	No	No	No	Yes	No	Yes	No	No	No	No
May be included at the enterprise level?	No	Yes	Yes	No	No	No	No	Yes	Yes	No	Yes	No	Yes	No	No

** Category 9: Downstream Transportation & Distribution and Category 12: End-of-Life of Sold Products include both physical and digital products. ND – Not Determined. Risk level was not determined for this relevancy exercise since risk is based on varying company-specific and external circumstances. N/A – Not Applicable.*

Note: The determinations in Table 3 are intended to set a general standard for relevancy of emission sources for a production as a "product" across the industry. Scope 3 relevancy evaluations may vary for individual entities and under varying external circumstances. Additionally, relevancy determinations may be revised in future iterations of this whitepaper due to factors such as technological advances in the film industry, variations in climate change impact projections, or the development of external sector-specific guidance, among other factors.

Table 4: GHG Protocol Relevancy Criteria Key

Relevancy Criteria	Yes	
Occurring (at the production level)	Yes	Yes, emissions are occurring at the production-level.
	No	No, emissions are not occurring at the production-level. This may be because these emissions are relevant at the enterprise level, but not the production level.
Size	Small	Emissions are likely relatively small.
	Large	Emissions are likely relatively large.
Influence	Low	The studio likely has some, but very little influence over the emissions-generating activities.
	High	The studio likely has influence over the emissions-generating activities.
Risk	ND	Not Determined – The emissions-generating activities' affect on company's risk exposure was not determined in this relevancy exercise since risk level is based on a host of circumstances.
	Low	The emissions-generating activities are unlikely to affect the company's risk exposure.
	High	The emissions-generating activities are likely to affect the company's risk exposure.
Stakeholders (Industry Group)	Yes	The emissions-generating activity has been identified by stakeholders as significant. *This is based on an assessment by SPA stakeholders. A complete range of stakeholder perspectives were not assessed.*
	No	The emissions-generating activity has been identified by stakeholders as not significant. *This is based on an assessment by SPA stakeholders. A complete range of stakeholder perspectives were not assessed.*
Outsourcing	Yes	Yes, the emission-generating activities 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.
	No	No, the emission-generating activities are not 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	Yes	The emission source has been identified as significant by sector-specific guidance.
	No	The emission source has been identified as not significant by sector-specific guidance.
	None	No sector specific guidance is available for the emission source to determine whether or not it is significant.
Spending or Revenue Analysis	None	The emissions-generating activity does not require any spending or generate any level of revenue.
	Low	The emissions-generating activity does not require a high level of spending or generate a high level of revenue.
	High	The emissions-generating activity does require a high level of spending or generate a high level of revenue.

Table 5: GHG Protocol Relevancy Criteria Color Key

Symbols/Colors	Key
Black Text	SPA determination.
Green Shading	SPA determination that the emissions category should be included in the minimum boundary.
Red Shading	SPA determination that the emissions category should not be included in the minimum boundary.
Gray Shading	SPA determination that the emissions in the emissions category are not occurring at the production-level and therefore the relevancy criteria do not require further evaluation.

Exclusion of Development Rights Emissions from the Minimum Boundary

SPA determined that upstream emissions of a production associated with development rights to create new content, such as spending on intellectual property rights and sports broadcasting rights by the reporting entity, should be excluded from the production's minimum boundary Scope 3 emissions. SPA considers the procurement of development rights to be a low-to-no emissions generating activity. Even though there may be upstream emissions associated with the development of intellectual property, these emissions are difficult to quantify and entities in a production's value chain are unlikely to have any influence over those emissions. For example, when a film studio acquires the intellectual property rights to a book to adapt it into a feature film, the film studio is not required to include emissions associated with the writing and publishing of the book in the feature film's upstream Scope 3 emissions.

Exclusion of Downstream Value Chain Emissions from the Minimum Boundary

SPA determined that emission-generating activities occurring downstream of the production (Scope 3 Categories 9-15 as presented in Table 1) are not relevant for any production-level boundary and should be **excluded from the minimum boundary for a production.**

It is likely that a company will include downstream emissions categories in their enterprise-level reporting. However, this study considers downstream emissions as distinct and separate from production-specific emissions and, therefore, is excluded from the scope of this whitepaper.

Notably, the emissions due to networks and end-user devices for digitally distributed content are required in either the production- or enterprise-level emissions accounting of a reporting company. This is because the Science Based Targets Initiative (SBTi) guidance for the software and telecommunication services sector defines both network (i.e., the energy consumption of computers or other electronic devices due to the use of software) and user-devices (i.e., energy consumption of end user hardware) as indirect use-phase emissions.[2] Reporting indirect use-phase emissions is optional according to the GHG Protocol Scope 3 Standard[3] and SBTi guidance, meaning companies are not expected to account for indirect use-phase emissions of sold content.

Future iterations of the Scope 3 minimum boundary may explore the inclusion of additional emission sources in the minimum boundary for production. However, studios may have minimal influence over the emissions-generating activities in emission categories not currently included in the minimum boundary and may have difficulty attributing emissions from these categories to specific productions.

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2 SBTi Guidance Target Validation Protocol for Near-term Targets. *Table [5] Direct and indirect use phase emissions accounted for under Scope 3: Category 11: Use of Sold Products.*

3 GHG Protocol Corporate Value Chain (Scope 3) Standard. *Table [5.8] Emissions from use of sold products.*

Relevancy Determinations by Scope 3 Category

The following subsections present the production-level Scope 3 minimum boundary relevancy – Table 3 – in greater detail along with definitions of each Scope 3 category.

Category 1: Purchased Goods and Services (PG&S)

Definition: All upstream (cradle-to-gate) emissions of purchased goods and services associated with production content creation, not otherwise included in Scope 1, Scope 2, or Scope 3: Categories 2 – 8. E.g., production-related equipment rentals and purchases, costume/wardrobe/set purchases and rentals; food and meals; catering equipment and supplies; logistics, transport, couriers, etc.

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** PG&S likely result in significant emissions, the studios' likely have influence over the spending on productions, climate impacts are likely to cause potential disruptions to PG&S supply chains, and there is a material amount of spending associated with specific vendors in the PG&S category.

Category 2: Capital Goods

Definition: All upstream (cradle-to-gate) emissions of purchased capital goods for production content creation.

Relevancy Determination: This category was determined **not to be relevant for the minimum boundary for productions.** Capital good purchases are usually made at the enterprise-level and not allocated to specific productions.

Category 3: Fuel- and Energy-Related Activities (FERA)

Definition: All upstream (cradle-to-gate) emissions of purchased electricity, purchased fuels, and energy consumed in transportation and distribution systems associated with the fuel and electricity purchased for productions, not already accounted for in Scope 1 or Scope 2.

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** FERA emissions are usually accounted for at the enterprise-level but it is possible to break out the emissions on the production-level. FERA emissions are likely to be relatively low compared to other emission categories and studios are not likely to have significant influence over them, but climate impacts have the potential to disrupt the emissions-generating activities for this category.

Category 4: Upstream Transportation & Distribution

Definition: Emissions from the transportation and distribution of products (excluding fuel and energy products) purchased or acquired for production content creation in vehicles and facilities not owned or operated by the reporting company, as well as other transportation and distribution services purchased for production content creation (including both inbound and outbound logistics).

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** Emissions from this category have the potential to be relatively large, studios may have influence over the emissions-generating activities for this category, and upstream transportation has the potential to be disrupted by climate impacts. Emissions from this category may be included under Category 1: PG&S, but emissions from this category have the potential to be broken out separately.

Category 5: Waste Generated in Operations

Definition: Emissions from waste management suppliers that occur during disposal or treatment of waste generated during production content creation.

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** Emissions from this category are likely to be relatively small and studios likely have minimal influence over the emissions-generating activities in this category, but these emissions are expected to occur within all productions. Data collection challenges generally impede accurate estimates of waste-related emissions because studios often share spaces with other productions and/or pay for waste services through a more general facilities management contract. Emissions from this category may be included under Category 1: PG&S in the form of facilities management costs that include waste management services, but emissions from this category have the potential to be broken out separately.

Category 6: Business Travel

Definition: Emissions of transportation carriers that occur during transportation of cast, crew, and producers for production-related activities (in vehicles not owned or operated by the reporting company). E.g., Flights to film locations, hotel stays.

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** Air travel typically generates a large amount of emissions from this category, and studios have some control over filming locations and the business travel modes used. Business travel also has the potential to be severely disrupted by climate impacts. Stakeholders, such as customers, also have been vocal about excessive travel by talent. Typically, emissions associated with talent and film promotion marketing events, such as travel via entity-owned private jet, are included directly under Scope 1 at the enterprise-level. Private jet travel using chartered aircraft would be included in Scope 3 under Business Travel at the production-level.

Category 7: Employee Commuting

Definition: Emissions from transportation of crew between their homes and their worksites for production content creation (in vehicles not owned or operated by the reporting entity) unless included in Category 6: Business Travel or at the enterprise-level. E.g., Local crew commuting to filming location.

Relevancy Determination: This category was determined to be **relevant for the minimum boundary for productions.** Emissions from commuting are likely to be relatively small because most people's transportation related to productions can be classified as business travel or reported via fuel use in Scope 1. The cast, crew, and producer transportation may fall under business travel or employee commuting depending on the situation. Studios likely have minimal influence over the emissions-generating activities in this category and limited data collection capabilities. Climate impacts have the potential to be disruptive to commutes.

Category 8: Upstream Leased Assets

Definition: Emissions from the operation of assets leased by the reporting entity (lessee) for production content creation and not included in Scope 1 and Scope 2.

Relevancy Determination: This category was determined **not to be relevant for the minimum boundary for productions.** Upstream leased assets (where the reporting company is the lessee) are likely to be allocated at the enterprise-level rather than the production-level. Emissions from assets leased for specific productions are likely to be allocated under Scopes 1 and 2.

Category 9: Downstream Transportation & Distribution

Definition: Emissions of transportation providers, distributors, and retailers that occur during use of vehicles and facilities during production content distribution. E.g., Emissions from digital distribution such as data storage and transmission of digital files required to distribute production content to the customer; and emissions from physical distribution, such as distribution of physical products (e.g., BDs, DVDs, UHDs). This category does not include emissions from internet providers for the distribution of digital content.

Relevancy Determination: This category was determined by SPA **not to be relevant for the minimum boundary for productions.** The SPA determined the minimum boundary encompasses emissions associated with the pre-production, principal photography, and post-production phases of content production. This boundary definition of production does not include distribution. Emissions from this category are usually included under Category 1: PG&S and/or at the enterprise-level. Refer to the Downstream Value Chain Emissions section above for additional information.

Category 10: Processing Sold Products

Definition: Emissions from the processing of intermediate products sold by downstream companies (e.g., manufacturers) for production-specific products. E.g., Processing of intermediate products used to manufacture physical film or physical entertainment products (e.g., BDs, DVDs, UHDs).

Relevancy Determination: This category was determined by SPA **not to be relevant for the minimum boundary for productions.** The SPA determined the minimum boundary encompasses emissions associated with the pre-production, principal photography, and post-production phases of content production. Emissions from this category are captured at the enterprise-level. Furthermore, it is possible that emission factors used to calculate emissions from Category 1: PG&S will account for lifecycle emissions from the purchased goods or service. Please refer to the Downstream Value Chain Emissions section above for additional information.

Category 11: Use of Sold Products

Definition: Direct use-phase emissions of sold products over their expected lifetime (i.e., the Scope 1 and Scope 2 emissions of end users that occur from the use of products that directly consume energy [fuels or electricity] during use.) E.g., Electricity used when a consumer streams content.

Relevancy Determination: This category was determined by SPA **not to be relevant for the minimum boundary for productions.** The energy and activities required to "use" content, such as the electricity used to play a film in a cinema or stream a TV show, are out of scope for both the production - and at the enterprise-level per the GHG Protocol Scope 3 Standard for devices not manufactured by the studio and/or content streamer. Furthermore, according to the GHG Protocol Scope 3 Standard and SBTi guidance, the energy consumption from internet networks and end user devices are indirect and would therefore not be in scope for production or studio emissions. Relevant digital emissions, such as data center emissions, are accounted for at enterprise level.
Please refer to the Downstream Value Chain Emissions section above for additional information.

Category 12: End-of-Life of Sold Products

Definition: Emissions from waste management companies that occur during disposal or treatment of production-specific products sold by the reporting company at the end of their life.

Relevancy Determination: This category was determined by SPA **not to be relevant for the minimum boundary for productions.** A production has no end-of-life in the same way that a physical product has an end-of-life (e.g., an appliance may be disposed of in a landfill at its end-of-life). Please refer to the Downstream Value Chain Emissions section above for additional information.

Category 13: Downstream Leased Assets

Definition: Emissions from the operation of assets owned by the reporting entity (lessor) and leased to other entities for production content creation or distribution, not included in Scope 1 and Scope 2.

Relevancy Determination: This category was determined **not to be relevant for the minimum boundary for productions.** Emissions are unlikely to occur for this category because it is unlikely that any downstream leased assets will be assigned to a specific production. These emissions are more likely to occur at the enterprise-level.

Category 14: Franchises

Definition: Emissions that occur during the operation of franchises related to production content creation or distribution in the reporting year, not included in Scope 1 and Scope 2.

Relevancy Determination: This category was determined **not to be relevant for the minimum boundary for productions.** The emissions-generating activities of franchises are unlikely to occur or be allocated to specific productions.

Category 15: Investments

Definition: Emissions from operation of investments (including equity and debt investments and project finance), related to production content creation or distribution, in the reporting year, not included in Scope 1 or Scope 2.

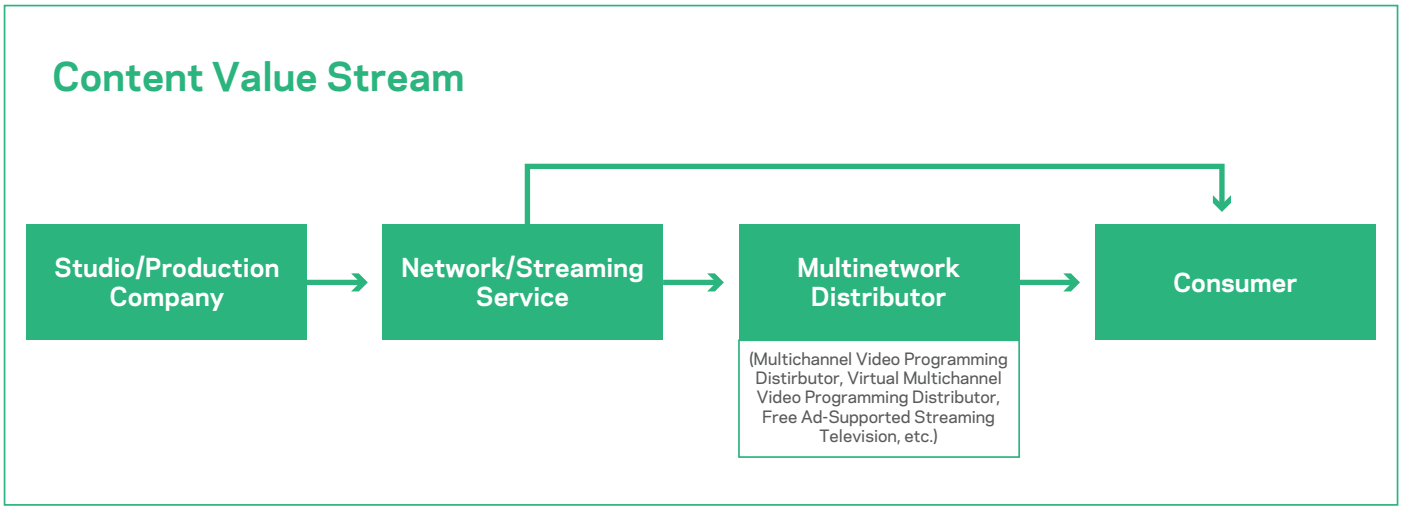
Relevancy Determination: This category was determined **not to be relevant for the minimum boundary for productions.** The emissions-generating activities of investments are unlikely to occur or be allocated to specific productions.

Who should account for the emissions, in what year, and in which scope?

Content like a TV show or feature film passes through the hands of multiple entities, such as studios, production companies, and networks, in its lifecycle from the creation of the content (i.e., production) to distribution and syndication, as displayed in Figure 1. Each entity in the production's lifecycle may be required to account for emissions associated with the production at different points in the production lifecycle. This section provides guidance to determine which entities in a content's lifecycle are expected to include the production's emissions into their enterprise GHG inventories.

The lifecycle of TV show and feature film content can be complex and last for decades. For example, *One Day at a Time* first aired in 1975 and can still be watched today. A general lifecycle is presented below. However, a large variety of lifecycle scenarios exists, therefore, this section will not be prescriptive of every scenario that could occur but provides general guidance based on conversations with industry professionals at SPA.

Figure 1: TV Show and Feature Film Content Value Chain



Emissions ownership, or the responsibility of an entity to account for at least the minimum boundary emissions specified above, ends or "expires" after original distribution or first run of the show. For the purpose of this initial minimum boundary, the terms original distribution or first run refer to the TV show or feature film content's earliest availability for general public viewing whether at the theater, a streaming platform, or broadcast TV.

To help entities determine whether to claim ownership over a TV show or feature film content emissions, refer to the following guiding questions:

- Was the entity a primary producer of the TV show or feature film content such that had the entity not been involved, the TV show or feature film would have likely not existed?
- Was the entity involved with the original distribution of the TV show or feature film content?

If an entity can answer "yes" to any of the above questions, it likely should include the TV show or feature film content's minimum boundary emissions in either (A) the entity's Scope 1, 2 and 3 GHG inventory or (B) solely in the entity's Scope 3 Category 1: PG&S emissions. However, all entities involved in a TV show or feature film content's lifecycle should critically examine their own involvement to determine in which scope(s) the emissions should be included, if at all.

The following subsections present case studies to illustrate how the above guiding questions may be applied to different scenarios to help an entity determine how to account for emissions from TV show or feature film content.

Case Study: TV Show

This case study will examine an emissions allocation scheme for the emissions from *TV Show XYZ* (2009-2013). This case study will describe the value chain entities' involvement in the show's lifecycle, the application of the above guiding questions to the case, and how each entity should claim ownership over the show's minimum boundary emissions in their enterprise-wide GHG inventory.

Case Details

Company A (Studio) was the lead production company for *TV Show XYZ* beginning in 2009 and in its subsequent production years for all five seasons of the show. Company B (Broadcast Channel) aired the five seasons from 2009 to 2013. After the conclusion of the show, Company C (Streamer) acquired the subscription video-on-demand (SVOD) rights for the show. Company D (Broadcast Channel) aired the show in syndication.

Application of Guiding Questions

Table 6 examines this case using the above guiding questions to identify whether each entity in the production value chain should likely account for emissions from the minimum boundary in their enterprise-wide GHG inventory.

Table 6: TV Show Case Study Application of Guiding Questions for Accounting for a Production's Minimum Boundary in an Enterprise-wide GHG Inventory

	Guiding Questions		
Entities in Value Chain	**Was the entity a primary producer of the TV show such that had the entity not been involved, the TV show would have likely not existed?**	**Was the entity involved with the original distribution of the TV show?**	**Should the entity likely account for emissions from the TV show's minimum boundary in their enterprise-wide GHG inventory?**
Company A (Studio)	Yes	No	Yes
Company B (Broadcast Channel)	No	Yes	Yes
Company C (Streamer)	No	No	No
Company D (Broadcast Channel)	No	No	No

Using the guiding questions, Company A (Studio) and Company B (Broadcast Channel) would account for the show's minimum boundary emissions in their enterprise-wide GHG inventory. Company C (Streamer) and Company D (Broadcast Channel), would not be required to account for the show's minimum boundary emissions in their enterprise-wide GHG inventories.

Emissions Ownership Percentage in GHG Inventory

The entities involved in the show's lifecycle have different responsibilities for reporting, or owning, the TV show's emissions based on their type of involvement in the value chain. Table 7 presents how each entity in TV Show XYZ's value chain would be required to account for the TV show's GHG Declaration emissions and in which GHG inventory year they would account for those emissions.

In this case study, emissions ownership stops after the original distribution (first run).

The Scope 3 emissions described in Table 7 only refer to the minimum boundary emissions as described earlier in this Scope 3 Standard. Streaming and device emissions associated with these value chain entities are outside of the minimum boundary and would be included at the enterprise-level.

This case study assumes that all entities in the value chain are using the operational control consolidation approach in their GHG inventories.

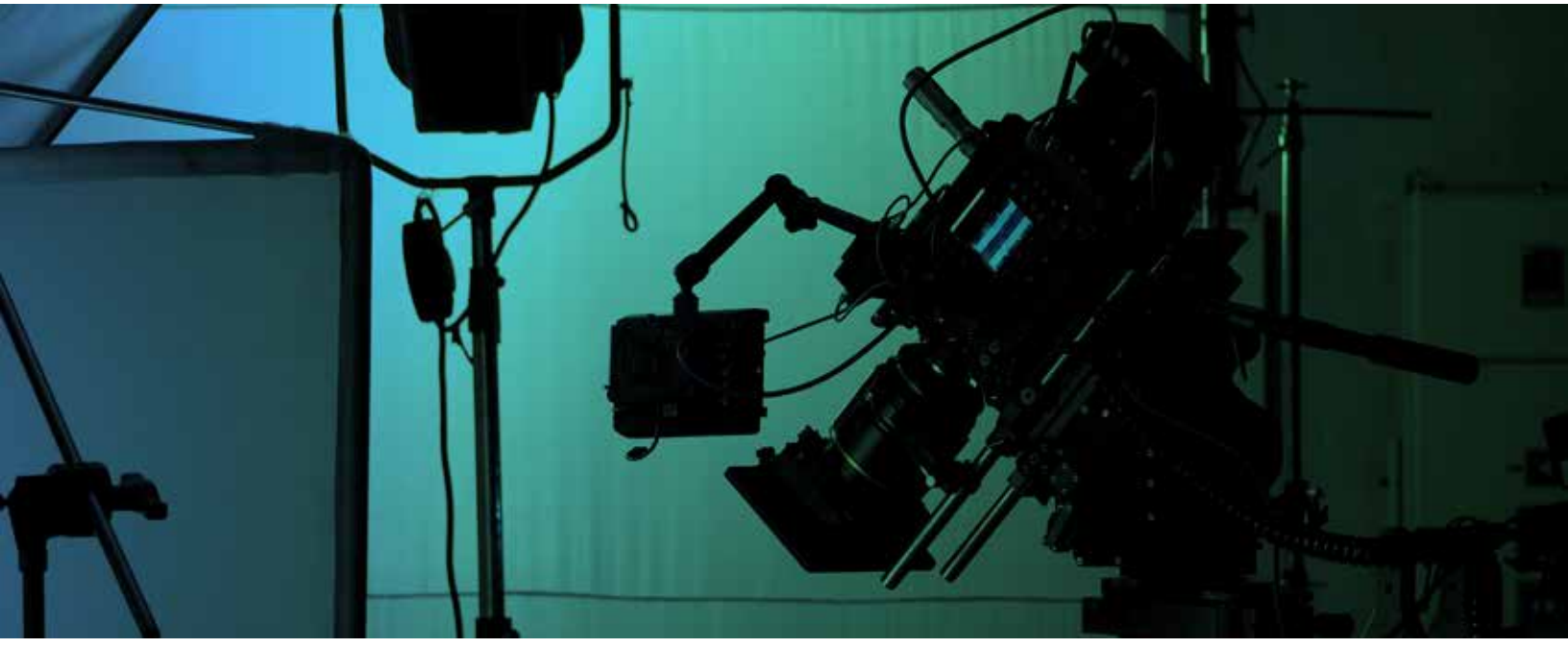


Table 7: TV Show Case Study Emissions Ownership Percentage in Inventory Year

	Emissions Ownership Percentage in Inventory Year			
Entities in Value Chain	**Content Creation**	**First Run (Original Distribution Rights)**	**Second Run (Global SVOD Rights)**	**Syndication & Video on Demand**
Company A (Studio)	100% of the TV show's emissions in 2009 and subsequent production years for all seasons are distributed across Company A's Scope 1-3 emissions			
Company B (Broadcast Channel)		100% of the TV show's emissions included under Company B's Scope 3: Category 1: PG&S emissions in 2009-2013 from all seasons*		
Company C (Streamer)			0% of the TV show's emissions included in Company C's GHG inventory	
Company D (Broadcast Channel)				0% of the TV show's emissions included in Company D's GHG inventory

** Some companies may choose to categorize emissions associated with the purchase of content original distribution rights under Scope 3: Category 15: Investments. For the purposes of this case study, it is assumed that companies categorize emissions associated with the purchase of content distribution rights, global SVOD rights, syndication rights, and video on demand rights under Scope 3: Category 1: PG&S.*

Because all entities are assumed to use the operational control approach, Company A (Studio) would account for 100% of the TV show's emissions distributed across Company A (Studio)'s Scopes 1-3 during the content creation years.

Company B (Broadcast Channel) had the original distribution rights for the show, and based on the perspective of the TV show as a product, Company B (Broadcast Channel) would therefore include 100% of the show's emissions under its Scope 3: Category 1: PG&S during the 2009-2013 inventory years while it was airing the show for its first run.

Company C (Streamer) acquired the SVOD rights to stream the show for its second run. For this example, SVOD rights are synonymous with syndication so entities responsible for second run or syndication would not be required to account for any emissions associated with the production's minimum boundary, which expire after the original distribution run. Company C (Streamer) would include emissions outside of the minimum boundary, such as streaming and device emissions, in its enterprise-level GHG inventories.

Company D (Broadcast Channel) acquired the show for syndication, so therefore would not be required to account for any emissions associated with the production's minimum boundary. Company D (Broadcast Channel) would include emissions outside of the minimum boundary, such as content transmission, in its enterprise-level GHG inventory.

Case Study: Feature Film

This case study will examine an emissions allocation scheme for the emissions from the feature film *Feature Film XYZ*.

Case Details

Company A (Studio) produced the film in 2009. Company B (Theatrical Distributor) acquired the film for its theatrical run, which occurred in 2010, and DVD and electronic sell-through (EST) distribution. Company C (Broadcast and/or Pay TV Channels) picked up the film to air on TV following the theatrical run. Company D (Streamer) also acquired the SVOD rights for the film following the theatrical run. Company E (Video On Demand) acquired the right to distribute the film via consumer on-demand purchase.

Application of Guiding Questions

Table 8 examines this case using the above guiding questions to identify whether each entity in this production's value chain would likely account for emissions from the production's minimum boundary in their enterprise-wide GHG inventory.

Table 8: Feature Film Case Study Application of Guiding Questions for Accounting for a Production's Minimum Boundary in an Enterprise-Wide GHG Inventory

	Guiding Questions		
Entities in Value Chain	**Was the entity a primary producer of the feature film content such that had the entity not been involved, the feature film would have likely not existed?**	**Was the entity involved with the original distribution of the feature tfilm?**	**Should the entity likely account for emissions from the feature film's minimum boundary in their enterprise-wide GHG inventory?**
Company A (Studio)	Yes	Yes	Yes
Company B (Theatrical Distributor)	No	Yes	Yes
Company C (Broadcast and/or Pay TV Channels)	No	No	No
Company D (Streamer)	No	No	No
Company E (Video on Demand)	No	No	No

Using the guiding questions, the Company A (Studio) and Company B (Theatrical Distributor) would account for the film production's minimum boundary emissions in their enterprise-wide GHG inventories. Company C (Broadcast and/or Pay TV Channels), Company D (Streamer), and Company E (Video on Demand) likely would not be required to account for the film's minimum boundary emissions in their enterprise-wide GHG inventory.

Emissions Ownership Percentage in GHG Inventory

Table 9 presents how each entity in *Feature Film XYZ's* value chain would be required to account for the film's GHG Declaration emissions and in which GHG inventory year they would account for those emissions. The emissions described in Table 9 below only include the minimum boundary emissions as described earlier in this guidance. Streaming and device emissions associated with these production value chain entities would be outside of the minimum boundary and would be included at the enterprise-level.

This case study assumes that all entities in the film's value chain are using the operational control consolidation approach in their GHG inventories.

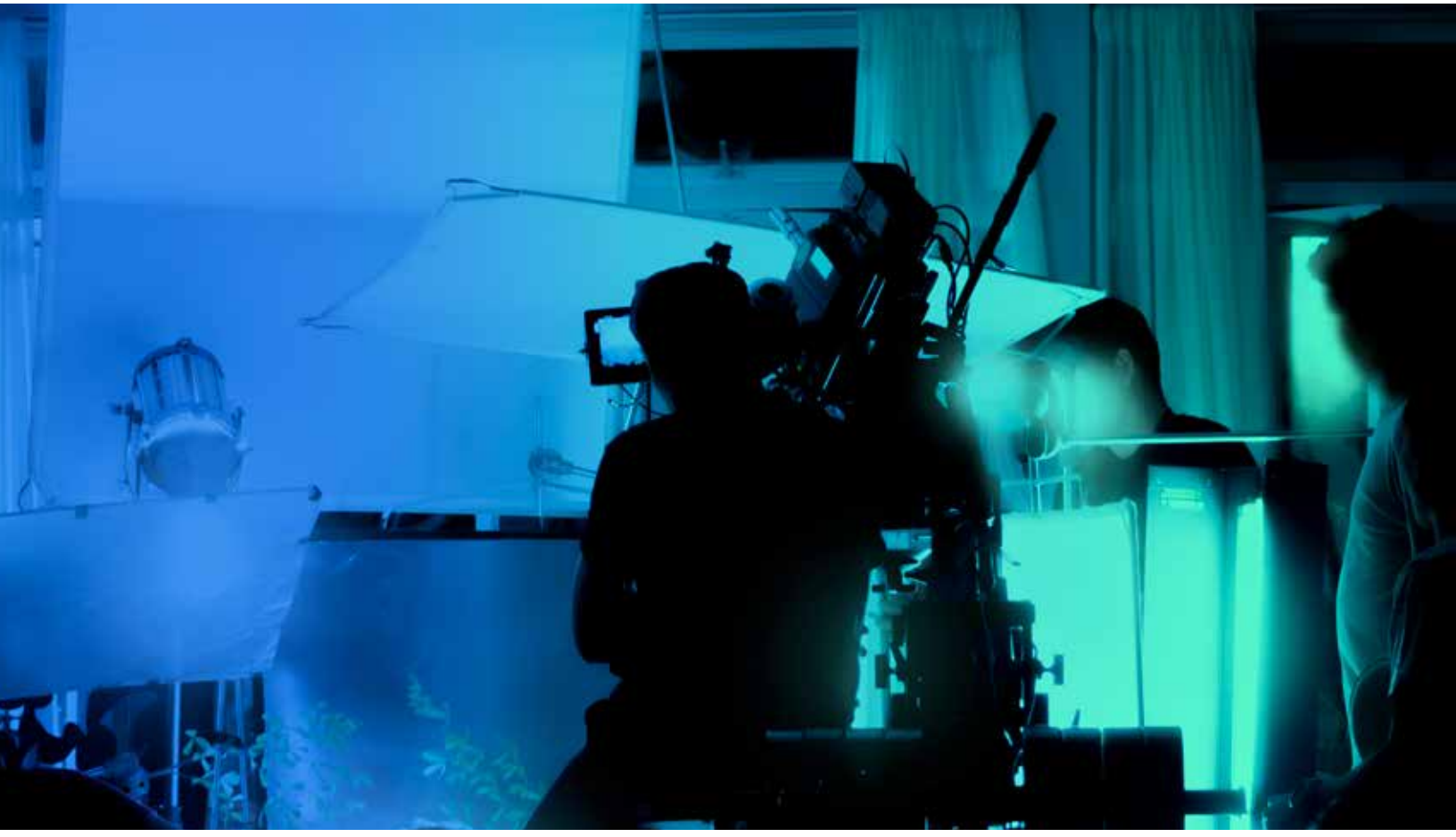


Table 9: Feature Film Case Study Emissions Ownership Percentage in Inventory Year

	Emissions Ownership Percentage in Inventory Year			
Entities in Value Chain	**Content Creation *Studios Only***	**First Run (Theatrical Run, DVD, & Electronic Sell-Through)**	**Second Run (TV & Streaming)**	**Syndication & Video on Demand**
Company A (Studio)	100% of the film's emissions in 2009 are distributed across Company A's Scope 1-3 emissions			
Company B (Theatrical Distributor)		100% of the film's emissions included under Company B's Scope 3: Category 1: PG&S emissions in year these rights were purchased (2010)*		
Company C (Broadcast and/or Pay TV Channels)			0% of the film's emissions included in Company C's GHG inventory	
Company D (Streamer)			0% of the film's emissions included in Company D's GHG inventory	
Company E (Video on Demand)				0% of the film's emissions included in Company E's GHG inventory

** Some companies may choose to categorize emissions associated with the purchase of content original distribution rights under Scope 3: Category 15: Investments. For the purposes of this case study, it is assumed that companies categorize emissions associated with the purchase of, first run rights, second run rights, syndication rights, and video on demand rights under Scope 3: Category 1: PG&S.*

Company A (Studio) would account for 100% of the film's emissions in its 2009 GHG inventory because Company A (Studio) had complete operational control over the content creation.

Company B (Theatrical Distributor) would account for 100% of the film's emissions under its Scope 3: Category 1: PG&S emissions for the inventory year in which it purchased the theatrical, DVD, and EST distribution rights.

Because entities are not required to account for the film's minimum boundary emissions after the first run, Company C (Broadcast and/or Pay TV Channels) that showed the film on air following its theatrical run would not be required to include the film's emissions in its own GHG inventory. These channels would include emissions outside of the minimum boundary, such as content transmission and distribution emissions, in its enterprise-level GHG inventory.

Similar to Company C (Broadcast and/or Pay TV Channels), Company D (Streamer) would also not be required to include the film's emissions in its own GHG inventory since Company D (Streamer)'s acquisition of distribution rights followed the film's theatrical run. Company D (Streamer) would include emissions outside of the minimum boundary, such as streaming and device emissions, in its enterprise-level GHG inventories.

Company E (Video on Demand) acquired the consumer on-demand purchase distribution rights for the film following the theatrical run, so therefore would not be required to account for emissions associated with the film's minimum boundary. Company E (Video on Demand) would include emissions outside of the minimum boundary, such as streaming and device emissions, in its enterprise-level GHG inventory.

Additional Required Scenarios

This section explores guidance for additional scenarios throughout TV show and feature film content value chains. These scenarios were identified by SPA members and do not encompass all possible scenarios. This guidance document may be updated with additional scenarios in future iterations.

The same entity is the primary content creator and distributor.

If the same entity is the primary content creator and distributor and has operational control over both processes, the entity would account for 100% of the content's emissions at its earliest involvement in the value chain, provided that the content is branded by the entity. For this scenario, the entity would account for 100% of the content's emissions distributed across the entity's Scope 1-3 emissions in the inventory years during the content's creation.

An independently produced film is created and then acquired by another entity.

Independent films are often created and then acquired by other entities for distribution after they are completed. The production company that created the film would account for 100% of the film's emissions distributed across the production company's Scope 1-3 inventory for the years during the content creation. The entity that acquires the film after its completion would account for the film's emissions under the entity's Scope 3: Category 1: PG&S emissions in the inventory year in which the entity acquires the rights to the film.

First-run content is branded as "original" by a content distributor.

Streaming services and linear channels (traditional broadcasting) may acquire content or co-produce content as the secondary studio and brand it as "original" content for distribution on the platform. For original branded productions, their first run is on the streaming service or linear channel. If the streaming service or linear channel had operational control over the production of the branded original content, the streamer or linear channel would account for 100% of the content's emissions distributed across its Scope 1-3 inventory for the years during the content creation. If the streamer or linear channel did not have operational control (i.e., the streamer or linear channel is not the primary studio), the streamer or linear channel would account for 100% of the content's emissions distributed across its Scope 3: Category 1: PG&S emissions in the inventory year in which the streamer or linear channel acquires the exclusive rights to the content.

An entity has a distribution deal for a piece of content.

Some entities may have a distribution deal for content but are not involved in the creation of the content. For example, an entertainment company may have a distribution deal with a studio where the entertainment company will coordinate the studio's content's theatrical releases, despite the entertainment company not being involved in the content creation. This content may still include the entertainment company's branding or logo. Under this scenario, the entertainment company would include 100% of the content's emissions distributed across the entertainment company's Scope 3: Category 1: PG&S emissions in the inventory year in which the entertainment company acquires the theatrical distribution rights for the content. Emissions associated with the theatrical release coordination, such as marketing and advertising, would be included in the entertainment company's enterprise-level GHG inventory.

Additional Optional Scenarios

Second-run content is branded as an "original."

Streaming services may acquire the distribution rights to content that already experienced their first run and rebrand the content as "original." For example, a TV show that originally premiered on a channel outside the US and is then acquired by a streamer for distribution as the streamer's "original" content in the US would be content that originally aired elsewhere and was rebranded as "original" content in a new geography. Although the content was first available to the public outside the US, the US premiere of the content may also be considered a first run because it is the first time that the content was available in the US. Under this scenario, the streamer may optionally account for 100% of the content's Scope 1-3 emissions under the streamer's Scope 3: Category 1: PG&S emissions in the inventory year in which streamer acquired the rights to distribute the content.

How should entities allocate a production's emissions when using different emissions consolidation approaches?

Emissions Consolidation for Production GHG Declarations

The GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol Corporate Standard) allows entities to consolidate their emissions following different approaches:

- **Operational Control Approach:** An entity has operational control over a production or operations associated with a production if the entity or one of its subsidiaries has the full authority to introduce and implement its operating policies at the production or operations associated with a production.
- **Financial Control Approach:** An entity has financial control over a production or operations associated with a production if the entity has the ability to direct the financial and operating policies of the production or operations associated with a production with a view to gaining economic benefits from its activities.
- **Equity Share Approach:** An entity accounts for GHG emissions from a production or operations associated with a production according to its share of equity in a production or operations associated with a production. The equity share reflects economic interest, which is the extent of rights an entity has to the risks and rewards flowing from a production or operations associated with a production.

Entities responsible for preparing production GHG Declarations, which will include key emissions information that other entities in the production's lifecycle will require in order to appropriately account for the production's emissions in their own GHG inventories, should do so in alignment with the emissions consolidation approach used in their enterprise-level GHG inventory. The GHG Protocol Corporate Standard requires that entities consistently apply their selected emissions consolidation approach across all operations within their GHG inventory.

This Scope 3 Whitepaper assumes that all entities in the value chain are using the operational control consolidation approach in their GHG inventories.

Emissions Allocations Downstream of Content Creation

The entity responsible for preparing a production's GHG Declaration and downstream entities may use different emission consolidation approaches. SPA members agreed that the variations in emissions totals included in production GHG Declarations because of differing consolidation approaches used in their preparation rarely occur and those that do are minimal. Therefore, even though a downstream entity may use a different consolidation approach than the entity responsible for preparing the production's GHG Declaration, the downstream entity may still incorporate the GHG Declaration into its GHG inventory without altering it.

Emissions Allocations for Co-Productions

In cases of co-productions (content creation collaborations between multiple entities) where the entities involved in the co-production's content creation phases use different emissions consolidation approaches in theirenterprise-wide GHG inventory, each entity should allocate emissions from the production's GHG Declaration to their enterprise-wide inventory based on their respective control or equity share in the production, as determined by their respective emissions consolidation approaches.

Appendix A: GHG Declaration

A GHG Declaration should be prepared for all TV show and feature film content so that entities in the value chain understand the emissions breakdown and can account for them in their own GHG inventories appropriately. Entities should prepare GHG Declarations for their products in line with the emissions consolidation approach used for their enterprise-level GHG inventory.

GHG Declarations should include at a minimum:

- Production details, such as name and production studio.
- Data period covering the emissions included in the GHG Declaration.
- The entity that prepared the GHG Declaration.
- The production-specific Scope 1 and Scope 2 emissions from the perspective of the production studio.
- The production-specific Scope 3 emissions from the perspective of the production studio as required by the minimum boundary.

If an entity that prepares the GHG Declaration chooses to, they may include emissions data for Scope 3 emission sources outside of the minimum boundary as long as those emissions can be attributed to the individual TV show or feature film content. Other entities in the content's value chain have the option to include those operational Scope 3 emissions sources in their own GHG inventories.

Table 10 presents an example of a GHG Declaration for a feature film.

Table 10: Example GHG Declaration for a Feature Film

Feature Film Greenhouse Gas (GHG) Declaration			
Production Name	Film A		
Production Studio	Studio A		
Data Period	April 1, 2017 – October 1, 2018		
GHG Declaration Prepared By	Studio A		
Production Emissions Summary	**Emissions**	**Unit**	**Comments**
Total Production Emissions	**1,355**	**MT CO_2e**	
Scope 1 Emissions	**300**	**MT CO_2e**	
Scope 2 Emissions – Specify in Comments which Scope 2 method is included in the Total row:	**380**	**MT CO_2e**	Market-based Scope 2 emissions are included in total rows.
Scope 2 Emissions (Market-Based)*	380	MT CO_2e	
Scope 2 Emissions (Location-Based)*	400	MT CO_2e	
Scope 3 Minimum Boundary Emissions	**675**	**MT CO_2e**	
Category 1: Purchased Goods and Services	500	MT CO_2e	
Category 3: Fuel- and Energy-Related Activities	30	MT CO_2e	
Category 4: Upstream Transportation and Distribution	10	MT CO_2e	
Category 5: Waste Generated in Operations	5	MT CO_2e	
Category 6: Business Travel	90	MT CO_2e	
Category 7: Employee Commuting	40	MT CO_2e	
Scope 3 Optional Emissions			Not relevant
Category 2: Capital Goods			Not relevant
Category 8: Upstream Leased Assets			Not relevant
Category 9: Downstream Transportation and Distribution			Not relevant
Category 10: Processing of Sold Products			Not relevant
Category 11: Use of Sold Products			Not relevant
Category 12: End-of-Life of Sold Products			Not relevant
Category 13: Downstream Leased Assets			Not relevant
Category 14: Franchises			Not relevant
Category 15: Investments			Not relevant

* The GHG Protocol Scope 2 Guidance provides two calculation methods for Scope 2 emissions and requires dual reporting of both methods. The location-based method reflects the average emissions intensity of grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen in the form of contractual instruments (including direct contracts, certificates, or supplier-specific information). Emissions from the two methods may be the same if there is no contractual purchase of electricity or due to lack of data on market-based emission factors.

Appendix B: List of Resources

The following resources were used to develop this whitepaper:

Carbon Trust, "Carbon impact of video streaming" (n.d.). Available at: https://www.carbontrust.com/our-work-and-impact/guides-reports-and-tools/carbon-impact-of-video-streaming.

DIMPACT, "Resources" (n.d.). Available at: https://dimpact.org/resources.

Science Based Targets Initiative, "Target Validation Protocol for Near-term Targets" (2023). Available at: https://sciencebasedtargets.org/resources/files/Target-Validation-Protocol.pdf.

World Resources Institute, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" (2015). Available at: https://ghgprotocol.org/corporate-standard.
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World Resources Institute, "GHG Protocol Scope 2 Guidance" (n.d.). Available at: https://ghgprotocol.org/scope-2-guidance.

World Resources Institute, "The Greenhouse Gas Protocol: Technical Guidance for Calculating Scope 3 Emissions" (n.d.). Available at: https://ghgprotocol.org/corporate-value-chain-scope-3-standard.