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The ROI of Scope 3 Action in the US Automotive Sector

Key Findings From the EcoVadis–BCG Carbon Action Report

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Why the automotive sector must accelerate climate action

Scope 3 action connects climate ambition to business performance - driving transparency, ROI, and resilience across the value chain.

The US automotive sector is balancing familiar priorities – like cost, quality, and innovation – amid new pressures and growing volatility. Tariffs, supply disruptions, and climate impacts are exposing risks buried deep within supplier networks. Automakers now face the dual challenge of driving decarbonization across their supply chain while ensuring operational continuity across their value chains.

Unmanaged Scope 3 exposure costs could exceed

$500 billion

annually by 2030

Key insights from our latest Carbon Action Report, produced with BCG, show that Scope 3 action delivers measurable strategic value.

By measuring supplier emissions, engaging partners in reduction, and improving primary data quality, companies gain the transparency to drive targeted action. This fuels a continuous improvement loop where GHG insights lead to smarter sourcing, design, and investment decisions — reducing carbon intensity while boosting efficiency, resilience, and regulatory readiness.

Automakers that act early are already seeing greater ROI through avoided costs, improved supplier performance, and enhanced resilience against supply disruptions.

Why Scope 3 action can't wait

- **OEM leadership:** Leading US automakers are collaborating – through programs like the EcoVadis-powered Accelerate Initiative and similar efforts – on supply chain decarbonization.
- **Regulatory momentum:** The Inflation Reduction Act, California's new climate law, the EU's CBAM, and investor disclosure rules are increasing pressure on automakers to improve transparency and cut Scope 3 emissions.
- **Supply chain exposure:** Across industries, supply chain emissions are 21x higher than those from direct operations.
- **Performance upside:** Supplier engagement delivers 3–6x ROI through efficiency gains and risk reduction.

Scope 3: From blind spot to business value driver

For automakers, the majority of emissions lie beyond factory walls – particularly in the Tier 1 and 2 networks that shape cost, risk, and resilience.

In the manufacturing and transport sectors that form the backbone of automotive supply chains, Scope 3 emissions are typically 5–7 times higher than direct operations. This imbalance presents both risk and opportunity.

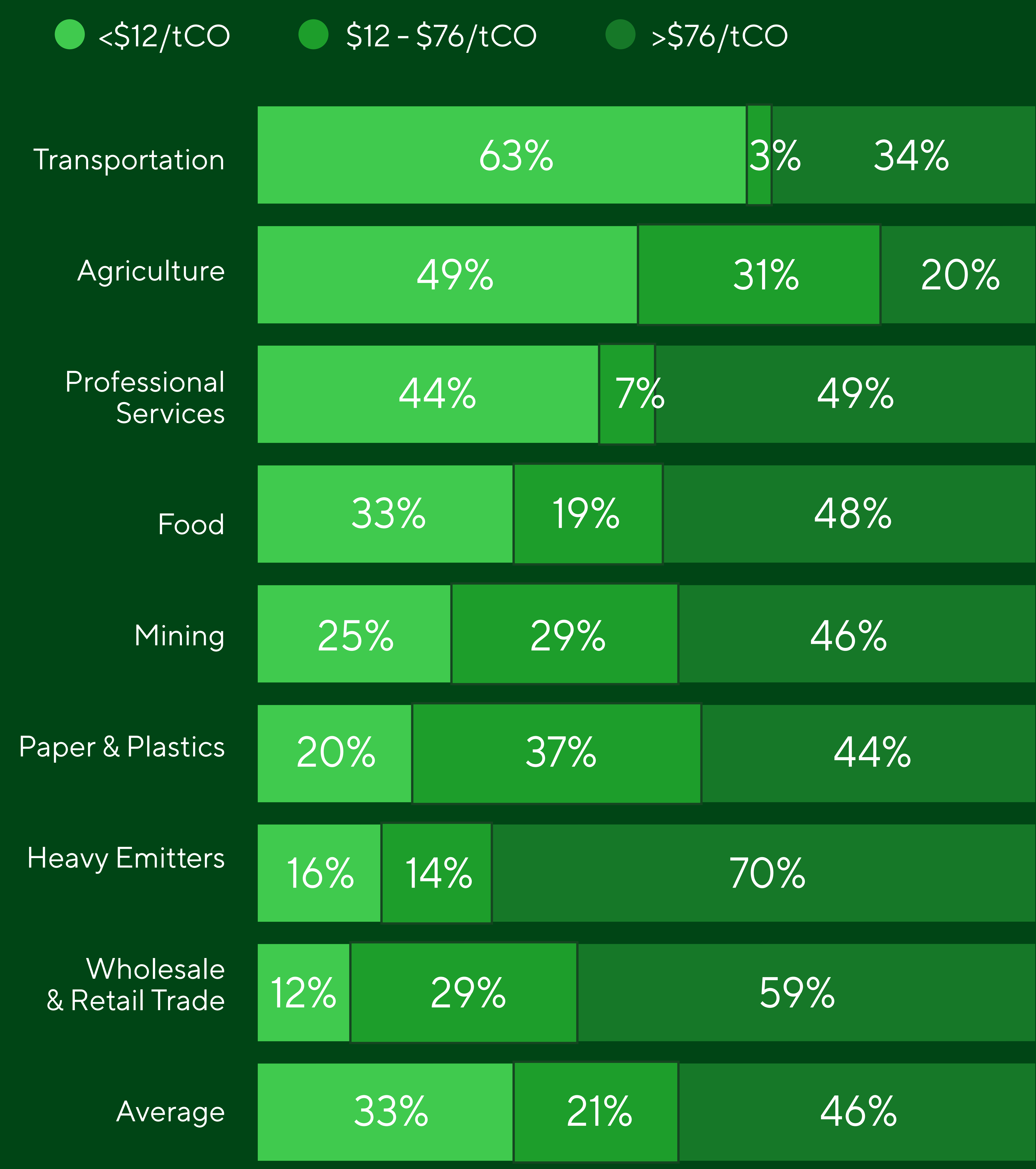
Most automakers still rely on industry averages rather than primary supplier data, masking true emissions and efficiency gains. When companies measure and engage their suppliers, they can target high-impact and cost-efficient categories.

33% **of supplier emissions can be cut for less than $12 per tCO_2e**

3-6x ROI

Emission reductions can generate 3-6x ROI through process improvements, energy efficiency, and cost avoidance

Distribution of decarbonization cost by sector



Five key actions to drive supply chain decarbonization in the automotive industry

Accelerating progress on Scope 3 requires an integrated approach that links data, collaboration, and accountability across the value chain. The Carbon Action Report pinpoints five actions that have the greatest statistical impact on likelihood to meet Scope 3 targets.

- **Engage suppliers:** Collaborate on targets and co-develop emissions-reduction programs (9x more likely to achieve Scope 3 targets than companies without the action).
- **Measure emissions:** Build high-quality GHG inventories with supplier-level data (4.3x more likely).
- **Appoint a climate-aligned management team:** Create dedicated teams responsible for the low-carbon agenda (4.1x more likely).
- **Develop a transition plan:** Set milestones and execution timelines across operations and sourcing (2.7x more likely).
- **Allocate a reduction budget:** Fund decarbonization as a strategic investment, not a side project (1.7x more likely).

Supplier engagement is the strongest success factor – driving performance, innovation, and resilience. For US automakers, integrating these levers into sourcing and design decisions turns carbon strategy into a potential source of ROI and long-term competitiveness.

60+ automotive manufacturers have been rated by EcoVadis on their carbon performance since 2024. Here's what the data shows:

50% have a dedicated climate-management team in place

42% engage suppliers on climate action

23% collect primary emissions data from suppliers

What EcoVadis data reveals about the carbon performance of automotive suppliers

Building supplier carbon maturity is the foundation for effective Scope 3 action. Our ratings data provides a clear view of where automotive suppliers stand today – and how widely carbon management best practices are being adopted across the sector.

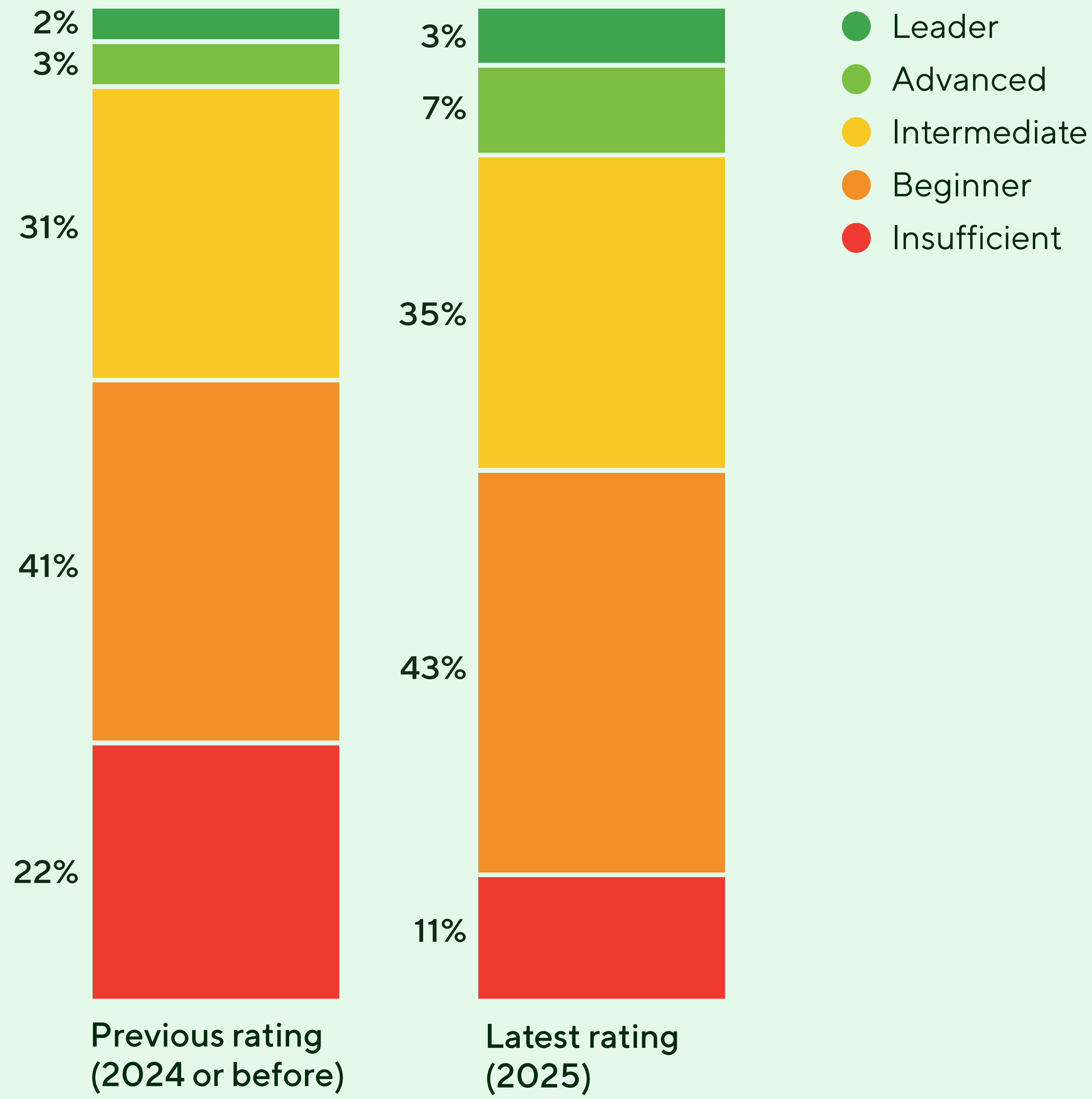
Since 2024 EcoVadis has assessed

1,300+

vehicle parts and accessories manufacturers

Among the 1,300+ companies rated since 2024, 64% have taken no or only basic steps to manage their GHG emissions (Insufficient or Beginner carbon maturity levels). Nearly one-third have adopted the core carbon management practices needed to reach the Intermediate level. Only 7% have reached the Advanced or Leader levels, indicating comprehensive or best-in-class decarbonization strategies and reporting.

More than 600 vehicle parts manufacturers were reassessed in 2025. This chart compares their distribution across the carbon maturity levels from their previous rating (2024 or before) to their latest.



The data shows that rapid progress is achievable. Among companies reassessed in 2025, the share at the Insufficient level was cut in half (from 22% to 11%), while the share at Advanced more than doubled (from 3% to 7%).

Get visibility, control, and ROI from your Scope 3 efforts

EcoVadis Carbon Action Manager (CAM) helps companies move from Scope 3 commitments to measurable progress – turning supplier engagement into real emission reductions.

Carbon Action Manager is built on insights from

133,000 carbon scorecards

83,000 rated companies

The platform operationalizes the five levers identified in the Carbon Action Report – supplier engagement, measurement, accountability, transition planning, and funding. Through carbon ratings, collaborative dashboards, supplier learning modules, and automated follow-up tools, CAM enables procurement teams to turn data into action and scale results across their networks.

Ready to turn supplier carbon data into measurable results?

Book a carbon action consultation today.

About EcoVadis

EcoVadis is a purpose-driven company dedicated to embedding sustainability intelligence into every business decision worldwide. With global, trusted and actionable ratings, businesses of all sizes rely on EcoVadis' detailed insights to comply with ESG regulations, reduce GHG emissions, and improve the sustainability performance of their business and value chain across 220 industries in 180 countries. Leaders like Johnson & Johnson, L'Oréal, Unilever, Bridgestone, BASF and JPMorgan are among 150,000+ businesses that use EcoVadis ratings, risk, and carbon management tools and e-learning platform to accelerate their journey toward resilience, sustainable growth and positive impact worldwide.

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