

Guidance for responding companies: module guidance

Supply Chain Module 2017

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Version Control

Version Nr.	Release Date	Revision Summary
0.1	February 2017	This version of the guidance has been prepared to allow companies to see the full format and requirements of the Supply Chain module questionnaires

Introduction to Supply Chain Module Guidance

Introduction to this document

This document should be read by anyone responding to CDP's 2017 Supply Chain Information Request, regardless of whether you have responded to CDP before. It contains important information about this year's disclosure process and key sources of information to assist in the preparation of your CDP Supply Chain response in 2017.

If you have not completed a CDP Information Request before or you would like more information on the CDP process more broadly, please see our [Guidance for First Time Responders](#).

This document has been prepared for companies responding to requests for information on Climate Change and/or Water on behalf of CDP's Supply Chain members. Separate guidance has been prepared to assist companies that are responding to Requests for Information on Climate Change, Water and Forests on behalf of our investors. For those replying to the Climate Change and/or Water Request for CDP Supply Chain, please note that the Introduction page in the [Online Response System \(ORS\)](#) will be different to that reported in Climate Change, Water and Forests Guidance documents.

For instructions on how to complete the Introduction page and generate the Climate Change and Water Information Request for CDP Supply Chain in the ORS, please refer to the Introduction section of this document.

Please note that all questions in the Climate Change Supply Chain Module (SM) and the Water Supply Chain Module (SW) are **not** scored.

Key changes for 2017

Climate Change (SM) module

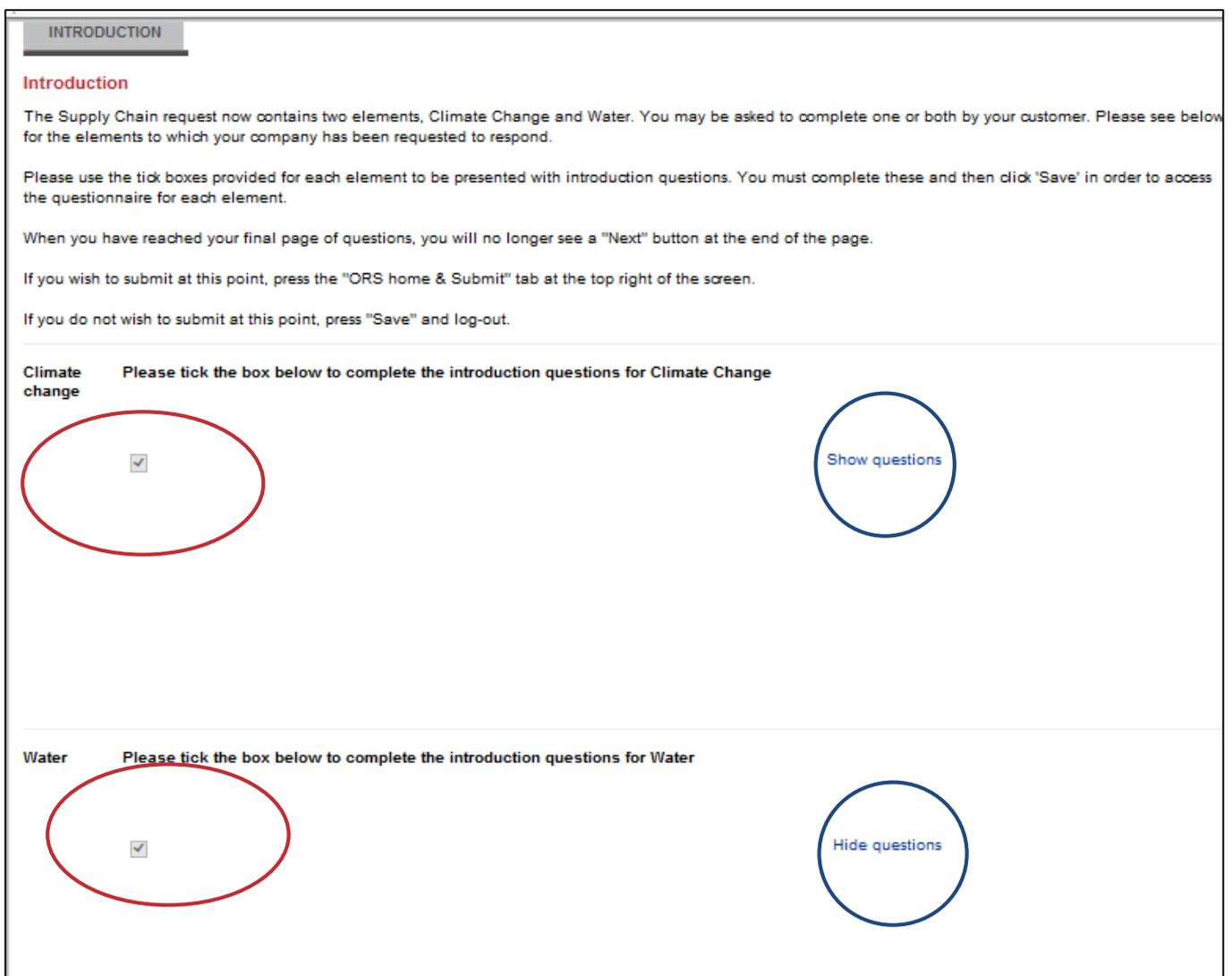
There have been no question changes on this module.

Water (SW) module

- Question SW1.2 has been added for 2017. This question is simply to identify if suppliers are able to report geolocation data for their site facilities.
- Question SW1.2b has been added for 2017. It asks suppliers to identify what proportion of revenue the facilities with geolocation data represent.

Introduction to Module Guidance

The CDP Supply Chain Request contains two elements: Climate Change and Water. You may be asked to complete one or both by your customer. When you enter the Online Response System (ORS), you will be presented with the elements that your customer has requested you to complete. The image below shows how the two element options are presented in the ORS.



INTRODUCTION

Introduction

The Supply Chain request now contains two elements, Climate Change and Water. You may be asked to complete one or both by your customer. Please see below for the elements to which your company has been requested to respond.

Please use the tick boxes provided for each element to be presented with introduction questions. You must complete these and then click 'Save' in order to access the questionnaire for each element.

When you have reached your final page of questions, you will no longer see a "Next" button at the end of the page.

If you wish to submit at this point, press the "ORS home & Submit" tab at the top right of the screen.

If you do not wish to submit at this point, press "Save" and log-out.

Climate change Please tick the box below to complete the introduction questions for Climate Change

Show questions

Water Please tick the box below to complete the introduction questions for Water

Hide questions

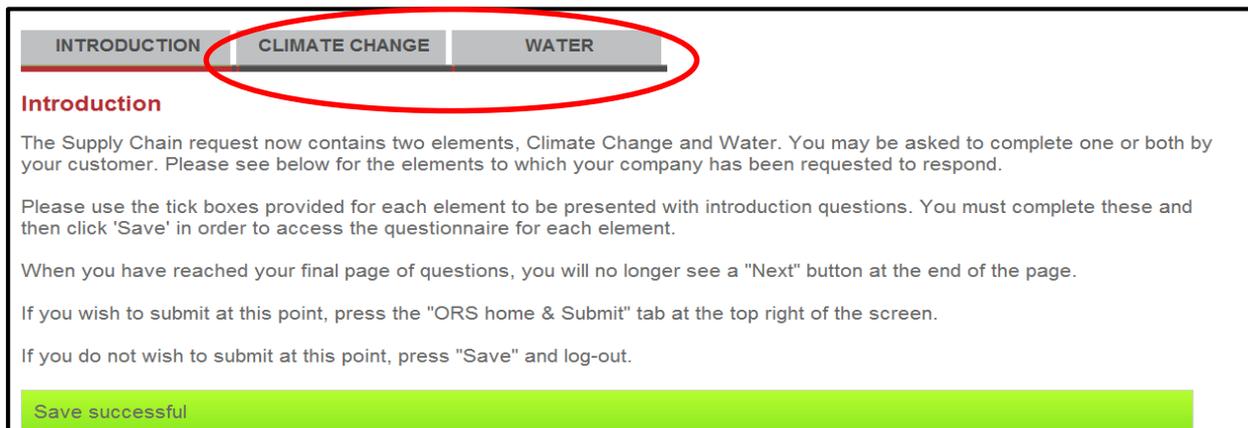
Please tick the boxes provided to be presented with introduction questions for each element. Once ticked, this box cannot be un-ticked and will be grayed out. This will inform your customer that it is your intention to respond to this request. Please note if you have been requested to respond to both Climate Change and Water, you must tick each separately to demonstrate your intention to respond to both.

Once presented with the introduction questions, you must complete these and click 'Save' in order to access the Questionnaire for each request, Climate Change and/or Water. To facilitate data entry, you can hide and re-display the introduction questions by clicking the blue links – circled in blue above.

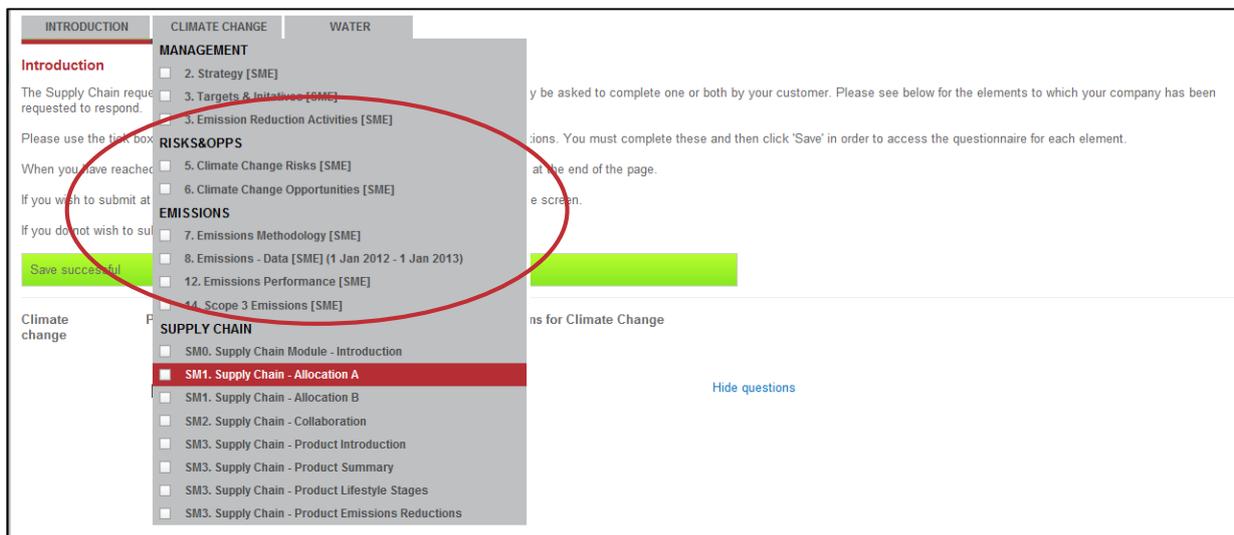
If you have **not** already responded to the Information Request on Climate Change or Water:

1. Complete the introduction questions, then Click 'Save'. Guidance for completing the introduction questions is provided in the next section of this document for both Climate Change and Water.

Once the introduction questions have been saved, a top level menu for Climate Change and/or Water will appear, depending on what your customer has requested. This can be viewed in the image directly below. Please hover over these menus in the ORS to see the question pages for both the Climate Change and/or Water Questionnaires. Click on each page to complete the questions. For further guidance on how to complete these core questions, please refer to the Guidance documents for responding to [Climate Change](#) and [Water](#).



2. If you have selected the [SME version of the Climate Change Questionnaire](#), please note that this is only available for the Climate Change Supply Chain Request. There is no SME version for the Water Questionnaire.
3. For each element you are asked to respond to, you will also be presented with a Supply Chain Module with additional questions to complete. Guidance on how to complete the Supply Chain Module questions is provided in this document. The image below displays how the SME questions are displayed in the ORS.



If you **have already** responded to the Information Request on Climate Change or Water:

1. Once the boxes have been ticked for each element, the introduction questions will appear but will be populated with your responses from your Information Request. This will happen for both Climate Change and Water introduction questions.

CC0.1 **Introduction**

Please give a general description and Introduction to your organization.

beatae reginae, quantum miliario uno proximum erat. Hoc illa audiens, Jussit famulis fanum igni comburi, unversaque multitudo cum gladiis et fustibus vel omni fremitu diabolico conabantur defendere, sancta veroil regina immobilis perseverans, et Christum in pectore gestans, equum quem sedebat inantea non movit, antequam et fanum perureretur, et ipsa orante Inter se popull pacem firmarent

CC0.2 **Reporting Year**

Please state the start and end date of the year for which you are reporting data.
 The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first. We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
 Please enter dates in following format: day/month/year (in full i.e. 2001).

Enter Periods that will be disclosed

From	To
<input type="text" value="01/04/2013"/>	<input type="text" value="02/04/2014"/>

Add Row(s)

CC0.3 **Country list configuration**

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country

Australia ▼

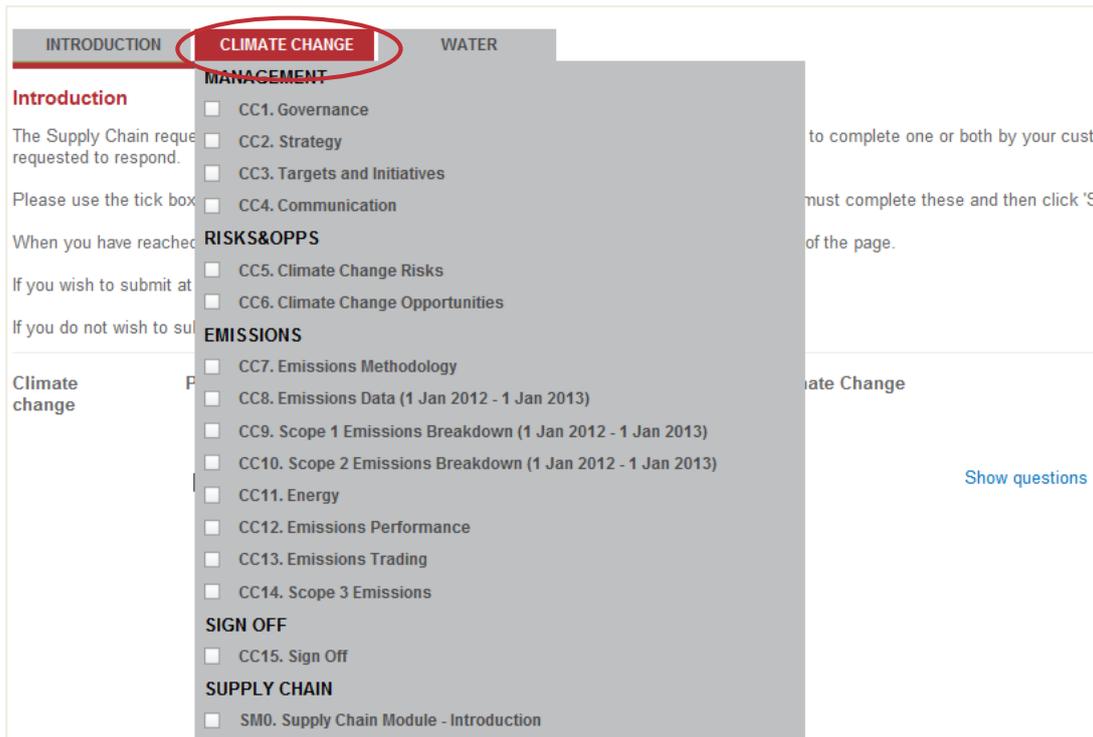
Add Row(s)

CC0.4 **Currency selection**

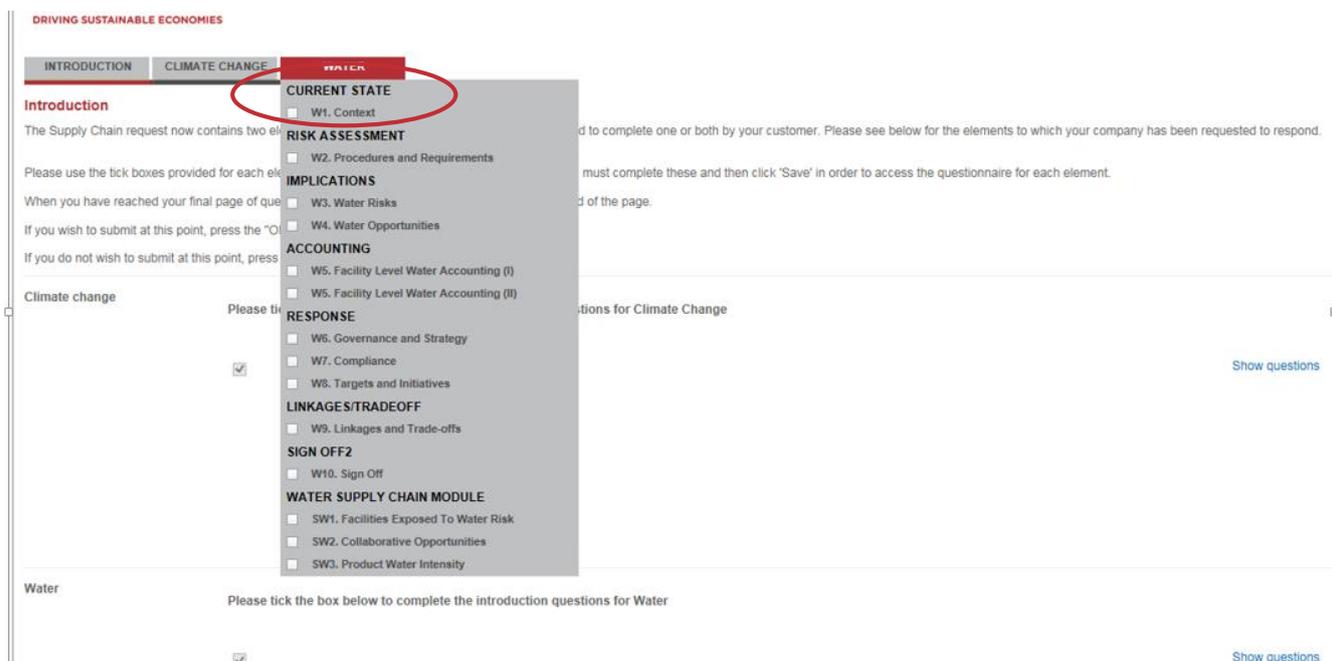
Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

AUD (\$) ▼

2. You must click 'Save' to generate the remainder of the questionnaires.
3. If you have been requested to respond to the Climate Change Supply Chain Request, a navigation menu for Climate Change will appear at the top of the page. Please hover over this menu and you will be presented with the Supply Chain Module for Climate Change. Click on this page to complete the questions. For further guidance on how to complete the Supply Chain Module questions, please refer to the Guidance later in this document.



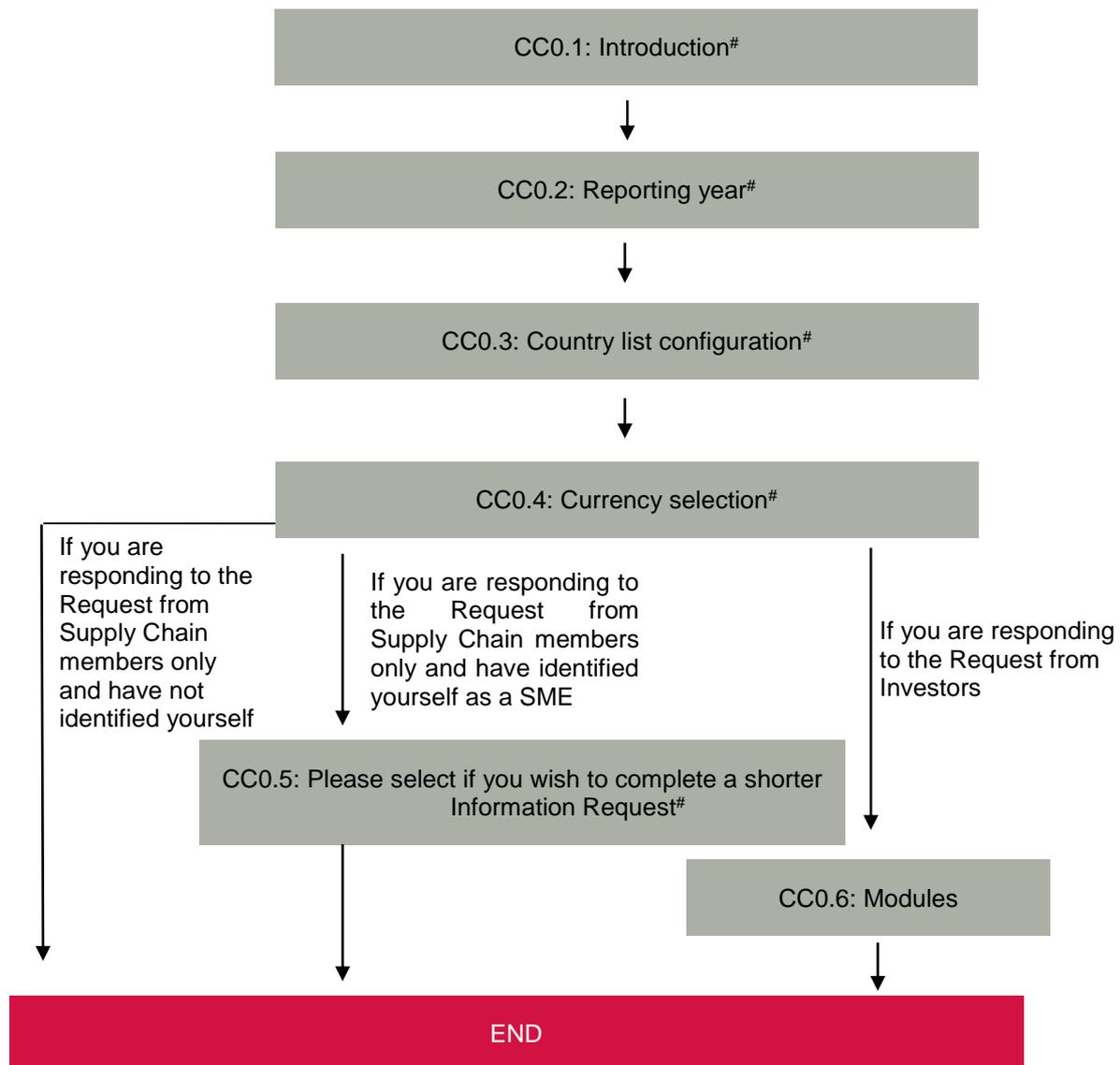
4. If you have been requested to respond to the Water Supply Chain Request, a navigation menu for water will appear at the top of the page. Please hover over this menu and you will be presented the Supply Chain Module for Water. Click on this page to complete the questions. For further guidance on how to complete the Water Supply Chain Module questions, please refer to the Guidance later in this document.



Introduction Page Questions – Climate Change

Question pathway

The following questions are shown on the Introduction page.



Notes: #Questions included in the SME Questionnaire

General Guidance

The information entered on the introduction page determines key aspects of the Climate Change Questionnaire. This is the reason why, until you have successfully saved the introduction page at least once, you will not see the entire set of questions.

If you are responding to the Information Request from Supply Chain members only, you may have been given the option of answering a shortened Information Request because you have identified that you meet the criteria for Small and Medium Sized Enterprises (SMEs) in the ORS portal. Further details are provided in the guidance to question CC0.5, as well as [SME Guidance document](#).

Key Changes from 2016

There are no question changes on this page.

Pre-population

If you responded to CDP last year, questions CC0.1, CC0.3 and CC0.4 on this page are eligible for pre-population. To take advantage of this function, click “copy from last year” prior to entering any data on the page.

SME version

Questions CC0.1, CC0.2, CC0.3, CC0.4, and CC0.5 on this page are included in the SME Questionnaire.

Specific Question Guidance

CC0.1: Introduction

You may wish to provide information about your operations with the aim of helping investors or customers understand your greenhouse gas (GHG) emissions inventory. Particularly if you have chosen not to respond to questions CC9.2a/d and CC10.2a/c, please detail the business divisions and activities that are included in your inventory and provide an indication of their relative scale in terms of contribution to your company’s total Scope 1, 2 and/or 3 emissions. This information helps data users understand your company’s emissions profile and the reasons for differences in emissions figures between peer companies.

CC0.2: Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. **Enter the dates of this year first.**

This reporting period should be applied to your answers for the entire Information Request unless the facility is provided to specify other reporting periods, for example in the sector specific modules. At this point CDP does not require companies to align their reporting year with their fiscal year. When organizations are reporting emissions intensity using a financial metric, however, the emissions information and the financial information provided should align with the reporting year defined in response to this question.

We request data for more than one reporting period for the emission accounting questions on pages CC8, CC9 and CC10 of the Climate Change Questionnaire. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP Information Request. If this applies to you, please give the dates of those reporting periods here. **All years need to be entered in reverse order, with the current year first.** This will enable you to enter multiple years of data when you reach questions CC8, CC9 and CC10.

SMEs are not requested to provide three years of historical data, in order to reduce the workload associated with reporting for this particular group of companies. However, if an SME has the data and would like to provide it, they should follow the instructions given above. They will then be presented with questions asking for their total Scope 1 and total Scope 2 emissions and the methodology that they have used to estimate these emissions for the years that they enter in question CC0.2.

You may also choose to restate data previously supplied to CDP, for example to ensure that your historical data reflects your current organizational boundary. If you wish to do this, you should enter the reporting period for the restatement here. When you arrive at the relevant pages in the Climate Change Questionnaire (pages CC8, CC9 and CC10) please use the Further Information field to identify that this is a restatement and the reason for it.

If there is a change in your reporting year from years previously supplied to CDP (e.g. from reporting calendar year to financial year, or vice versa) so that the new reporting year overlaps with last year’s reporting year, you should note it in the further information field at the bottom of the Introduction page.

If multiple years of data are provided, only data pertaining to the most recent reporting year will be scored.

Please enter dates in the following format: day(DD)/month(MM)/year(YYYY) in full, i.e. 31/01/2001.
Work backwards from the most recent reporting year.

Companies are recommended to provide a year for which they have complete data if possible. However, if you do not have data for the entirety of your reporting year, you have the following options:

1. Extrapolate your data to cover the entire reporting year. This potential source of inaccuracy can be logged in answer to question CC8.5; or
2. Leave the questions requesting emissions data blank.

CC0.3: Country list configuration

This question is not scored and this information can be copied over from last year's response.

CC0.4: Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response (questions CC3.3b and CC12.2) should be in this currency.

For example, if you select USD(\$) here, when providing your financial intensity metric in response to question CC12.2, you should provide it as metric tonnes CO₂e per US\$.

CC0.5: Please select if you wish to complete a shorter Information Request

If you are responding to the Information Request from Supply Chain members only you may have been given the option of answering a shortened Information Request because you have identified that you meet the criteria for Small and Medium Sized Enterprises (SMEs) in the ORS portal. They are a sub set of the full list of questions and they retain their numbering from the full Questionnaire. Hence, the question numbers presented in the SME Questionnaire will not necessarily be fully sequential. Companies that are eligible for the SME Questionnaire are welcome to show their leadership in the field of climate change reporting by answering the full Information Request. If this is the case, please select "No" here. CDP provides additional guidance on [activating and submitting as an SME](#) as well.

CC0.6: Modules

As part of the Information Request on behalf of investors, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco sector should complete supplementary questions in addition to the core modules. Please note that if you have not been requested for information on behalf of investors, you will not be presented with this question.

These modules are only for companies with business activities in these sectors. They should not be answered by companies solely on the basis that they use electricity, automobiles, oil or gas, ICT or FBT hardware/services/products in their work.

Businesses in these sectors should answer questions CC1-15 for all businesses within their consolidated boundary and provide information specific to businesses in those sectors in answer to the additional questions.

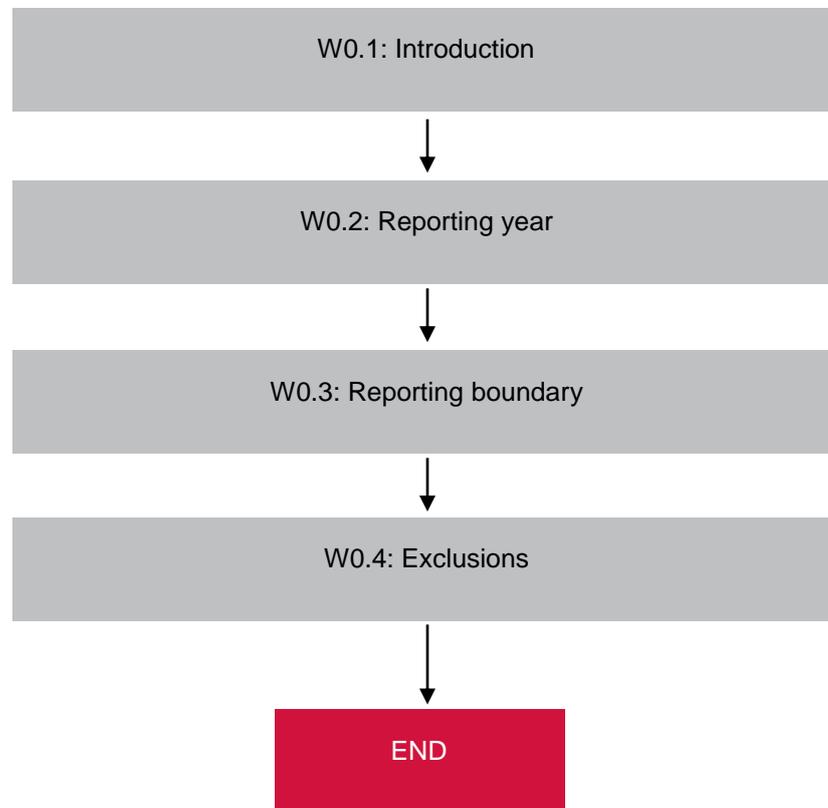
For certain sectors listed in the table below, a sector specific module (ICT, Oil & Gas, Electric Utilities, FBT, or Automotive) is included automatically in the response and so is not presented on the introduction page as an option.

If your company is still on the introduction page and there is no tickbox to select the relevant module, please save the introduction and go through to the next page where the module will appear.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please tick to select the module below. If you wish to view the questions first, please refer to the Climate Change Guidance.

Introduction Page Questions - Water

Question pathway



General guidance

Key changes from 2016

There are no question changes on this page.

The introduction page must be filled out and saved before the Questionnaire pages will appear. Once the introduction page is saved you will be able to navigate between pages of the Questionnaire using the navigation bar. You may also return to the introduction page at any time to update information.

Specific question guidance for the introduction

W0.1 Please give a general description and introduction to your organization

In the text box provided, please enter a brief introduction to your company, including types of business activities. You are not required to give an introduction to your organization, but please do so if you wish. This is a free text field; all entries should be less than 4500 characters.

W0.2 Please state the start and end date of the year for which you are reporting data.

You are requested to respond to this question in the table provided in the ORS, reproduced below.

Reporting year	
From: [DD/MM/YYYY]	To: [DD/MM/YYYY]

In the table provided, please enter the start and end dates of your reporting year in the following format: **day/month/year in full e.g. 31/12/2014**. You must enter a reporting year before proceeding to the full Information Request. This reporting year should be applied to your answers for the entire questionnaire.

When answering subsequent questions, you may not have data for the entirety of this reporting year. In such a case, you may:

- Extrapolate your data to cover the entire reporting year. This potential source of inaccuracy can be logged in the comments section of the relevant question; or
- Leave survey questions that request annual/annualized data blank.

W0.3 Please indicate the category that describes the reporting boundary for companies, entities or groups for which water-related impacts are reported.

You are requested to respond to this question in the table provided in the ORS, reproduced below.

Reporting boundary
[Select from]: <ul style="list-style-type: none"> • Companies, entities or groups over which financial control is exercised • Companies, entities or groups over which operational control is exercised • Companies, entities or groups in which an equity share is held • Other, please specify

From the drop down list, please choose the relevant response or select “Other” to provide a text entry. This question asks you to define the **organizational boundary** (i.e. the group, companies, businesses or organizations) for which you are supplying data. These may be organized by financial control, operational control, equity share or another measure and sets the ways the companies are identified for inclusion within the reporting boundary. The way figures are calculated for corporate level reporting from more granular data at facility/company level is known as the “consolidation approach”. Unless stated otherwise, the information you provide throughout the Information Request should be presented as “consolidated” results covering all of the companies, entities, or businesses within your reporting boundary.

For more detailed guidance on determining reporting boundaries, particularly where joint ventures or complex operational structures are concerned, please refer to Appendix A: Reporting Boundary Definitions in the [Water Guidance](#). These definitions are drawn directly from Chapter 3 of the GHG Protocol. Although this protocol refers to GHG emissions reporting, the general definitions may be applied to water reporting.

References in the Information Request to “your company” are to the company, companies, businesses, organizations or groups within your organizational boundary. Please consistently apply this organizational boundary when responding to questions unless you are specifically asked for data about another category of activities.

W0.4 Are there any geographies, facilities or types of water inputs/outputs within this boundary of which are not included in your disclosure?

Please select from:

- Yes
- No

The GHG Protocol comments on the reporting of exclusions and notes that an “acknowledgement should be made in the report each year in order to enhance transparency; otherwise new users of the report in the two or three years after the change may make incorrect assumptions *about the performance* of the company.” You may exclude sources of water activities in a particular geography, along a line of business activities, from small facilities for which it is difficult to gather data or by selected water inputs/outputs. This is provided the principles of relevance and transparency are still attended for. In other cases, CDP might not ask you for full detailed information, e.g. in the facility level water accounting section we will ask you to provide data only for the facilities where significant water risk has been identified. However, it is expected that the water risk assessment has been applied comprehensively to all organizations within the boundary and if that is not the case, a suitable disclosure should be made. Companies are encouraged to refer to Appendix A: Reporting Boundary Definitions at the end of the [Water Guidance](#). Any exclusion(s) must be clearly identified in question W0.4a.

W0.4a Please report the exclusions in the following table

This question only appears if you select “Yes” in response to question W0.4.

You are requested to respond to this question in the table provided in the ORS, reproduced below.

Exclusion	Please explain why you have made the exclusion
Text answer of up to 2400 characters	Text answer of up to 2400 characters

In the table provided, please identify and explain each geographical location, activity, facility or type of water input/output that is excluded from your disclosure. Each of these columns is a free text field; all entries should be less than 2400 characters, including spaces. If you have more than one exclusion, please add more rows using the ‘add row’ function to the bottom right.

Elements of your business may be excluded for a number of reasons:

- A geographical location may be excluded if there is low water usage or data limitations which makes reporting infeasible for operations in that country or region;
- An activity (e.g. a product line, type of business process, or type of supplier) may be excluded due to limited data or reporting feasibility;
- A facility may be excluded due to recent mergers, acquisitions and divestitures, outsourcing and in-sourcing of activities. Smaller facilities for which it is not currently possible to track water use may also be considered for exclusion; and

- Some organizations may not yet have the capacity to track all types of water inputs and outputs. For example, a company may use rainwater at some facilities but not track the quantity or quality of this source in which case the source may be considered for exclusion.

For all exclusions, please clearly explain why the geographical location, activity, facility, or type of water input/output is not included in your disclosure. Please note that CDP seeks comprehensive, representative data on water use and water impacts on behalf of participating investors. In addition, please note that the rationale for excluding sources must be consistent with the guidelines in Appendix A: Reporting Boundary Definitions at the end of the [Water Guidance](#).

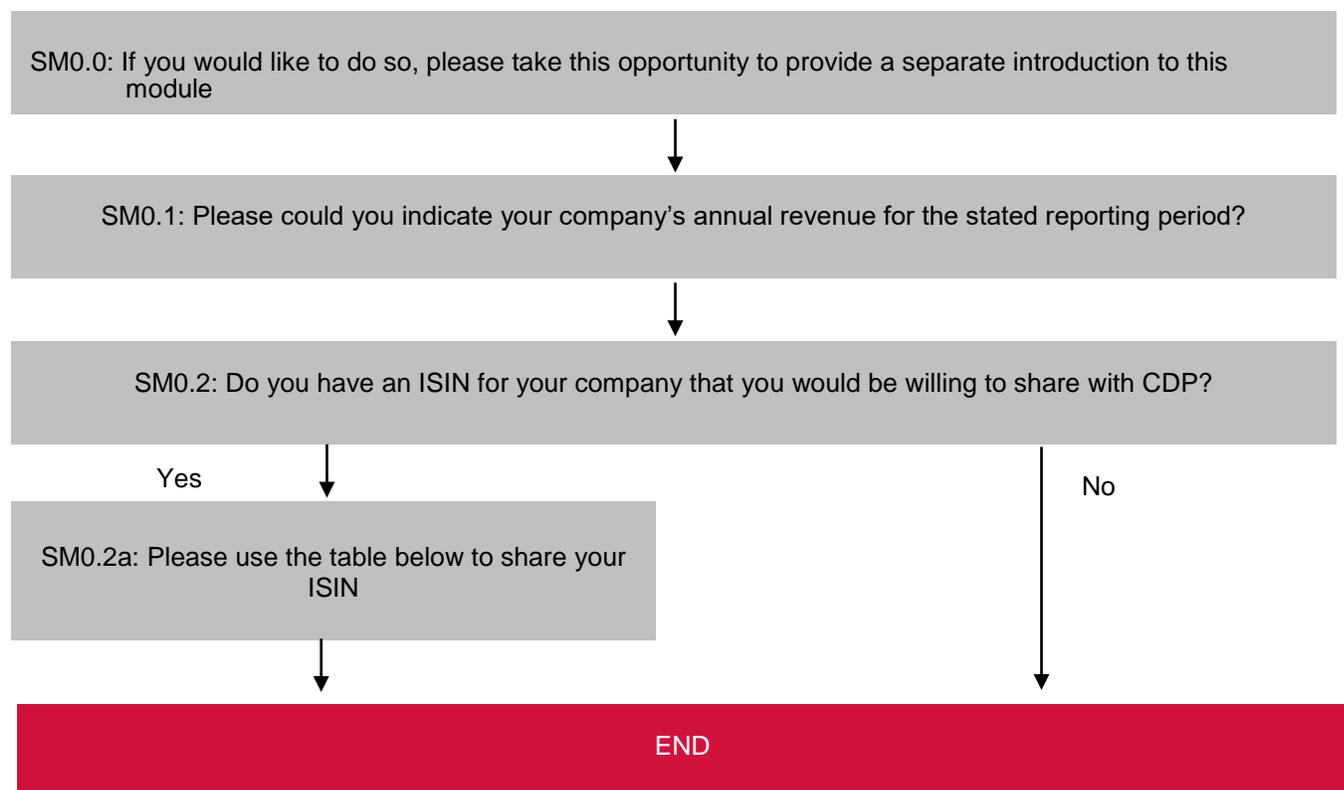
W0.4a Sample Response – for guidance only

Exclusion	Please explain why the geography, activity, facility or type of water input/output is excluded
Distribution Centers	Our company has not yet implemented a system to track the water impact in its distribution centers. We expect this to be a small fraction of our total water consumption and little exposure to water risk. This will be incorporated from 2016.
Offices	Small leased office spaces (fewer than 50 employees) where water is provided through the lease and is managed by our landlord.

Climate Change Supply Chain Module Guidance

SM0: Introduction

Question pathway



General guidance

Companies answering this Information Request fall into two groups:

- Companies that have been sent an Information Request from CDP on behalf of customers only; or
- Companies that have already received an information request from CDP on behalf of investors and have also been requested to respond to CDP's Supply Chain Questionnaire by their customers.

You are not required to answer the introduction question SM0.0. However, you may want to tailor an introduction of your company to specify your relationship with your customers. In this case, you might wish to provide an introduction specific to your relationship with your requesting member(s). This is entirely optional. If you wish to do so, please provide the information in answer to question SM0.0.

Key changes from 2016

There are no question changes on this page.

Pre-population

If you responded to CDP last year, questions SM0.0, SM0.2, and SM0.2a are eligible for pre-population. To take advantage of this function, click “copy from last year” prior to entering any data on the page.

Scoring

Please note that the Supply Chain Module is not currently scored. This applies to all responding companies.

Specific question guidance

SM0.0: If you would like to do so, please take this opportunity to provide a separate introduction to this module

This may be useful as organizations in this category often respond to the investors at a corporate group level, answering the main body of the Questionnaire from this perspective. However, this request from a customer to answer the CDP Supply Chain Questionnaire gives you an opportunity to detail information that may be more relevant to the requesting customer(s).

Please give your answer in the text box provided in the ORS, using no more than 5000 characters, including spaces.

If you answered this question last year, you can transfer your answer into this year’s Questionnaire and adapt it as necessary. If you do want to do this, press the “Copy from last year” button at the end of the webpage - ***you must do this before you have entered anything else on this page.***

SM0.1: Please could you indicate your company’s annual revenue for the stated reporting period?

Annual Revenue	Currency
[Numerical answer up to 10000000000000000000, with up to 2 decimal points]	[list of currencies]

Column 1: Annual Revenue

- Please enter your annual revenue for the reporting year. This field allows for values to be entered up to 10000000000000000000, with a maximum of 2 decimals. Please use a full stop and not a comma to indicate the decimal point.

Column 2: Currency

- Please select the currency for the revenue range you provided. This does not necessarily have to be the same currency you selected in CC0.4.

SM0.2: Do you have an ISIN for your company that you would be willing to share with CDP?

Select “Yes” or “No” from the drop down menu provided in the ORS to respond to this question.

The International Securities Identification Numbering (ISIN) system is an international standard set up by the International Organization for Standardization (ISO). It is used for numbering specific securities, such as stock, bonds, options and futures. It consists of three parts: a two letter country code, a 9-character numeric national security identifier, and a single check digit. CDP Supply Chain members are requesting suppliers to provide this information to improve tracking and data quality.

SM0.2a: Please use the table below to share your ISIN

ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
<i>[Numerical response up to 2 digits]</i>	<i>[Numerical response up to 10 numbers, with no decimals]</i>

Organizations that answer “Yes” to SM0.2 will be presented with this question.

Column 1: ISIN country code (2 letters)

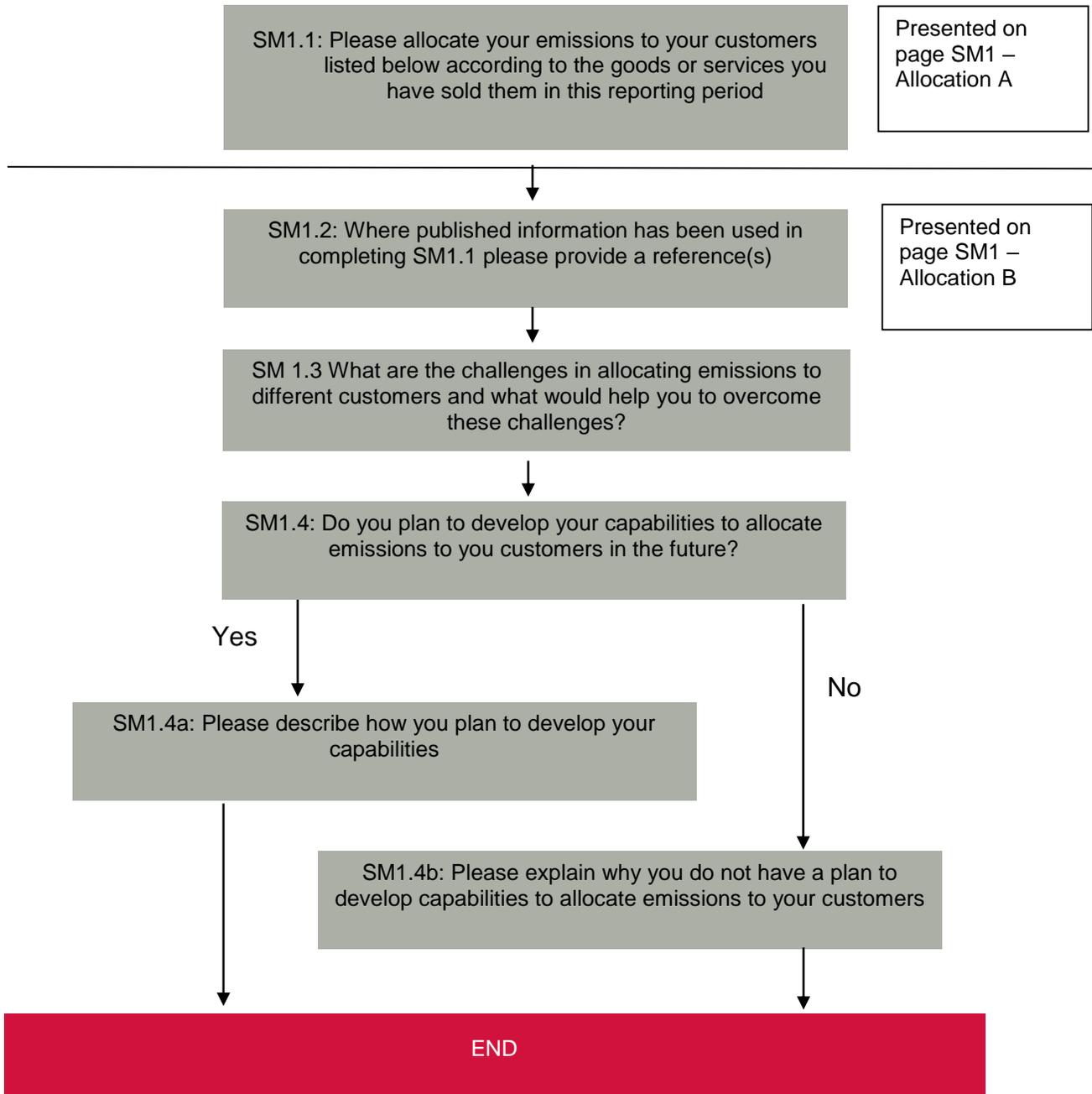
- In the first column please report your 2 letter country code.

Column 2: ISIN numeric identifier and single check digit (10 numbers overall)

- In the second column please report your 9-character numeric identifier and single check digit. If you do not have an ISIN, please leave this question blank.

SM1: Allocating Your Emissions To Your Customers

Question pathway



General guidance

Emissions from suppliers are often greater than the purchasing organization’s own emissions and the supply chain member(s) requesting your GHG emissions data would like to better understand the entire impact of their organization on climate change – not just their own direct emissions. The questions below are designed to help you communicate the allocation of emissions from your company to your customer(s).

This section does not offer the functionality to transfer your answers from last year into this year’s Questionnaire, since the list of requesting members may have changed.

Key changes from 2016

There are no question changes on this page.

Pre-population

No questions on this page are eligible for pre-population.

Scoring

Please note that the Supply Chain Module is not scored. This applies to all responding companies.

Specific question guidance

SM1.1: Please allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period

Please note that this table (for SM1.1) is designed so that only the customer that you select in column (“Please select the requesting member(s)”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Please select the requesting member(s)	Scope of emissions	Emissions in metric tonnes of CO ₂ e	Uncertainty (±%)	Major sources of emissions	Verified ^a	Allocation method	Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
[Dropdown menu of requesting members]	[Dropdown menu of scopes]	[Numerical response up to 9999999999, with 4 decimal places]	[Numerical response up to 999999, with up to 4 decimal places]	[A text answer of up to 2500 characters]	<ul style="list-style-type: none"> • Yes • No 	[Dropdown menu of methods]	[A text answer of up to 5000 characters]
Add row							

^a Has the allocation of emissions to your customers been externally verified?

You can enter more than one row of data by using the ‘Add Row’ button to the bottom right of the table in the ORS. Guidance on completing each column is given below:

Column 1: Please select requesting member(s)

- Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable to anyone.

Any data or attachments added to the Further Information field at the end of the page will be viewable by all requesting members. If you choose to make your response public, all text and attachments in the Further Information fields will be placed on our public website.

Column 2: Scope of emissions

- Please use this column to specify which scope of your emissions you are allocating to your customers. Please note that emissions that you allocate will be your customers' scope 3 emissions, however it is up to your customer to allocate your organization's emissions into a specific scope 3 category. You should only be allocating the emissions you stated in CC8.2, CC8.3a and CC14.1. You can allocate either direct emissions from your company boundary (your Scope 1) or indirect emissions (your Scope 2 and 3). An explanation of defining Scopes 1, 2 and 3 can be found in the [GHG Protocol Corporate Standard](#).
- Please note that you should specify whether you are allocating your Scope 2 location-based, or your Scope 2 market-based figure in the methodology column. Companies are only required to allocate one Scope 2 figure.
- You can select from the following list of scopes:
 - Scope 1
 - Scope 2
 - Scope 3

Column 3: Emissions in metric tonnes CO₂e

- Please specify the metric tonnes of CO₂e you are allocating to your customer for the scope given in column 2. This column will accept numbers up to 99999999999 and up to 4 decimal places. Please use a full stop, and not a comma, to indicate the decimal point.

Column 4: Uncertainty (± %)

- Give the degree of confidence that you have in the figures expressed as a percentage, e.g. you estimate that they are accurate to +/- 15%. This column will accept numbers up to 999999 and up to 4 decimal places. Please use a full stop, and not a comma, to indicate the decimal point.

Column 5: Major sources of emissions

- Describe significant sources of emissions for which you have provided a figure. The following list of examples is non-exhaustive:
 - **Scope 1** emissions may be equipment in which fuel is burnt to provide heat (e.g. ovens, driers or kilns); emissions from company owned or controlled vehicles; emissions from production processes e.g. in cement manufacture;
 - **Scope 2** emissions may include electricity used to power production lines, lighting in offices, electricity for data centers, etc.; and
 - **Scope 3** covers a broader range of possible sources. For example, the "Scope 3, Business travel" category would include air travel for company employees; the "Scope 3, Capital

goods” category would include the manufacture of steel to make heavy machinery or infrastructure; and the “Scope 3, Waste generated in operations category” would include emissions from out-sourced treatment of organic waste. As you will be reporting your scope 3 emissions as single figure, you may wish to use this column to identify which category of emissions are included in this figure.

- This column may contain up to 2500 characters. Please note that this character limit includes spaces.

Column 6: Verified

- Has the allocation of emissions to your customers been externally verified? “Externally verified” means it has been verified by a third party organization, independent of the reporting company. Please select ‘yes’ or ‘no’.

Column 7: Allocation method

- To allocate emissions to your customers, your company might have used a series of allocation methods. Chapter 8 (page 86) of the [GHG Protocol Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard](#) describes some of these methods. There is also other literature available on Life-Cycle Assessment discussing the details of different allocation methods. For the purpose of CDP reporting, a classification was established based on the Corporate Value Chain (Scope 3) Standard. You can select from the following values:
 - Allocation not necessary due to type of primary data available
 - Allocation not necessary as secondary data used
 - Allocation based on mass of products purchased
 - Allocation based on the volume of products purchased
 - Allocation based on the energy content of products purchased
 - Allocation based on the chemical content of products purchased
 - Allocation based on the number of units purchased
 - Allocation based on area
 - Allocation based on another physical factor
 - Allocation based on the market value of products purchased
 - Other, please specify

It can be difficult to estimate what proportion of your emissions are attributable to your respective customers’ purchases. The Corporate Value Chain (Scope 3) Accounting and Reporting Standard by the World Resources Institute and the World Business Council for Sustainable Development (the partnership that created the GHG Protocol Corporate Standard) helps companies to meet this challenge.

[The Corporate Value Chain \(Scope 3\) Standard](#) is written for companies trying to calculate their Scope 3 emissions. However, the procedures within it can also be used by suppliers of those companies to assess how much of their (the suppliers) GHG emissions are associated with their customers’ purchases. As such, the standard can be used by both suppliers or by customers.

It contains information that will help you to apportion your emissions to your respective customers’ purchases (see Chapter 8). If you only had one customer, this would be an easy process and all of your Scope 1, 2 and 3 emissions would feed into your customer’s Scope 3 calculations. However, in practice, most companies have more than one customer, therefore attributing emissions to the purchases of each of

them is more complicated. We use the term “allocate”/“allocation” to refer to this attribution. The GHG Protocol standard defines it as:

“Allocation is the process of partitioning GHG emissions from a single facility or other system (e.g. activity, vehicle, production line, business unit, etc.) among its various outputs.

Allocation is necessary when:

- *A single facility or other system produces multiple outputs, and*
- *Emissions are only measured for the entire facility or system as a whole”*

The Standard is discussing the process of determining how to divide (“partition”) emissions between different goods and services.

However, if you know that a specific amount of metric tonnes of coal or kilowatt hours of electricity have been used in producing a particular customer’s goods, or in providing services to a particular customer, then all of the emissions from burning that coal, or associated with using that electricity, can be linked to that customer’s purchases. Therefore, you avoid “allocation” in the technical sense of having to partition emissions. We would ask that you use that data to complete the table in SM1.1.

The situation just described would require a procedure that would enable you to know how much coal had been combusted to make a particular customer’s products or electrical sub-meters that were read when the work for a customer started and when it ended. There are other ways to avoid this partitioning process and these are covered in the section 8.2 of the standard “Avoid Or Minimize Allocation If Possible”.

Sometimes it might not be possible or practical to do measurements at that level of detail. You may know how much electricity a particular production line used in the last quarter or how much gas was used last year to heat your company’s offices, but during those time periods work was done for more than one customer. Consequently, the emissions associated with that electricity and gas have to be allocated between more than one customer. Chapter 8 explains the different approaches that can be taken to do this.

Remember that although the document is written from the perspective of a customer calculating their Scope 3 emissions and determining what to do with the data from their suppliers, the techniques described can also be used by the supplier in deciding how to allocate their emissions to customers (i.e. the situation that you are in). It is also worth noting that the new standard is called the Scope 3 Standard because it is written from the perspective of your customer, investigating emissions outside of its organizational boundary. However, it contains advice to help the supplier to allocate its Scope 1, 2 and 3 emissions – not just its Scope 3 emissions.

When allocating emissions, use emissions data that is as specific as possible to the products that your customer has purchased from you. This is particularly important in the case of companies that are diversified and that produce a wide range of very different products.

Box SM1 below shows the order of preference for different types of data. It is an adaptation of table 7.7 in the Scope 3 standard.

Box SM1: Levels of Data

Data type	Description
1. Activity-, process- or production line -level data	GHG emissions for the activities, processes, or production lines that produce the product of interest
2. Facility Level Data	GHG emissions for the facilities or operations that produce the product of interest
3. Business Unit Level Data	GHG emissions for the business units that produce the product of interest
4. Corporate Level Data	GHG emissions for the entire corporation

Box SM2, based on table 8.1 of the [GHG Protocol Scope 3 Standard](#), shows possible options for allocating the emissions data. To learn more about considerations in deciding which equation to use, refer to Chapter 8.

Box SM2: Options for allocating emissions to customer

Allocation method	Definition
Physical Allocation	Allocating the emissions of an activity based on an underlying physical relationship between the multiple inputs/outputs and the quantity of emissions generated
Mass	<u>Mass of co-products</u> $\text{Allocated Facility Emissions} = \frac{\text{Mass of Products Purchased}}{\text{Total Mass of Products Produced}} \times \text{Total Emissions}$
Volume	<u>Volume of cargo transported</u> $\text{Allocated Facility Emissions} = \frac{\text{Volume of Products Purchased}}{\text{Total Volume of Products Produced}} \times \text{Total Emissions}$
Number of units	<u>Number of units shipped</u> $\text{Allocated Facility Emissions} = \frac{\text{Number of Units Purchased}}{\text{Total Number of Units Produced}} \times \text{Total Emissions}$
Energy	<u>Energy content of heat & electricity co-products</u> $\text{Allocated Facility Emissions} = \frac{\text{Energy Content of Products Purchased}}{\text{Total Energy Content of Products Produced}} \times \text{Total Emissions}$
Chemical	<u>Chemical composition of chemical co-products</u> $\text{Allocated Facility Emissions} = \frac{\text{Chemical Content of Products Purchased}}{\text{Total Chemical Content of Products Produced}} \times \text{Total Emissions}$
Other factors	Protein content of food co-products, floor space occupied by products Other formulas

Economic Allocation	Allocating the emissions of an activity based on the market value of each output/product
Market Value	<p><u>Market value of co-products</u></p> $\text{Allocated Facility Emissions} = \frac{\text{Market Value of Products Purchased}}{\text{Total Market Value of Products Produced}} \times \text{Total Emissions}$ <p>When determining the “market value,” companies should use the selling price (i.e., the price the customer pays to acquire products from the supplier), rather than the supplier’s production cost (i.e., the costs incurred by the supplier to manufacture its products).</p>
Other methods	Allocating the emissions of an activity based on industry-specific or company- specific allocation methods
Other factors	Other formulas

Column 8: Please explain how you have identified the GHG sources, including major limitations to this process and assumptions made

- Companies often have many different sources of emissions and this question seeks to understand how you have selected major emission sources.

The [GHG Protocol Corporate Standard](#) states companies should report on all emissions within their chosen organizational boundary. This defines the sources of emissions on which you are going to report. There are three options: sources in which the company has an equity share; sources over which the company has financial control; sources over which the company has operational control. If you exclude any sources within the boundary, you are asked to disclose and justify those exclusions.

However, it may be that you have been limited by your knowledge of potential emission sources or made assumptions about which sources were the largest. Or alternatively, that certain sources do not play a role for the specific products your customers are purchasing from you. Please explain the thinking behind your selection including the difficulties that you encountered.

- Please give a text answer using no more than 5000 characters. Please note that this limit includes spaces.

Please note that the rest of your answers on this page (SM1- Allocation B) can be viewed by any requesting members, not only those selected in column 1 of the table at SM1.1.

SM1.1 is presented on page SM1 – Allocation A. The other questions are presented on SM1 – Allocation B.

SM1.2: Where published information has been used in completing SM1.1 please provide a reference(s)

To allocate emissions to your customer you may have used your own (primary) data in answering question SM1.1. Alternatively, you may have relied on publications that give industry-average (secondary) data for

particular materials or processes or you may have used a mixture of both. Please make the origin of the data clear by providing references where published information has been used, as well as flagging where they have been used.

Remember, your answer to this question will be visible by all parties with access to your response so you may only want to provide generic information.

This box can contain up to 5000 characters. Please note this character limit includes spaces.

SM1.3: What are the challenges in allocating emissions to different customers and what would help you to overcome these challenges?

The purpose of this question is to provide your customers with insights about the difficulties in assigning specific emissions to them from your products or services. In certain cases, it might be that specific solutions can be found between you and your customer to overcome those challenges. Remember, your answer to this question will be visible by all parties with access to your response so you may only want to provide generic information.

Allocation challenges	Please explain what would help you overcome challenges
[Drop down menu of challenges]	[A text answer of up to 2500 characters]
Add row	

Column 1: Allocation challenges

- Please select from:
 - Diversity of product lines makes accurately accounting for each product / product line cost ineffective
 - Customer base is too large and diverse to accurately track emissions to the customer level
 - Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult
 - Doing so would require we disclose business sensitive / proprietary information
 - We face no challenges
 - Other, please specify

Column 2: Please explain what would help you overcome challenges

- This column will accept up to 2500 characters.

SM1.4: Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select from “Yes” and “No”.

SM1.4a: Please describe how you plan to develop your capabilities

Organizations that answer “Yes” to SM 1.4 will be presented with this question.

This box can contain up to 5000 characters. Please note that this limit includes spaces.

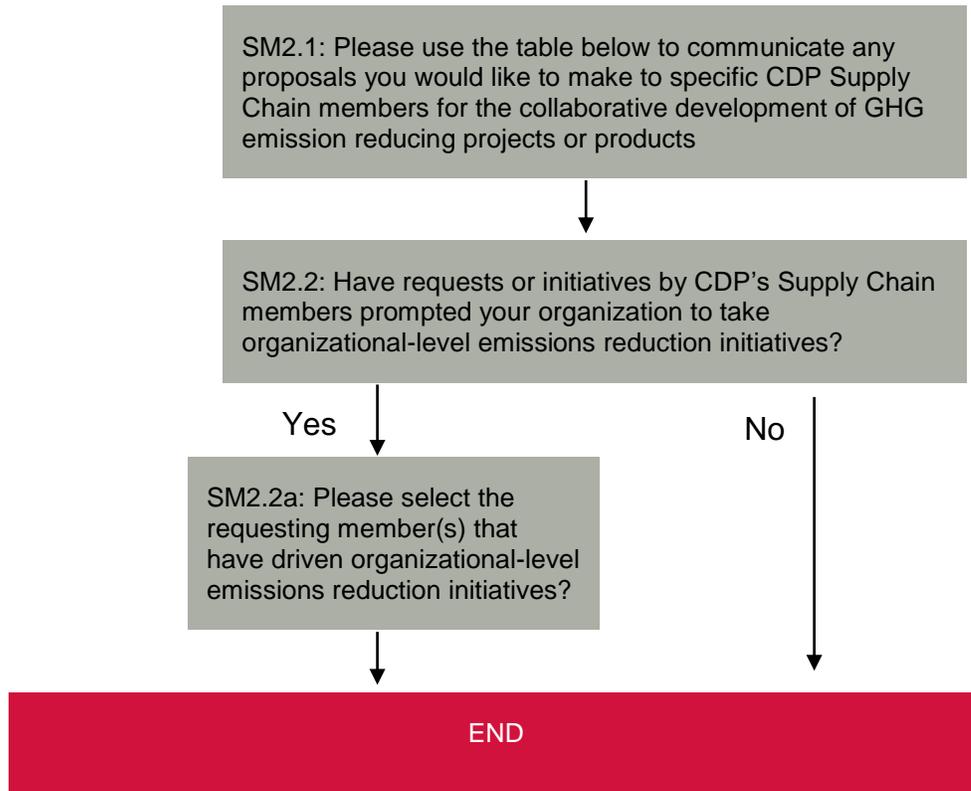
SM1.4b: Please explain why you do not plan to develop capabilities to allocate emissions to your customers

Organizations that answer “No” to SM 1.4 will be presented with this question.

This box can contain up to 5000 characters. Please note that this limit includes spaces.

SM2: Collaborative Opportunities

Question pathway



General guidance

Key changes from 2016

There are no question changes on this page.

Pre-population

No questions on this page are eligible for pre-population.

Scoring

Please note that the Supply Chain Module is not scored. This applies to all responding companies.

Specific question guidance

SM2.1: Please use the table below to communicate any proposals you would like to make to specific CDP Supply Chain members for the collaborative development of GHG emission reducing projects or products

You can enter more than one row of data by using the 'Add Row' button to the bottom right of the table in the ORS.

Please note that this table (for SM2.1) is designed so that only the customer that you select in column 1 ("Please select the requesting member(s)") will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Please select requesting member	Type of project	Emissions reduction project or product consists of	Estimated timeframe for carbon reductions to be realized	Estimated lifetime CO2e savings	Details of proposal
[Dropdown menu of requesting members]	<ul style="list-style-type: none"> • New goods and services • Change in established relationship • Other, please specify 	<ul style="list-style-type: none"> • Actions to reduce customers' operational emissions (customer scope 1 & 2) • Actions that would reduce our own operational emissions (our scope 1 & 2) • Actions that would reduce our own supply chain emissions (our own scope 3) • Actions that would reduce both our own and our customers' emissions • Other, please specify 	<ul style="list-style-type: none"> • 0-1 year • 1-3 years • 3-5 years • Other, please specify 	[Numerical response - up to 4 decimal places]	[A text answer of up to 5000 characters]
					Add Row

Please do NOT include details of existing commercial offerings of which your customer will already be aware. Use this as an opportunity to think about **new ways** that you can work with your customer to reduce the emissions associated with the goods and services you provide to your customer.

You should not feel obliged to complete this question if you do not have any proposals. If you do have proposals, please provide information/suggestions to your customer on how you could work with them to reduce GHG emissions.

Any data or attachments added to the Further Information field at the end of the page will be viewable by **all** requesting members. If you choose to make your response public, all text and attachments in the Further Information fields will be placed on our public website.

Column 1: Please select requesting member(s)

- Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all

Column 2: Type of project

- Please select from the drop down menu one of the options below to provide details and the type of project you are proposing. This will allow CDP Supply Chain members to better understand the types of opportunities available and streamline their analysis.
 - New goods and services
 - Change in established relationship
 - Other, please specify

Column 3: Emissions reduction project or product consists of

- Please select from the drop down menu one of the options below to provide details as to where emissions reduction impacts are expected as a result of your proposal or project.
 - Actions to reduce customers' operational emissions (customer Scope 1 & 2)
 - Actions that would reduce our own operational emissions (our Scope 1 & 2)
 - Actions that would reduce our own supply chain emissions (our own Scope 3)
 - Actions that would reduce both our own and our customers' emissions
 - Other, please specify
- For example, if you are looking to reduce emissions from the transportation of goods or services, you might:
 - Lightweight products or their packaging
 - Use low-carbon fuels in vehicles
 - Service providers may replace in-person meetings with video-conferencing
 - Switch to lower-carbon forms of transport for staff to visit clients

Column 4: Estimated timeframe for carbon reductions to be realized

- Please select from the dropdown menu the most appropriate timeline within which you expect carbon reductions to be realized.

Column 5: Estimated lifetime CO₂e savings

- Please specify the amount of tCO₂e reductions you are associating with your customer. This column will accept numbers up to 10000000000000000000 and up to four decimal places. If you are still in the early stages of proposing this opportunity, and you do not know the estimated CO₂e savings, please leave this column blank.

Column 6: Details of proposal

- Please include the potential financial impacts, such as the costs versus savings associated with the project. This column can contain up to 5000 characters. Please note that this character limit includes spaces.

SM2.2: Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Select "Yes" or "No" from the drop down menu provided in the ORS to respond to this question.

This question is related to emissions reduction initiatives that you might have done in your organization and identified early on in your response, in questions CC3.3 and CC3.3a to CC3.3c in the core Climate Change Questionnaire. While those questions refer to emissions reduction activities that were initiated in your reporting year, you may wish to provide details on existing initiative providing changes, progress and

improvements are reflected. To assist you with this, please provide an identifier for each of the initiatives. For example, you may implement a new emissions reduction activity in 2017 that was identified through CDP Action Exchange. In 2017 you would select a 2017 ID tag for this initiative and report it in CC3.3b.

Alternatively, you may have reported an initiative in 2016 that was in its early stages of development. While you had not implemented the initiative at the time, you had decided to report to show your customer that you were considering it. You can use the same ID that you gave to that initiative last year to show whether you decided to implement it or not.

In this section, members are requesting to know which, if any, of those initiatives that are associated with emissions reductions they have caused (in part or wholly) by engaging with you as their supplier. For those suppliers participating in Action Exchange, please use this opportunity to identify which activities were initiated through your involvement in Action Exchange.

SM2.2a: Please select the requesting member(s) that have driven organizational-level emissions reduction initiatives?

This question only appears if “Yes” is selected in response to question SM2.2. A sample answer is provided below.

Please note that this table (for SM2.2a) is designed so that only the customer that you select in column 1 (“Please select the requesting member(s)”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Please select the requesting member/s that have driven a reduction	Initiative ID	Describe the reduction initiative	Give reduction for the reporting year in metric tonnes of CO2e	Did you identify this opportunity as part of Action Exchange?	Would you be happy for CDP Supply Chain members to highlight this work in their external communication?
[Drop down menu of names of the requesting members]	[Drop down menu of ID's]	[A text answer of up to 2500 characters and 4 decimals]	[Numerical response up to 999999999999, with up to 4 decimals]	Select from: Yes No	Select from: Yes No
					Add row

Column 1: Please select requesting member(s)

- Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable by anyone.
- Any data or attachments added to the Further Information field at the end of the page will be viewable by all requesting members. If you choose to make your response public, all text and attachments in the Further Information fields will be placed on our public website.

Column 2: Initiative ID

- Please select an ID for each initiative for each member. If an initiative can be attributed to multiple members, you may select the same ID multiple times. If you wish to show progress against a previous year initiative, please select the ID that you used in that year.

Column 3: Describe the reduction initiative

- Please describe one initiative per member per line in this section and how they relate to the member. You may also wish to refer your customer to the same initiative if you reported in CC3.3 of the core Climate Change Questionnaire where they can find more details. You can find some examples below.
- The responses you provide here should be consistent with the responses provided in CC3.3 of the Climate Change Questionnaire. If it is not, please state why not in column 3, e.g. “emissions reduction initiative too small to make it into our key emissions reduction initiatives section”.
- This column can contain up to 2500 characters. Please note that this character limit includes spaces.

Column 4: Give reduction for the reporting year in metric tonnes CO₂e

- Please specify the amount of tCO₂e reductions you are associating with your customer in column 2. This column will accept numbers up to 99999999999 and up to 4 decimal places.

Column 5: Did you identify this opportunity as part of Action Exchange?

- If the proposal or project discussed was (partly) a result of CDP’s Action Exchange program, please select “Yes” otherwise select “No”. Details on Action Exchange can be found in Appendix I at the end of this guidance.

Column 6: Would you be happy for CDP Supply Chain members to highlight this work in their external communication

- Please select from yes or no. Please note that this selection refers to each individual initiative per member.

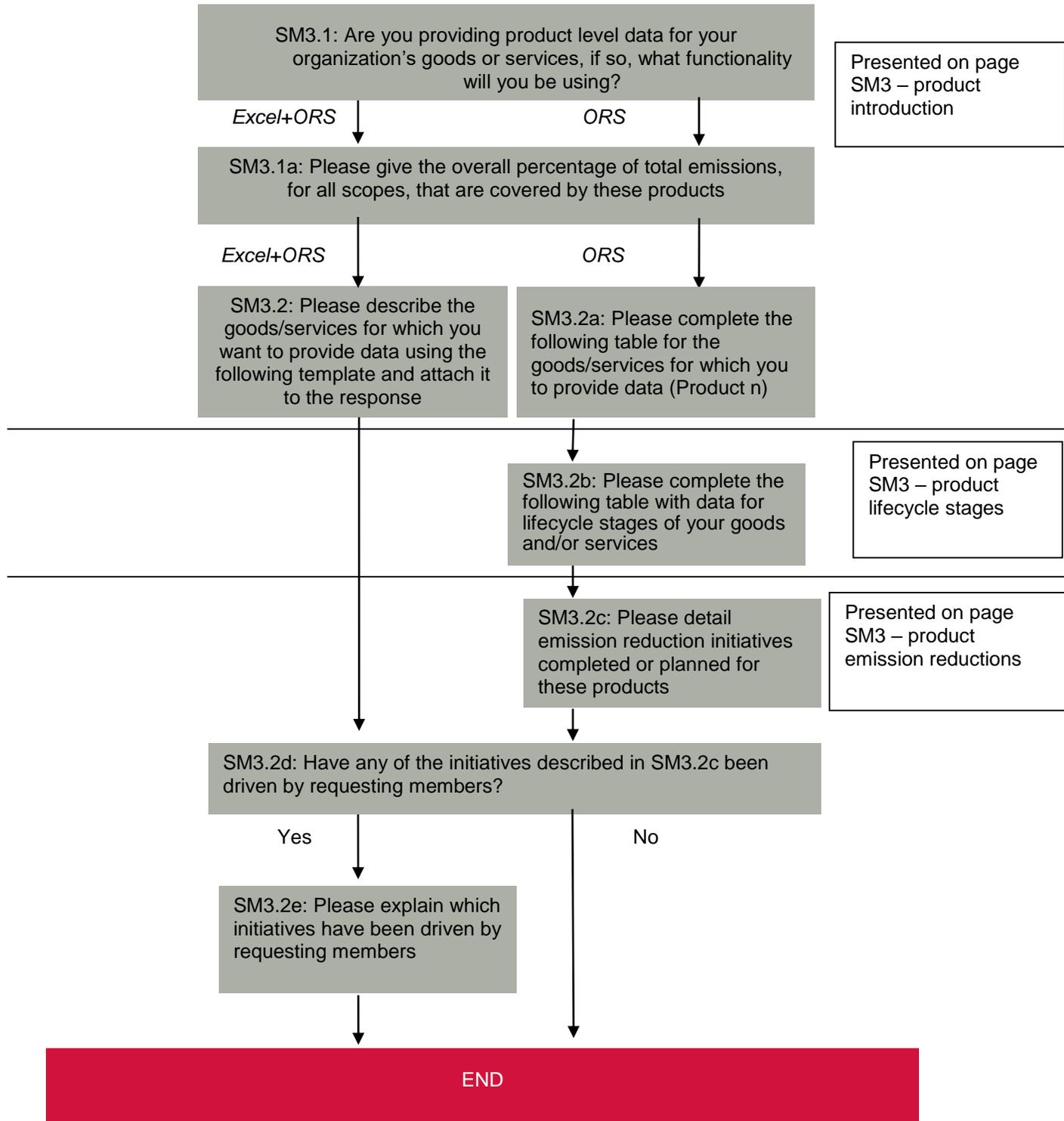
Please select the requesting member(s) that have driven a reduction	Initiative ID	Describe the reduction initiative	Give reduction for the reporting year in metric tonnes of CO ₂ e	Did you identify this opportunity as part of the CDP Supply Chain Action Exchange?	Would you be happy for CDP Supply Chain members to highlight this work in their external communication
Member 1	2017ID1	Following engagement with member 1, we calculated our corporate emissions for the first time. This process helped us to identify energy efficiency initiatives in our buildings. This included HVAC and lighting refits, which reduced our emissions and paid back costs in under a year.	232	No	No
Member 2	2016ID2	Member 2 included us in a pilot lifecycle work on a particular product they manufacture in 2016. Last year we reported this same initiative as we were considering the initiative.	97	Yes	Yes

		This year we are pleased to say we implemented the project and reduced emissions by 97tCO ₂ e			
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Sample Answer

SM3: Product (Goods and Services) Level Data

Question pathway



General guidance

“Product” means a “good” or a “service”. Product footprinting has become more standardized and, increasingly, different elements of a product are being measured independently, allowing the final manufacturer or retailer to more easily and accurately calculate the GHG content of a finished product.

CDP and our Supply Chain members are encouraging you to collect more product specific data. If you have a full “cradle to gate” or “cradle to grave” footprint for a relevant product, please use the tables below to provide this data.

However, if you have not done a full analysis but you are able to give a breakdown for your own part of a customer’s subsequent product, please also use the tables below to do so. In any case, please be clear about the stage(s) that you are describing.

Organizations should particularly consider the goods or services that they provide to the members of CDP’s Supply Chain program that are requesting their data – and try to provide information on those products. However, please note that organizations should not limit themselves to providing data on just those products.

CDP also provides the ability for companies to submit product/service data using a predefined Excel template.

Key changes from 2016

There are no question changes on this page.

Pre-population

No questions on this page are eligible for pre-population.

Scoring

Please note that the Supply Chain Module is not scored. This applies to all responding companies

Specific question guidance

SM3.1: Are you providing product level data for your organization’s goods or services, if so, what functionality will you be using?

Please select from:

- Yes, I will provide data using ORS
- Yes, I will provide data using the Excel template and the ORS
- No, I am not providing data

CDP provides two ways to disclose product level data. You can choose to use the ORS function, in which case you will be asked the following questions: SM3.2a-e i.e. including those questions about emissions reduction actions.

CDP also provides organizations with the ability to provide data using a predefined Excel template. This covers SM3.2a-c. This is because it eases the reporting burden for a supplier. If you select the Excel+ORS option, you will be asked to attach the Excel file into question SM3.2. Question SM3.2d-e will be presented via the ORS.

If you do not have any product data, select, “No, I am not providing data” in the drop down in SM3.1

All organizations providing product-level data will be asked to answer SM3.1a following SM3.1.

SM3.1a: Please give the overall percentage of total emissions, for all scopes, that are covered by these products

This question only appears if you selected “Yes, I will provide data using the ORS” or “Yes, I will provide data using the Excel template and the ORS” in response to question SM3.1

This question aims to assess the GHG relevance of the products you are disclosing information on. You may find out that a minority of products are responsible for a majority of your emissions (Pareto’s principle or 80-20 rule). If that is the case, you might not need to disclose product level data for all your products but rather concentrate on the most relevant for you and your customers. In responding to this question, you should also consider the customers that are requesting information from you and the type of products they buy from you. In all cases, it is important for your customers to know the relevance of the products they are purchasing from you in terms of your overall GHG emissions. You can report this information by summing your Scope 1, 2 and 3 emissions.

This field allows for a percentage value to be entered up to 100, with no decimals. Please ensure the percentage contains no commas.

SM3.2: Please describe the goods/services for which you want to provide data using the following template and attach it to the response

This question only appears if you selected “Yes, I will provide data using the Excel template and the ORS” in response to question SM3.1

You can respond to questions SM3.2a-c (guidance provided below) by using a special Excel [template](#). CDP is providing this in order to facilitate data entry.

To attach a document, click on BROWSE to locate your document and then click on ATTACH to attach it to the response. When you have successfully attached your document, you will see your document name with an empty tick box and a REMOVE button in the column.

SM3.2a: Please complete the following table for the goods/services for which you want to provide data

This question only appears if you selected “Yes, I will provide data using ORS” in response to question SM3.1. The guidance below, however, is also relevant if you are responding using the Excel format.

Name of good/ service	Description of good/ service	Type of product	SKU (Stock Keeping Unit)	Total emissions in kg CO ₂ e per unit	±% change from previous figure supplied	Date of previous figure supplied	Explanation of change	Methods used to estimate lifecycle emissions
[A text answer of up to 2400 characters]	[A text answer of up to 2400 characters]	<ul style="list-style-type: none"> Final Intermediate 	[A text answer of up to 50 characters]	[Numerical response between minus 9999999999 and plus 9999999999, with up to 10 decimal points.]	Numerical response between minus 1000 and plus 1000, with up to 10 decimal places. Please use a full stop and not a comma to	[Calendar entry]	[A text answer of up to 2400 characters]	<ul style="list-style-type: none"> Bilan Carbone French Product Environmental Footprint Greenhouse Gas Accounting Sector Guidance for Pharmaceutical Products and Medical Devices

					indicate the decimal point.			<ul style="list-style-type: none"> • GHG Protocol Product Accounting & Reporting Standard • ISO 14040 & 14044 • ISO 14025 • EU Product Environmental Footprint (EUPEF) • PAS 2050 • WBCSD Life Cycle Metrics for Chemical Products • Other, please specify
Add Row								

Column 1: Name of good/service

- Please provide the name of the product you will be providing data for. This answer can be to a maximum of 2400 characters.

Column 2: Description of good/service

- Please describe the good or service for which you are supplying product lifecycle GHG data. This may be a good such as a “180-gram tube of toothpaste in a cardboard package” or a service such as the “design of a color A5 advertising flyer”. This will be referred to as “a unit” in column 4 of SM3.2b.
- This column can contain up to 2400 characters. Please note that this character limit includes spaces.
- Products from different locations may have markedly different footprints due to local circumstances, such as the use of different types of fuel or different generation methods used to create electricity for the grid. As long as it is not prohibited under the product footprinting methodology that you use, then you can differentiate between products made at different locations. You should however:
 - Explain what you have done;
 - Give the locations that supply products to your requesting members, if applicable; and
 - Not selectively present or cherry-pick the locations that give the lowest product footprints, by providing either the product footprints for a range of locations or the average footprint figure across all locations.

Column 3: Type of product

- Please select from:
 - Final
 - Intermediate
- Please use this drop down menu to clearly identify the type of product or good/service for which you are providing data.

- Intermediate products are inputs to the production of other goods or services that require further processing, transformation, or inclusion in another product before use by the end consumer. Intermediate products are not consumed by the end user in their current form.
- Final products are goods and services that are consumed by the end user in their current form, without further processing, transformation, or inclusion in another product, though they may be sold to a retailer first before being sold on to the end user. The end user may be an individual or a business.

Column 4: SKU (Stock Keeping Unit)

- Please provide the Stock Keeping Unit (SKU) of the product you are providing data for. This refers to the quantity of products bought by the customer for a particular price/amount of emissions. If you don't have an SKU for the product/service you are providing data, please give the quantity of the named good/service provided in column 1.
- This column can contain up to 50 characters, including spaces.

Column 5: Total emissions in kg CO₂e per unit

- Please give the emissions for the final/intermediate product in kg CO₂e/unit of good or service.
- Numerical response between minus (-) 99999999999 and plus (+) 99999999999, with up to 10 decimal points. Please use a full stop and not a comma to indicate the decimal point

Column 6: +/- % change from previous figure

- If you have previously reported a figure to CDP and are supplying an updated figure, please give the percentage difference between the two figures.
- This field will accept a number between minus (-) 1000 and plus (+) 1000. It will accept up to 10 decimal places. If the new figure is smaller, enter a figure with a minus sign (-). Please use a full stop and not a comma to indicate the decimal point

Column 7: Date of previous figure supplied

- Give the date of the previous figure in day/month/year format e.g. 24/11/2014 or 06/06/2013.

Column 8: Explanation of change

- Explain why the figure has changed.
- This column can contain up to 2400 characters, including spaces.

Column 9: Methods used to estimate lifecycle emissions

- Please give details of the method that you have used to estimate lifecycle emissions. You can state if you have followed published standards like [ISO 14040 & 14044](#), the [GHG Protocol Product Life Cycle Accounting & Reporting Standard](#), [PAS 2050](#) or one that you have developed yourself. You can also provide details on the following: boundary of assessment; GHG included/excluded; data sources references used.

SM3.2b: Please complete the following table with data for lifecycle stages of your goods and/or services

If you are using the Excel template, please copy rows to enter multiple lifecycle stages. Please use the 'Add Rows' function at the bottom of the table to generate additional rows. You can use this function more than once to add more than ten rows if needed.

Name of good/service	Please select the scope	Please select the lifecycle stage	Emissions (kg CO ₂ e) per unit at the lifecycle stage	Is this stage under your ownership or control?	Type of data used	Data quality	If you are verifying/assuring this product emission data, please tell us how
[A text answer of up to 2,400 characters]	[A dropdown menu with Scope levels]	[A dropdown menu of lifecycle stages]	[Numerical response between minus 1000000000 and plus 1000000000, with up to 10 decimal points]	<ul style="list-style-type: none"> • Yes • No 	<ul style="list-style-type: none"> • Primary • Secondary • Primary and secondary 	[A text answer of up to 2500 characters]	[A text answer of up to 5000 characters]
Add Row							

Column 1: Name of good/service

- Please cut-and-paste the entries made in column 1 of SM3.2a.
- This field allows for an answer of up to 2400 characters. This character limit includes spaces.

Column 2: Please select the scope

- Please use the 'Data quality' column to state whether you are using a location-based or market-based Scope 2 figure.
- Please select from one of the following options:
 - Scope 1
 - Scope 2
 - Scope 3
 - Scope 1 & Scope 2
 - Scope 1, 2 & 3
 - Other, please specify

Column 3: Please enter lifecycle stage

- Please provide the lifecycle stages that are appropriate to the final/intermediate product for which you are providing data. Please select from one of the following options:
 - Assembly
 - Consumer Use
 - Cradle to gate
 - Cradle to grave
 - Distribution
 - End of life/Final disposal
 - Energy/Fuel
 - Manufacturing
 - Material acquisition
 - Operation of premises
 - Packaging
 - Pre-processing

- Processing
 - Production
 - Recycling
 - Storage
 - Transportation
 - Waste
 - Other, please specify
- You should add a row for each subsequent lifecycle stage. The add row in the ORS can be found at the bottom right of the table.
 - This column is used in conjunction with column 2, whereby the combined data will give CDP an accurate lifecycle stage. You are able to mix and match, for example 'Waste' could be a result of Scope 1 emissions if the waste is a result of the direct processing of a product, or it could be a result of Scope 3 emissions when waste is created through customer use of a product. Please continue to add rows for as many lifecycle stages you are able to provide data for. If the lifecycle stage you need is not available, for example, if you are trying to provide data for a service (in the case of a hotel stay, for instance - check in, use of room, check out, cleaning), please select 'Other, please specify' and write in the required data.

Column 4: Emissions (kg CO₂e) per unit at the lifecycle stage

- Please give the emissions for the final/intermediate product in kg CO₂e/unit of good or service for the given life cycle stage(s). If you are providing data for only a stage/s of the product's lifecycle, the figure you supply will be the figure for that stage or aggregate for those stages. This field accepts numerical responses between minus (-) 1000000000 and plus (+) 1000000000, with up to 10 decimal points. Please use a full stop and not a comma to indicate the decimal point

Column 5: Is this stage under your ownership or control

- Please select "yes" or "no" from the drop down menu, depending on whether you have control over that particular operation. Use the definition of control you have used for your organizational boundary (financial/operational control).

Column 6: Type of data use

- Please specify if you have used primary data, secondary data or both to calculate the emissions at this stage of the lifecycle. According to the GHG Protocol, primary data is data from specific activities within the company's value chain, while secondary data is data that is not from specific activities within the company's value chain. Therefore, data obtained from a supplier who used proxy methods would not be considered to be primary data.

Column 7: Data quality

- Please provide any information you consider relevant for your customers relative to the data quality used to produce the figure for this lifecycle stage. Consult Chapter 8 of the GHG Product Standard for help in assessing data quality.
- This field allows for an answer of up to 2500 characters. This character limit includes spaces.

Column 8: If you are verifying/assuring this product emission data, please tell us how

- Please explain the standard used, the name of the verifier/assurer and their relationship to your organization.
- CDP recognizes that the verification and assurance of product level data is still in the early stages of development. If you are taking steps to verify or assure the data you provide, please use the free text box to explain how. Please include any information as to what standard, if any, was used (e.g. PAS 2050, GHG Protocol, etc.).

This field allows for an answer of up to 5000 characters. This character limit includes spaces.

SM3.2c: Please detail emission reduction initiatives completed or planned for this product

This question is included in the Excel template. Please use the ‘Add Rows’ function at the bottom of the table to generate additional rows. You can use this function more than once to add more than ten rows if needed.

Name of good/service	Initiative ID	Description of initiative	Completed or planned	Emissions reduction in kg CO ₂ e per unit
[A text answer of up to 2500 characters]	[Drop down of ID's]	[A text answer of up to 2500 characters]	<ul style="list-style-type: none"> • Completed • Ongoing • Planned 	[Numerical response up to 1000000000, with up to 10 decimal points.]
				Add Row

In this question please provide information on any initiatives you might have for this product aimed at reducing emissions from its lifecycle. Please provide:

Column 1: Name of good/service

- Please cut-and-paste the entries made in column 1 of SM3.2b. This column can contain up to 2500 characters. This character limit includes spaces.

Column 2: Initiative ID

- Please identify the initiative by selecting from the dropdown menu. This number will be used to track the identified good/service throughout your response.

Column 3: Description of initiative

- Please provide a brief description of what the initiative is about and how emissions reductions will be achieved. This column can contain up to 2500 characters. This character limit includes spaces.

Column 4: Completed or planned

- Please select from the drop-down to specify if the initiative is completed or if it is being planned.

Column 5: Emissions reductions in kg CO₂e per unit

- Please provide the amount of reductions in emissions as kg CO₂e per unit of product.
- Numerical response up to 1000000000, with up to 10 decimal points. Please use a full stop and not a comma to indicate the decimal point.
- Please use the ‘Add Row’ function to include data for as many products as you have disclosed.

SM3.2d: Have any of the initiatives described in SM3.2c been driven by requesting members?

Please select “Yes” or “No” from the drop down menu provided in the ORS to respond to this question. If you select “Yes” you will be asked to answer question SM3.2e; if you select “No” you will have reached the end of this question set for individual products.

SM3.2e: Please explain which initiatives have been driven by requesting members

This question only appears if “Yes” is selected in response to question SM 3.2d. Please note that this table (for SM3.2e) is designed so that only the customer that you select in column (“Please select the requesting member(s)”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Requesting member(s)	Name of good/service	Initiative ID
[Names of the requesting members]	[A text answer of up to 2500 characters]	[Drop down of ID's]
Add Row		

Column 1: Requesting member(s)

Please use this field to identify the requesting member or member(s) that have driven the emissions reduction initiative. Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Column 2: Name of good/service

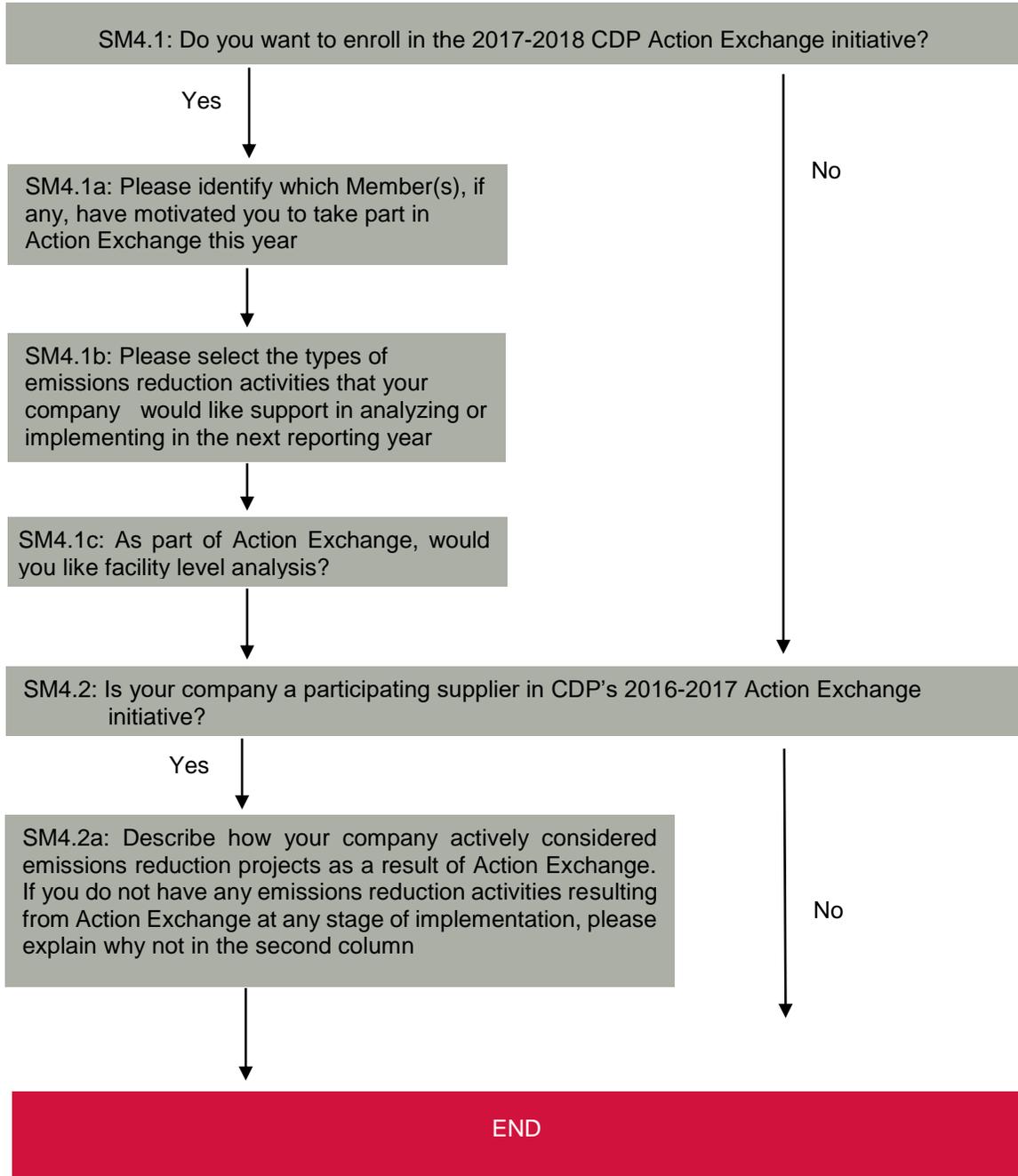
Please provide a text answer with the name of good/service. This column can contain up to 2500 characters, including spaces.

Column 3: Initiative ID

Please identify the initiative using the ID that you have used previously in column 2 of SM3.2c.

SM4: Action Exchange

Question pathway



General guidance

Action Exchange is an initiative of CDP's Supply Chain program that equips responding suppliers with access to the technology, intelligence and solutions that can help them reduce greenhouse gas emissions and benefit from financial savings. The questions in this section allow suppliers to pick the types of projects that they are interested in pursuing, which not only helps Solutions Providers but also creates more tailored Action Exchange resources for each supplier. For more information on Action Exchange, please see Appendix I.

To help identify suppliers willing to participate in Action Exchange, suppliers are asked a number of simple, optional questions to help better leverage the expertise of Solutions Providers which in turn would assist suppliers in implementing emissions reduction technologies or services.

Key changes from 2016

There are no question changes on this page.

Pre-population

No questions on this page are eligible for pre-population.

Scoring

Please note that the Supply Chain Module is not scored. This applies to all responding companies.

Specific question guidance

SM4.1: Do you want to enroll in the 2017-2018 CDP Action Exchange initiative?

Please select "Yes" or "No" from the drop down menu provided in the ORS to respond to this question. If you select "Yes" you will be asked to answer question SM4.1a.

SM4.1a: Please identify which Member(s), if any, have motivated you to take part in Action Exchange this year

Please note that this list is designed so that only the customer that you select will be able to see the selection. If you enter an answer without selecting a requesting member, your answer will not be viewable at all. Not all members in this list necessarily participated in Action Exchange, so please ensure that you select only the members that motivated you to take part in Action Exchange.

SM4.1b: Please select the types of emissions reduction activities that your company would like support in analyzing or implementing in the next reporting year

This question is designed to allow Solutions Providers to more quickly assess which suppliers they are most equipped to assist. Please note that this list is the same as provided in CC3.3b to help you report on the initiatives if they are implemented.

Please multi-select:

- Energy efficiency: Building fabric
- Energy efficiency: Building services
- Energy efficiency: Processes
- Fugitive emissions reductions
- Low carbon energy purchase
- Low carbon energy installation
- Process emissions reductions

- Transportation: fleet
- Transportation: use
- Product design
- Behavioral change
- Waste recovery
- Green project finance
- Other, please specify

SM4.1c: As part of Action Exchange, would you like facility level analysis?

Please select “Yes” or “No” from the drop down menu provided in the ORS to respond to this question. If you select “Yes”, CDP will be in contact with you about the option for additional facility-specific Action Exchange resources. This option may be most appropriate for factory-intensive companies that want to focus emissions reduction efforts at the facility level.

SM4.2: Is your company a participating supplier in CDP’s 2016-2017 Action Exchange initiative?

Please select “Yes” or “No” from the drop down menu provided in the ORS to respond to this question. If you select “Yes” you will be asked to answer question SM4.2a; if you select “No” you will have reached the end of this module.

SM4.2a: Describe how your company actively considered emissions reduction projects as a result of Action Exchange. If you do not have any emissions reduction activities resulting from Action Exchange at any stage of implementation, please explain why not in the second column

Organizations that answer “Yes” to SM4.2 will be presented with this question.

The purpose of this question is to provide customers who engaged their suppliers through Action Exchange further insight to the emissions reduction activities of their suppliers. Please select in the first column the type of projects that your organization considered implementing through Action Exchange. In the second column, explain the extent to which the projects were evaluated and, if applicable, to what stage the project has progressed. Remember, your answer to this question will be visible.

Type of project	Details of proposal
<ul style="list-style-type: none"> • Energy efficiency: Building fabric • Energy efficiency: Building services • Energy efficiency: Processes • Fugitive emissions reductions • Low carbon energy purchase • Low carbon energy installation • Process emissions reductions • Transportation: fleet • Transportation: use • Product design • Behavioral change • Waste recovery • Green project finance • Other, please specify 	<p>[A text answer of up to 2500 characters]</p>

Water Supply Chain Module Guidance

Introduction to this module

This module has been prepared for companies responding to Requests for Information on Water on behalf of CDP's Supply Chain members. It has been developed following consultation with both suppliers and CDP Supply Chain members. Its purpose is to facilitate improved understanding for customers of their supplier's management of water using supplier specific questions.

The Water Module builds on specific information requested in the core Water Questionnaire that customers are interested in. This information includes facilities exposed to water risk, projects to improve water stewardship and aspects of water accounting. Further guidance for the more detailed supplier related questions can be found below.

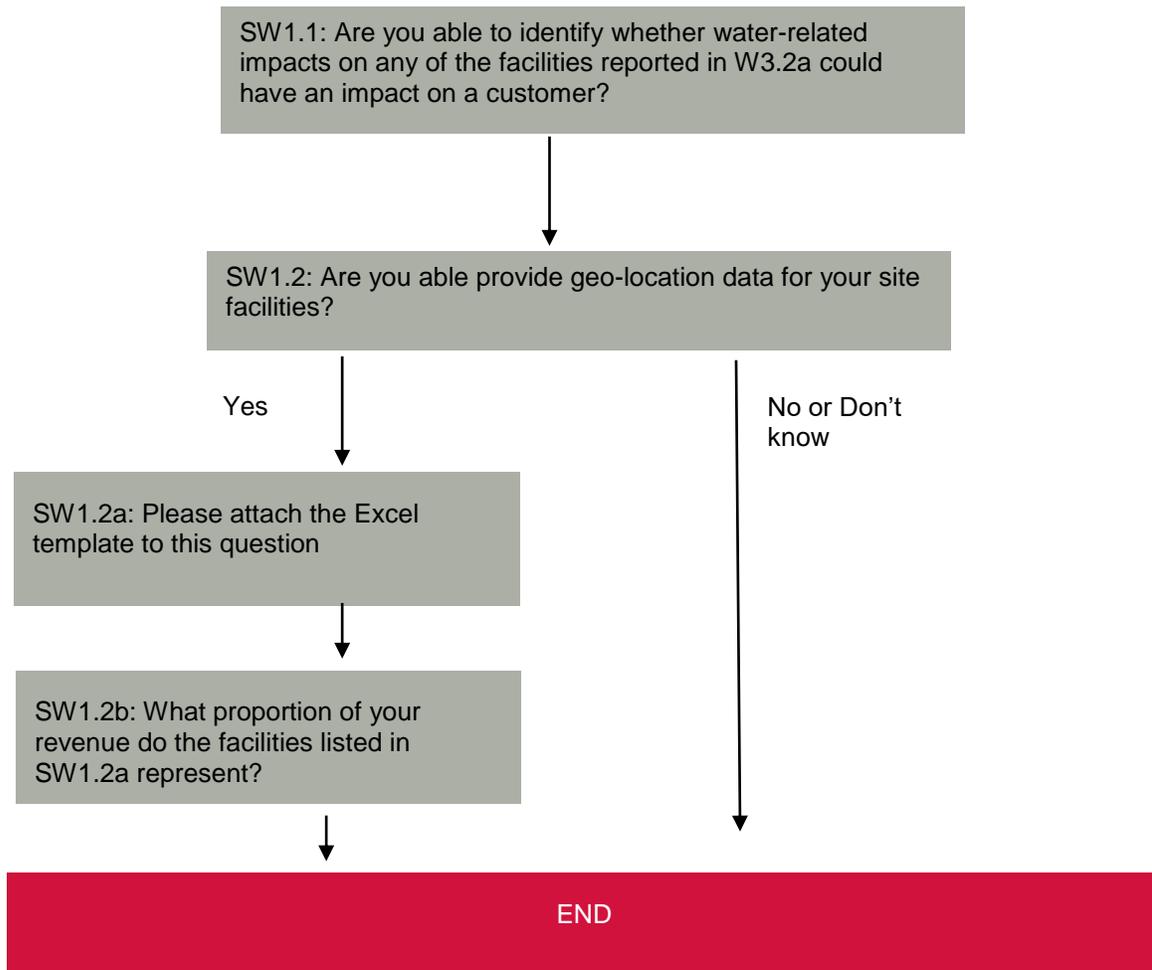
Please note that as the Supply Chain Water Module has added additional questions in SW1.2. Please see below for specific question guidance.

Scoring

Please note that the Supply Chain Water Module is not scored. This applies to all responding companies.

SW1: Facilities Exposed To Water Risk

Question pathway



General guidance

CDP Supply Chain members are becoming increasingly aware that water risks may exist in their supply chain that could impact their business. To facilitate their understanding of these potential water risks, your customer firstly would like to know which (if any) of the facilities reported in question W3.2a produce goods or services related to his/her spend with you. This is reflected in question SW1.1. Question W3.2a is located in the “Implications” module of the core Water Questionnaire.

Key Changes from 2016

- Question SW1.2 has been added for 2017. This question is simply to identify if suppliers are able to report geolocation data for their site facilities.

- Question SW1.2b has been added for 2017. It asks suppliers to identify what proportion of revenue the facilities with geolocation data represent.

Pre-population

No questions on this page are eligible for pre-population.

Specific question guidance

SW1.1: Are you able to identify whether water-related impacts on any of the facilities reported in W5.1a could have an impact on a customer?

Please note that this table (for SW1.1) is designed so that only the customer that you select in column ("Please select the requesting member(s)") will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Please select the facilities	Please select the requesting member(s)	Comment
[Multi-select facility reference number]	[Name of requesting member]	[Text answer of up to 2500 characters]
Add Row		

Please remember to assign the correct water facility as identified in question W5.1 in the core Water Questionnaire.

In question W3.2a, you were asked to identify the number of facilities exposed to water risks that could generate a substantive change in **your** business, operations, revenue or expenditure. In question W5.1, you were then requested to provide water accounting data for each of these facilities, providing each facility with a unique identifier.

Question SW1.1 is asking whether any of the facilities that you reported in W3.2a could also have an impact on a requesting customer. As you provided each of the facilities with a unique identifier in W5.1, please use that same identifier to refer to specific facilities that may impact the requesting members.

Column 1: Please select the facility

- For each of the members selected in column 2, please select any facilities that you identified as being exposed to water risks that can cause a substantive impact to your business that may impact this customer. For example, you may have identified 4 facilities in question W3.2a, each producing different goods and services. For one of your members, you may sell products to them that are produced in Facility 3. In this example please only tick Facility 3.
- For more information on what is substantive, please refer to the core [Water Guidance](#).

Column 2: Please select requesting member(s)

- Please note that this table is designed so that only the customer that you select in column 2 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable by anyone.

Column 3: Comment

- If you cannot track facilities to customers, then please provide an explanation as to why not in the comment field and if you have future plans to address this. Alternatively, you can tailor your response with other relevant information.
- This column can contain up to 2500 characters, including spaces.

SW1.2: Are you able provide geo-location data for your site facilities?

Please select from the following options:

- Yes
- Don't know
- No, as this is commercially sensitive data
- No

There are different ways in which a company can provide geo-location data. These can take the form of coordinates, postcodes and addresses. When answering this question, CDP recommends that you provide this information in the form of latitude and longitude. To help you do this, CDP has provided your company an Excel template, which you can download below in SW1.2a. You may choose to provide this information in a different format, however, please be aware that this will limit the usability of the data.

Latitude and longitude are geographic coordinates that specify, respectively, the north-south and east-west position, of a point on the Earth's surface. They are expressed as angular measures and thus, latitude can vary from +90 to -90 and longitude from 180 to -180.

The geodetic system that should be used is the WGS 84, which is the system used by GPS (Global Positioning System), Google Maps, Google Earth and all major web applications providing coordinates to users. In case you do not have this information and want to locate your facilities using the internet, there are various web tools available to assist companies getting latitude and longitude coordinates according to WGS84. For example, [iTouchMap](#) allows you to enter an address or identify a location on a map and will return the latitude and longitude coordinates.

This information will be useful to link CDP data with maps which show areas of greater of water stress, and the types of risk exposure in those water stressed areas.

If you are unable to provide this data please select either "No", "Don't know" or "No, as this is commercially sensitive data", which will lead to the end of this question module.

SW1.2a: Please attach the Excel template to this question

This question only appears if "Yes" is selected in response to question SW1.2.

You may [download the Excel template](#) to facilitate filling out your response. To attach the template, click on "Browse" to locate the appropriate file and then "Attach" to attach the document to the response. Please ensure that your attachment is under 5MB. Note the requirements and the option to use the CDP template. If you have multiple documents, you should attach these as a zip file.

Facility	Facility type (dropdown)	Longitude (e.g. -120.9762)	Latitude (e.g. 41.25)
[Multi-select facility reference number]	<ul style="list-style-type: none"> • Farming • IT • Manufacturing • Office Space • Production site • Storage facility 		

	<ul style="list-style-type: none">• Other, please specify		
--	-------------------------------------------------------------------------	--	--

SW1.2b: What proportion of your revenue do the facilities listed in to SW1.2a represent?

This question only appears if “Yes” is selected in response to question SW1.2.

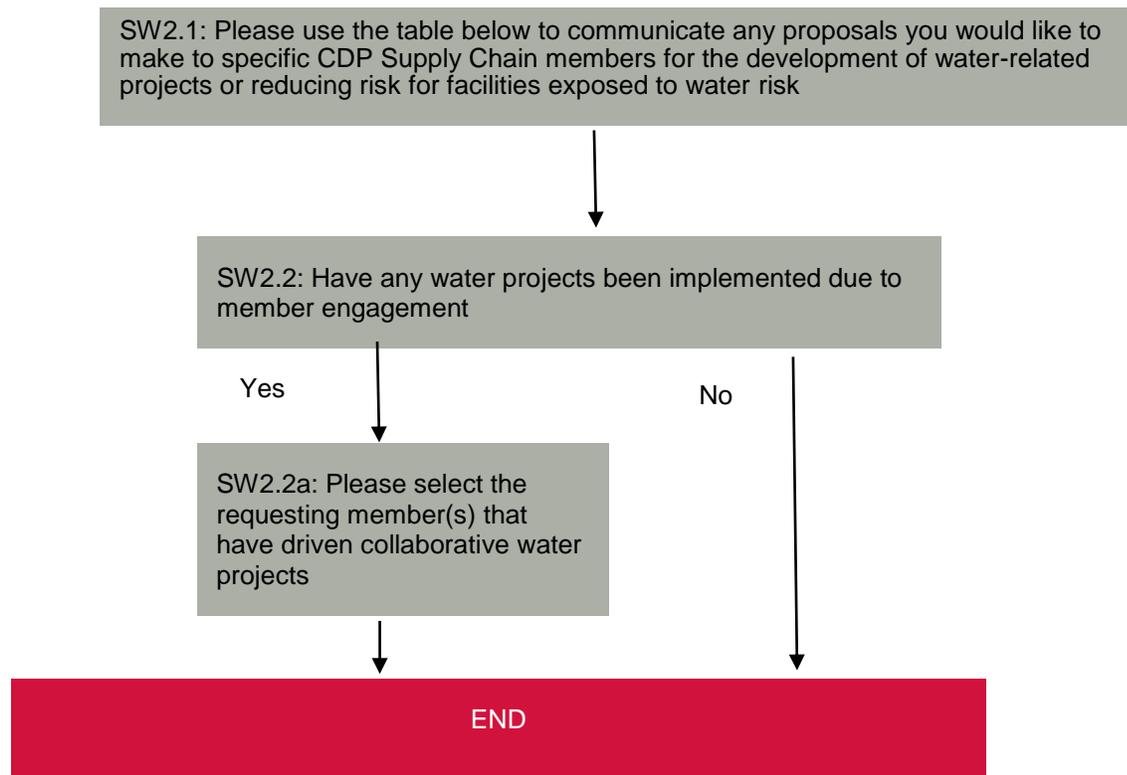
Please select from the following options:

- Less than or equal to 2%
- More than 2% but less than or equal to 5%
- More than 5% but less than or equal to 10%
- More than 10% but less than or equal to 20%
- More than 20% but less than or equal to 30%
- More than 30% but less than or equal to 40%
- More than 40% but less than or equal to 50%
- More than 50% but less than or equal to 60%
- More than 60% but less than or equal to 70%
- More than 70% but less than or equal to 80%
- More than 80% but less than or equal to 90%
- More than 90% but less than or equal to 100%

This question is directly referring to the excel template that you attached in question SW1.2a. Your customer would like to know what proportion of your revenue that the facilities listed in the Excel template represent. For example, suppose you have 20 facilities but you only reported the 10 you have geo-location data for in the Excel template. Though the facilities you reported are half of your total facilities, suppose that they represent the majority of your revenue, about 85%. You would select “More than 80% but less than or equal to 90%”.

SW2: Collaborative Water Opportunities

Question pathway



General guidance

These questions aim to understand what opportunities you and your customer can pursue to improve water impacts and to mitigate water risks to both your and their business. It can also be used to strengthen communication between you and your customers and help drive innovative new partnerships. As many companies are at the beginning of their water stewardship progression, this is a way in which both suppliers and customers can establish best practice. In many cases, you may be aware of water risks to your business, but may not know what projects to implement. In this case you may wish to refer to the [CEO Water Mandate Water Action Hub](#) as a starting point and search for comparable water issues and solutions.

Please do NOT include details of existing commercial offerings of which your customer will already be aware. Use this as an opportunity to think about **new ways** that you can work with your customer to reduce water risks and impacts to your business. You should not feel obliged to complete this question if you do not have any proposals.

Please note that the two tables are designed so that only the customer that you select in column 1 (“Please select requesting member”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Any data or attachments added to the Further Information field at the end of the page will be viewable by **all** requesting members. If you choose to make your response public, all text and attachments in the “Further Information” fields will be placed on our public website.

Key Changes from 2016

There are no question changes on this page.

Pre-population

No questions on this page are eligible for pre-population.

Specific question guidance

SW2.1: Please use the table below to communicate any proposals you would like to make to specific CDP Supply Chain members for the development of water-related projects or reducing risk for facilities exposed to water risk

Please note that this table (for SW2.1) is designed so that only the customer that you select in column 1 (“Please select requesting member”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Please select requesting member(s)	Motivation	Type of project	Estimated timeframe for project to be achieved	Projected outcome	Financial benefits	Details of project
[Dropdown menu of names of requesting members]	<ul style="list-style-type: none"> Reducing water withdrawal Collaboration on water policy Improving quality of water discharge Other, please specify 	<ul style="list-style-type: none"> Education Investment in infrastructure New products/ services/ processes Training Other, please specify 	<ul style="list-style-type: none"> 0-1 year 1-3 years 3-5 years Other, please specify 	[A text answer of up to 2500 characters]	[A text answer of up to 2500 characters]	[A text answer of up to 5000 characters]
Add Row						

Column 1: Please select requesting member(s)

- Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all.

Column 2: Motivation

- Please select the reasons why you are proposing a new project. This could refer back to a physical reason, for example a physical risk such as declining water quality in a specific basin. There may be many motivations why you wish to implement a particular water project with a customer. In this case, please select the primary motivation.

Column 3: Type of project

- Please select the type of water project you wish to implement. While you may have identified a particular motivation, you may not know the specific type of water project that is most appropriate for that motivation. You may wish to refer to the [CEO Water Mandate Action Hub](#) for comparable water issues and solutions.

Column 4: Estimated timeframe for project to be achieved

- Please select from the dropdown menu the most appropriate timeline for that water project to be realized.

Column 5: Projected Outcome

- Please outline how your company and your customer can benefit if this project were to be implemented. For example, it may be that collaborating to influence stronger local water policy will result in improved water quality locally in the basin where you produce products for your customer and reduce costs for water treatment.
- This column can contain up to 2500 characters, including spaces.

Column 6: Financial benefits

- Please describe, if any, the potential financial benefits to both you and your customers' organizations.
- This column can contain up to 2500 characters, including spaces.

Column 7: Details of project

- Please outline any extra details to your customer in this field.
- This column can contain up to 5000 characters, including spaces.

SW2.2: Have any water projects been implemented due to member engagement?

- Yes
- No

If you respond “No” to this question, you will reach the end of the question page.

SW2.2a: Please select the requesting member(s) that have driven collaborative water projects

This question only appears if “Yes” is selected in response to question SW2.2.

Please note that this table (for SW2.2a) is designed so that only the customer that you select in column 1 (“Please select requesting member”) will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable at all

Please select the requesting member(s) that have driven a project	Describe the project	How much progress have you made towards the implementation of this project?
[Dropdown of names of requesting members]	[A text answer of up to 5000 characters]	[A text answer of up to 2500 characters]
Add Row		

Column 1: Please select the requesting member(s) that have driven a project

- Please note that this table is designed so that only the customer that you select in column 1 will be able to see the data relevant to them. If you enter an answer without selecting a requesting member, your answer will not be viewable by anyone.

Column 2: Describe the project

- Please use this field to describe the initiative. This as an opportunity to inform your customers whether any previous engagement with them has driven solo water projects in your organization.
- This column can contain up to 5000 characters, including spaces.

Column 3: How much progress have you made towards the implementation of this project?

- Please describe your project progress
- This column can contain up to 2500 characters, including spaces.

SW3: Product Water Intensity

Question pathway

SW3.1: For the reporting period, please provide any available water intensity values for your organization's products or services across its operation

END

General guidance

Product is a term that means good or service. Water product footprinting methodologies are currently becoming more standardized, particularly with the development of ISO14046. CDP Supply Chain members are becoming increasingly interested in the water footprint of their purchased products. In particular, they are interested in the water intensity of the products they purchase, specifically for those products that are produced in facilities exposed to water risk (where that risk is related to access to water or physical scarcity), and are focused on reducing the direct and indirect water use of that product.

Question SW3.1 is referring to intensity figures for geographical areas/business units across the entire organization. It is not excluded to just those facilities which are exposed to substantive risk as identified in W3.2a. However, this may be of more interest to your customers. While a company does not have to provide all intensity figures for all their products, they may wish to consider those that are located in water stressed regions or represent the largest proportion of spend. Organizations should particularly consider the goods or services that they provide to the members of CDP Supply Chain that are requesting their data – and try to provide information on those products. Please note that organizations should not limit themselves to providing data on just those products.

Pre-population

No questions on this page are eligible for pre-population.

Key Changes from 2016

There are no question changes on this page

Specific question guidance

SW3.1: For the reporting period, please provide any available water intensity values for your organization’s products or services across its operation

You are requested to respond to this question in the table provided in the ORS, reproduced below. A sample response is included below.

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
[Country drop down list]	[drop down list of river basin] Not known Other, please specify	[A text answer of up to 500 characters]	<ul style="list-style-type: none"> Liters Mega-liters Kilogram Ton Other, please specify 	<ul style="list-style-type: none"> Liters Mega-liters 	[A numerical response up to 999999999999, and 4 decimal points]	<ul style="list-style-type: none"> Withdrawals Water use in operations Other, please specify 	[A text answer of up to 1000 characters]
Add Row							

Box 3: Water intensity

This measurement is suitable when aggregating or comparing across businesses that have similar products. This is represented as:

$$\text{Water intensity} = \frac{\text{Volume of water used in making product (water unit)}}{\text{Output or volume of product created (product unit)}}$$

Example: Company A uses six liters of water to produce one liter of orange juice. Company B uses eight liters of water to produce one liter of orange juice. Company A is less water intensive (or more water-efficient) than Company B for that product.

Please describe any available activity-based intensity measurements for your organization’s water use for individual geographical areas/business units. The data entered should describe a measurement of water intensity with respect to product activity. Guidance on responding to each of the columns is provided below:

- Column 1: Country**
 - In the first column, please select from the drop down menu the country in which you wish to report on.
- Column 2: River basin**
 - Please select the appropriate river basin from the drop down menu provided. If you do not see the basin required, please select, ‘Other, please specify’ and write in the correct river basin using the text box provided. You may also select “Not known”.
- Column 3: Product name**
 - Please enter a brief description of the product being used in your calculation of water intensity, e.g. soft drink.
 - This column can contain up to 500 characters, including spaces.
- Column 4: Product unit**

- Please select the unit, such as “Liter”, being used for the volume of product used in your calculation of water intensity. If you wish to use another unit which is not shown, please select “Other” and enter the unit/description in the text box provided.
- **Column 5: Water unit**
 - Please select the unit, such as “Liter” being used for the volume of water used to create your product for your calculation of water intensity.
- **Column 6: Water intensity**
 - Enter the numerical figure of your water use per unit of product made at the geographical location or business unit you have selected. Please state this in values of up to 4 decimal places. This column will accept a numerical response of up to 999999999999, with up to 4 decimal points.
- **Column 7: Water use type**
 - Please select a water metric, such as “water withdrawals” for the volume of water used in your calculation of financial intensity. If you wish to use another metric which is not shown, please select “Other” and enter the description in the text box provided.
- **Column 8: Comment**
 - You may provide any details on the context or reasons for figures or units used for calculation of water intensity.
 - This column can contain up to 1000 characters, including spaces.

SW3.1 Sample Response

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Bulgaria	Veleka	Orange juice	Liters	Liters	4.1	Water use in operations	Direct water use for processing only – excludes all water used to grow oranges and other raw materials for product, including packaging.

Appendix I: Reporting Action Exchange projects through the core Climate Change Questionnaire

Contents

- ▼ What is Action Exchange?
- ▼ Why should you report your emissions reduction activities from Action Exchange?
- ▼ CC3.3 Reporting your emissions reduction activities
- ▼ CC12.1 How do your emissions compare to last year?
- ▼ Further guidance and help

What is Action Exchange?

Action Exchange is an initiative of the Supply Chain program for Lead or longer-term members to drive emissions reductions in their supply chains. Action Exchange offers a platform designed to help suppliers to horizon scan for ways to reduce their emissions and save money. This includes benchmarking against high-performing peers, tailored recommendations for specific emissions reduction activities, and a network of partners called Solutions Providers that have the expertise to implement energy efficiency projects.

Why should you report your emissions reduction activities from Action Exchange?

Reporting your emissions reduction activities is integral to fulfilling the request from your customer(s) that you are committed to taking definitive action to measure, manage and reduce your greenhouse gas emissions.

To demonstrate the achievements that you have made with the resources that were made available to you through Action Exchange, CDP and your corporate customers encourage you to report this information through specific parts of the CDP Questionnaire. By reporting energy efficiency projects completed as a direct result of the Action Exchange profile or connections with Solutions Providers, you can achieve the following outcomes:

- ▼ **Greater transparency:** You are now able to show your leadership skills by providing a more complete and transparent response.
- ▼ **Demonstrate improved climate change performance:** There are two places where you can directly report your emissions reduction activities in the core Climate Change Questionnaire (CC3.3, and CC12.1a).

CC3.3 Reporting your emissions reduction activities

CC3.3 asks whether you had emissions reduction activities that were active within the reporting year, including those that were implemented through Action Exchange. This can include activities in the planning and/or implementation phase.

In question CC3.3b, you will be asked to provide further details of your initiative from Action Exchange, assuming that it was implemented during the reporting year. This question asks you to describe the initiative, estimate your savings both through carbon emissions and monetary savings, and disclose the required investment, payback period and estimated lifetime of the initiative. Below you can see an example answer.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency – as specified in CC0.4)	Investment required (unit currency – as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Processes	Following our engagement with Action Exchange, we have implemented a heat recovery system from the chemical formulation of sulfuric acid	1200	Scope 1	Voluntary	4000	120000	4-10 years	11-15 years	We are currently implementing this process in one of our facilities. However, we intend to extend this to several more in the next reporting year

FAQ on CC3.3b

Q1 I haven't implemented the project yet, should I still report it here?

No, you should not report this in CC3.3b. CC3.3b focuses on emissions reduction activities that were implemented in the reporting year. However, activities that are reported in the process of being implemented can be reported in the **"implementation commenced"** row in CC3.3a.

Q2 What is meant by estimated lifetime of initiative? Is that how long it will last or how long it took to implement?

This column refers to the duration of cash flow savings from carbon mitigation investments. This data point, in years, allows data users to calculate the Internal Rate of Return of the project, also using the "annual monetary savings", "Investment required" and "payback period" information. Therefore, if the initiative is the changing of LED lights, and these will actively reduce emissions for approximately 10 years, this should be considered as the lifetime/duration of the initiative.

CC12.1a How do your emissions compare to last year?

For your activity which you just recorded in CC3.3b, you should now state how much these reductions accounted for your overall change in emissions, compared to last year. Please place this reduction as a percentage in column 2 and, providing there were emissions savings, record 'decrease' in direction of change. In the column "Please explain and include calculation", you may also state that this was part of CDP Action Exchange.

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities			
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

FAQ on CC12.1a

Q3 My overall emissions increased; can I still get points for my emissions reduction activities?

Yes, you can. The reason companies can score points for their emissions reduction activities even if their overall emissions increased is because we want to reward companies that are still taking action to reduce their emissions.

Appendix II: Further climate change guidance

Content

This appendix provides you with some example responses and Frequently Asked Questions to specific questions in the core Climate Change Questionnaire. These are:

- ▼ Measuring your emissions
- ▼ Setting a target
- ▼ Emissions reduction activities
- ▼ Climate change risks and opportunities

These data points have been selected for further guidance as they have been deemed by CDP Supply Chain members as the more significant data points in your climate change response. This section is particularly aimed at those that are new to responding to CDP and need some additional technical assistance in their response to ensure it is as relevant, accurate and transparent as possible. This section builds on the Climate Change Guidance, and suppliers are recommended to read the relevant section in the Climate Change Guidance before progressing.

Measuring your emissions

Questions CC8.2 and CC8.3a ask you to provide your Scope 1 and Scope 2 emissions for the reporting year. Please spend time to make sure that you have correctly established your **organizational boundary** as this is integral to answering this question and ensuring that your greenhouse gas inventory accurately reflects your emissions for the reporting year. It is also important as there is some overlap between the Scope 1 & 2, and 3 emissions across different organizations, which creates inherent double-counting of emissions within the system. This is because the Scope 1 and 2 emissions of your organization will be classed as the Scope 3 emissions of your customers/suppliers. There should **never** be double counting within the Scope 1 and 2 categories between organizations, or within your own emissions inventory.

When setting your organizational boundary, you should select an approach for consolidating GHG emissions and then consistently apply this approach to define those businesses and operations that constitute the company. Your approach will determine the operations, facilities and sources that are to be included in the inventory, and whether the emissions are direct or indirect.

The [GHG Protocol Corporate Standard](#) provides definitions of boundaries in Chapter 3. There are three different approaches:

- **Equity share:** Under the equity share approach, a company accounts for GHG emissions from operations according to its share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation. Typically, the share of economic risks and rewards in an operation is aligned with the company's percentage ownership of that operation, and equity share will normally be the same as the ownership percentage.
- **Financial Control:** The company has financial control over the operation if the former has the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities.
- **Operational Control:** A company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation

Answering CC8.2 and CC8.3a as well as responding to CC12.1, shows your customers that you are measuring your emissions and therefore are putting yourself in a position to manage them in the future, if you are not already doing so.

Below are a couple of frequently asked questions to assist you with your response.

Q1: We have improved our data collection systems; can we change our figure from previous years?

You may need to change your base year figure providing it triggers a significant threshold. CDP and the GHG Protocol do not define what constitutes a significant threshold. However, the most common reasons for amending base years is when an organization has changed through acquisitions and/or divestments, the methodology or boundary used to calculate emissions has changed, or if there have been changes to excluded sources. The base year should reflect the oldest possible date where you have accurate emissions data. Any changes to either the figure of the base year itself should be noted in the further information field in CC7.1. You may want to update your figure between the base year and the current reporting year, however this is not necessary and any changes in emissions due to improvements data collection can be reported in CC12.1 For further information please refer to the [GHG Protocol Corporate Standard](#) Chapter 5.

Q2 We lease our office buildings; how do we report these emissions?

You need to know two pieces of information before determining whether you need to report these emissions as Scope 1 and 2, or Scope 3.

The first factor you need to consider is the approach you used to determine your organizational boundary. If you use either the equity share or financial control approach, the lessee (the one renting property from another) only accounts for emissions from leased assets that are treated as wholly owned assets in financial accounting and are recorded as such on the balance sheet (i.e., finance or capital leases). If you are using operational control, the lessee only accounts for emissions from leased assets that it operates (i.e. if the operational control criterion applies).

The next factor is what type of lease you have arranged. These can be either finance/capital lease or an operating lease. Guidance on which leased assets are operating and which are finance/capital leases should be obtained from your company’s accountant. In general, in a finance/capital lease, an organization assumes all rewards and risks from the leased asset, and the asset is treated as wholly owned and is recorded as such on the balance sheet. All leased assets that do not meet those criteria are operating leases. Please see Table A.1 from the GHG Protocol Scope 3 Standard below.

Table [A.1] Leasing agreements and boundaries (lessee's perspective)

	Type of leasing arrangement	
	Finance/capital lease	Operating lease
Equity share or financial control approach used	Lessee has ownership and financial control, therefore emissions associated with fuel combustion are scope 1 and use of purchased electricity are scope 2.	Lessee does not have ownership or financial control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Upstream leased assets).
Operational control approach used	Lessee has operational control, therefore emissions associated with fuel combustion are scope 1 and use of purchased electricity are scope 2.	Lessee does have operational control, therefore emissions associated with fuel combustion at sources in the leased space are scope 1 and use of purchased electricity are scope 2. ¹

Table [A.2] Leasing agreements and boundaries (lessor's perspective)

	Type of leasing arrangement	
	Finance/capital lease	Operating lease
Equity share or financial control approach used	Lessor does not have ownership or financial control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets).	Lessor has ownership and financial control, therefore emissions associated with fuel combustion are scope 1 and use of purchased electricity are scope 2.
Operational control approach used	Lessor does not have operational control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets).	Lessor does not have operational control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets). ⁴

Source: GHG Protocol Corporate Value Chain

Example 1

Company A has four global offices, where they are the lessee, located in London, Tokyo, Sydney, and Hong Kong. Company A also uses a financial control approach for calculating their GHG inventory. Having consulted with the company's accounts department, they assert that the London office is an operating lease, while Tokyo, Taiwan and New York are all financial/capital leases. In this example, Company A will account for Tokyo, Taiwan and New York in their Scope 1 and Scope 2 inventories. Emissions from the London office will be accounted for in their Scope 3 inventory, in the category 'Upstream leased assets'.

For further guidance please refer to Appendix A: Accounting for Emissions from leased assets pp. 124 in the [Scope 3 Protocol](#).

Q3 Can I include renewable energy purchases in my Scope 2 figure?

In alignment with the GHG Protocol, companies are able to reflect low carbon purchases in their market-based scope 2 figure, as long as the energy is backed by an appropriate tracking instrument, such as a renewable energy certificates (RECs) in North America, and retired by the company. You are required to be transparent about this in CC10.1a and CC11.4. For more information on how to account for renewable energy purchases please see CDP's [Technical Note on Accounting of Scope 2 Emissions](#).

Example 2

Company B has two facilities, one located in Mumbai and another in Ohio. Currently there are no contractual instruments in Mumbai, while there are in Ohio. As such this example shows how they are calculating their **market-based Scope 2 figure**.

During the reporting year, the Mumbai facility consumed 8,000,000 kWh, while the Ohio facility consumed 11,000,000 kWh. Company B also purchased 3,000 MWh of Renewable Energy Certificates (RECs) in the United States which they retired. They would calculate their Scope 2 emissions for each facility as follows:

$$Mumbai = 8,000,000 * 0.89 = 7,120,000 CO_2e$$

Where the Mumbai grid average factor = 0.89 kWh/CO₂e

$$Ohio = 3,000,000 * 0[RECs] + 8,000,000 * 0.48 = 3,840,000 CO_2e$$

Where the Ohio grid average factor = 0.48 kWh/CO₂e

Please note that as there are no contractual instruments in Mumbai, their Scope 2 figure for that facility would be exactly the same for both the location-based and market-based calculation. However, when calculating their overall location-based figure, they would calculate their Ohio figure using the grid average factor.

Setting a target

Having established whether your company is measuring their emissions, your customers also want to understand how you are managing your emissions. One way in which they do this is by viewing which of their suppliers has set a target to either reduce their absolute emissions and/or reduce their emissions intensity. This allows the customer to identify which suppliers intend to reduce emissions and understand how suppliers' emissions profile, which represents their own Scope 3 emissions, is likely to change overtime. There are two types of targets that can be reported to CDP: Absolute and intensity targets. Below are a couple of frequently asked questions to assist you with your response.

Q4 We wish to add an intensity target this year based on the number of employees. Is it possible to add this intensity target with a different base year than the other targets?

Yes, there is no need for targets to have the same base year and target years as each other. In addition, there is no requirement that the base year for a target had to be aligned with your emissions base year reported in CC7.1.

Q5 We set a target two years ago for 2017 and, having tracked our target, we have decided we need to extend our timeframe. How should we report the change to our target details?

Here it would be best practice to report two independent targets: your original target and then the modified one. In the comments column you can explain that you amended the original target, giving an explanation as to why you did this, and refer to your new target (indicating the ID of the new target). Then in question CC3.1e, you can provide progress against both of these targets.

Example 3

Company C had an absolute emissions target to reduce their emissions by 60% by 2018 using a 2000 baseline. This was an ambitious target and now, having measured their progress, realize that they need to extend this by one year. In this example they could respond like this:

CC3.1: Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

- Absolute target

CC3.1a: Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1+2 (location-based)	100	60	2000	1,270,000	2017		We set this ambitious target in 2000. However mid-way through the most recent reporting year, we calculated that we needed to implement another emissions reduction activity to meet this target. Therefore, we have implemented the activity but have increased our target year to 2018 which is reflected in

								target ABS2
Abs2	Scope 1+2 (location-based)	100	60	2000	1,270,000	2018		This is our current target

CC3.1e: For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	87.5	85	We set this ambitious target in 2000. However mid-way through the most recent reporting year, we calculated that we needed to implement another emissions reduction activity to meet this target. Therefore, we have implemented the activity but have increased our target year to 2018 which is reflected in target ABS2
Abs2	82.34	85	This is our current target

Q6 We have an intensity target but how do we calculate the absolute emissions this targets reflects?

To calculate the absolute emissions your intensity target reflects, you will need to make assumptions of changes in the business metrics on which your target is based. For example, if your target is to reduce Scope 1 emissions per revenue by 10% by 2020, **you will need to predict/estimate** your expected revenue and what change in absolute emissions this target would entail compared to the base year of the target. In the comments column you could also caveat that this is based on projections of revenue and that adjustments will be made to this target from year to year as necessary.

Emissions reduction activities

Your customers are interested to know how you intend to meet your target and what progress you have made towards it. As such, many use CC3.3, as well as CC12.1a, to understand what initiatives you have implemented. Below there is one frequently asked question. There is more guidance on emissions reduction activities and how you can report them more accurately in Appendix I.

Q7 A company implements an emissions reduction activity with a 3-year lifespan. Can they account for the annual reductions in year 1, year, 2 and year 3 in CC12.1a?

In CC12.1a companies are asked to break down all the different factors that have influenced their overall change in Scope 1+2 emissions in the reporting year compared to the previous year. So yes - if an emissions reduction activity is being implemented over three years (and is having an effect on emissions in all three years) then the company would be expected to account for these annual reductions each year in CC12.1a. Please note that this emissions reduction activity can only be reflected in CC3.3b in the year of implementation only, so the first year.

Risks and opportunities (CC5 and CC6)

Climate change risks are often embedded in companies' supply chain. To help mitigate these risks, your customers wants to know whether their suppliers are aware of climate change risks to their own business. This also raises the customer's awareness of the risks in their supply chain. Therefore, you are

encouraged to be transparent and ensure that you are reporting all substantive risks that could impact your own business, and your customers'. Below are a number of FAQ and worked examples on how to report.

Q8 CDP asks us to report on substantive risks. What do you mean by substantive?

CDP asks you to report climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure. CDP does not have a strict definition of 'substantive', as this can vary between companies. For example, a data will have different effects on different companies depending on their respective profit margins. Likewise, a climate change related impact such as carbon pricing in the supply chain will vary for different companies depending on how reliant they are on that good/service. Companies are therefore asked to determine substantive in the way that they would use for their business decision-making. Factors to consider might include:

- (a) The proportion of business units affected;
- (b) The size of the impact on those business units, and
- (c) The potential for shareholder or customer concern.

A substantive risk of relatively high magnitude could occur because of a large change in one of these aspects, or small changes in all three combining to create a larger impact. When disclosing on their risks and opportunities, the company may also wish to report those risks and opportunities that are likely to be of interest to investors and/or Supply Chain members.

Q9 We have a number of physical climate change risks. However, for one of these we do not have a management plan. Will we be penalized if we report it without full details?

No, you will not be penalized and if it is relevant, you should still report it. Only the highest scoring row for each of the risks and opportunities tables will be scored. Therefore, when considering scoring, it does not matter how many risks and opportunities you identify. Please note that it is the top scoring row for **each of the different tables** e.g. if you select regulatory and physical risks, both top scoring rows in each of those tables counts.

Full details of the scoring requirements are available in the [CDP scoring methodology](#).

Example 4

Company D have identified three climate physical risks and one regulatory risk. However, they have only established management plans for one physical risk and the regulatory risk. They are worried that they will be penalized if they report this. This is how the scoring would work so that they are not penalized.

CC5.1: Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation**
- Risks driven by changes in physical climate parameters**
- Risks driven by changes in other climate-related developments**

CC5.1a: Please describe your inherent risks driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Cap and trade schemes	Current legislative discussions in the EU are likely to result in a further increase carbon prices, which, in all likelihood, would increase our operating costs for a number of facilities. The EU ETS applies to 14 our production plants, of which 3 of these produce products to CDP customers	Increase d operational cost	Up to 1 year	Direct	Virtually certain	Medium	From 2015 to 2020 we expect operating costs to rise by approximately 40 million euros. This cost is largely from purchasing credits for emissions from electricity and steam. This would be a significant cost to our business.	We aim to reduce the amount of credits we would need to purchase by introducing new energy efficiency processes and develop a new manufacturing plant to replace one inefficient old plant.	We have invested 5 million euros into new energy efficiency processes, as well as hiring 7 FTE to work on improving the efficiency of our manufacturing plants.

In this example, as there is only one risk, the Cap and trade scheme risk will be scored.

CC5.1b: Please describe your inherent risks that are driven by change in physical climate parameters

In the below example, only the first row will be scored as this is the highest scoring row.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) temperature	Change in mean temperatures will require increased cooling of facilities in some locations or heating in others. A	Increase d operating costs	1-3 years	Direct	Very likely	Low	An increase in consumption of 10% means an increase of US\$ 0.5million. This could potentially increase costs to our customers.	We focus on mitigation actions. For example, we have implemented several action plans including developing stronger insulation	We have estimated the costs to be around \$250,000, which includes hiring new staff and research.

	change in average temperature will have an impact on energy consumption as well as energy costs. We have several management plans, including the development of cold aisles, in several of our facilities							installments and development green cold aisles.	
Sea level rise	Sea level rises are expected to rise considerably in the East Coast of Australia over the next 50 years. As we have 4 facilities located by the coast, which operate between 1-15 meters above current sea level, any considerable rise would risk their closure.	Reduction/disruption in production capacity	Unknown	Direct	Unknown	Unknown	While we are aware that this poses a risk to our facilities located on the East coast of Australia, we have not yet determined the financial implication. We will be assessing this over the next 12 months.	Management method to be developed in the next 12 months	The cost will be estimated in 12-24 months