

Instructions: Questionnaire for Suppliers on Energy & Greenhouse Gas Emissions

A growing number of companies are measuring and reducing the GHG emissions associated with their value chains (Scope 3), in addition to many companies already measuring and reducing the GHG emissions associated with their operations in Scope 1 and 2.

For those companies in the early stages of examining GHG emissions in their value chains, gathering appropriate data from suppliers that can provide the right insights on GHG risks and reduction opportunities can be daunting. Likewise, for suppliers who have not yet conducted their own GHG inventories and reported on their GHG emissions, receiving requests to do so from customers may also seem intimidating. Companies also cite 'survey fatigue,' where individual customers each send suppliers their own surveys and suppliers find themselves responding to multiple similar questionnaires. To this end, EPA encourages organizations to leverage programs that submit one common questionnaire to shared suppliers on behalf of their customers to streamline the surveying process. However, for organizations seeking to gain insights into their Scope 3 GHG emissions and for suppliers newer to the process of inventorying their GHG emissions, the EPA Center for Corporate Climate Leadership presents a simple open-source questionnaire that can address both needs of organizations and their suppliers.

Organizations can use the questionnaire as a starting point to understand the GHG emissions across their supply chains and engage suppliers on measuring and reducing their emissions. Suppliers asked to assess their GHG emissions for the first time should feel more comfortable responding to any future requests to publicly report their GHG emissions after using this questionnaire. The questionnaire is consistent with other reporting frameworks, such as the CDP Investor and Supply Chain Questionnaire, which thousands of companies use to report annual GHG emissions. Conversely, suppliers that already report to external programs should be able to answer this questionnaire with ease, since many of the questions are harmonized with existing reporting frameworks. Finally, unlike other reporting programs which have annual submission deadlines, this questionnaire can be used at any time during the year and can serve as an internal data collection tool.

Suggestions for use. The questionnaire collects baseline information about a supplier's GHG emissions from their operations and any related policies and practices they may have in place to mitigate them. Organizations need this information from suppliers to quantify their Scope 3 emissions, assess their climate risk across supply chains, and take steps to mitigate supply chain emissions in partnership with key suppliers. Organizations seeking additional information from suppliers should modify the questionnaire as necessary.

For suppliers receiving this questionnaire from a customer. The following headings provide background information on what is contained in each of the sections of the questionnaire and provide guidance to companies in filling out the questionnaire.

Once complete, please return the questionnaire to <insert contact information> by <insert date> (to be completed by organization requesting information from suppliers).

Background Information

1. Please enter the requested information about your company and identify the individual that will serve as a point of contact for this questionnaire.

Environmental Policy and Targets

- 1. **Sustainability Policy.** Please disclose if your company has a sustainability/environmental/green policy statement. If the policy is publicly available, please provide a link to the website. If not, please tell us how your company's policy has been formalized and documented.
- 2. CSR Report. Please disclose if your company publishes a Corporate Social Responsibility (CSR)/Sustainability report. A CSR or Sustainability report can take many forms. Some companies develop their own framework for reporting while others use an existing best practice reporting framework such as the Global Reporting Initiative. In addition, organizations may produce sustainability scorecards or other summary documents or report sustainability related information on their websites, rather than producing a PDF or stand-alone report. Any and all of these types of reports may be included in response to this question.
- 3. **Energy consumption.** Please disclose if your company tracks energy consumption, which includes purchased electricity. If you do track energy consumption please describe how it is tracked (e.g., frequency and method of tracking) and the uses of the data internally.
- 4. **Public Goals/Targets.** Please disclose if your company has public goals or targets to reduce greenhouse gas emissions and/or energy. Setting aggressive greenhouse gas emissions reduction goals can galvanize reduction efforts at a company and often leads to the identification of additional reduction opportunities. For more information about setting corporate greenhouse gas reduction targets see: https://www.epa.gov/climateleadership/center-corporate-climate-leadership-goal-setting.
- 5. Other Disclosure Requests. Please disclose if your company has received requests from stakeholders to disclose environmental information in addition to this questionnaire. Requests may come in the form of formal questionnaires from third party entities such as <u>Sedex</u>, <u>CDP</u> (<u>formerly the Carbon Disclosure Project</u>), or <u>EcoVadis</u>, come directly from customers as questionnaires, or involve direct engagement through supplier summits or other events.
- 6. Reporting Your GHG Emissions. Please disclose if your company reports greenhouse gas emissions or energy to another entity. Examples of places where you may report these data include through a regulatory greenhouse gas reporting program such as the EPA's GHG
 Reporting Program, or through voluntary programs such as The Climate Registry, CDP (formerly the Carbon Disclosure Project), in a public CSR report, or directly to a customer in response to a questionnaire.

Greenhouse Gas Emissions

1. **Calculating Your Scope 1 and 2 Emissions.** Please disclose if your company calculates its Scope 1 and 2 greenhouse gas emissions. Scope 1 emissions are those produced directly by your

company through fuel combustion in owned or leased vehicles and facilities, as well as emissions from industrial processes. Scope 2 emissions are those produced to generate the electricity consumed in your owned or leased facilities. For more information about quantifying Scope 1 and 2 greenhouse gas emissions please see:

https://www.epa.gov/climateleadership/center-corporate-climate-leadership-greenhouse-gas-inventory-guidance.

- 2. **Third Party Verification or Assurance of Your Scope 1 and 2 Emissions.** Please disclose if your company seeks third party verification or assurance of your Scope 1 and 2 greenhouse gas emissions, and, if so, what level of assurance (e.g. 'limited' or 'reasonable' assurance statements)? Third party verification or assurance provides stakeholders with a greater level of certainty in the greenhouse gas emissions your organization discloses. If you do receive third party verification or assurance, please attach the most recent verification statement.
- 3. Calculating Your Own Value Chain (Scope 3) Emissions. Please disclose if your company calculates its Scope 3 greenhouse gas emissions. Scope 3 emissions result from activities, such as fuel combustion, industrial processes, or electricity consumed in assets not owned or controlled by your organization, but are associated with your company's value chain. Scope 3 emissions include all sources not within your organization's Scope 1 and 2 emission categories. For more information about quantifying Scope 3 GHG emissions please see: https://www.epa.gov/climateleadership/scope-3-inventory-guidance.
- 4. **Scope 3 Categories.** For each of the fifteen Scope 3 emissions categories please disclose if the category is relevant to your business. If you do not know, please state "unknown."
- 5. **Scope 3 Sources.** For each relevant Scope 3 category where you quantify emissions, please describe the sources quantified, including an estimate of the percentage of emissions in the category that are currently quantified.
- 6. Third Party Verification or Assurance of your Scope 3 Emissions. Please disclose if your company seeks third party verification or assurance of your Scope 3 greenhouse gas emissions. In your answer describe the Scope 3 categories and sources that receive verification. Third party verification or assurance provides stakeholders with a greater level of certainty in the greenhouse gas emissions your organization discloses. If you do receive third party verification or assurance, please attach the most recent verification statement.

Energy and Greenhouse Gas Emissions Reduction

- 1. **Comparing Yearly Emissions.** If your company has conducted previous greenhouse gas emissions inventories, please compare Scope 1, 2, and, if applicable, Scope 3 emissions reported with emissions in prior years. Include a discussion of emissions trends over the past five years if data are available.
- Reducing Your Energy Use and Emissions. Please disclose if your company has a program and/or procedures to reduce energy use and greenhouse gas emissions from other non-energy sources. For more information and resources on strategies to reduce energy and greenhouse gas emissions please see https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-reduction-programs-strategies.

- 3. **Using Green Power.** Please disclose if your company uses <u>green power</u> and can demonstrate that it retains the associated renewable energy certificates (RECs). For more information on purchasing renewable energy please see: https://www.epa.gov/greenpower.
- 4. **Reducing Scope 3 Emissions.** Please disclose if your company has any strategies to reduce your own Scope 3 emissions, including efforts to engage with members of your supply chain. For more information on engaging suppliers and reducing Scope 3 emissions please see https://www.epa.gov/climateleadership/center-corporate-climate-leadership-supply-chain-guidance.