

Module: Introduction**Page: Introduction**

CC0.1**Introduction**

Please give a general description and introduction to your organization.

Incitec Pivot is a leading global chemicals company with nitrogen-based manufacturing at its core providing commercial explosives, fertiliser products and related services. Incitec Pivot has extensive operations throughout Australia, United States, Canada, Mexico, Turkey and Indonesia, including over 30 manufacturing plants, scores of distribution centres and well-established channels to market. The Company employs over 4,700 staff worldwide, including 2,072 staff in Australia and 2,440 staff in North America. Incitec Pivot manufactures a range of fertiliser inputs and products including ammonium phosphates, ammonia, urea, sulphuric acid and superphosphates at five manufacturing sites across eastern Australia. Incitec Pivot is the only domestic manufacturer of ammonium phosphates and urea. Incitec Pivot's fertiliser business, Incitec Pivot Fertilisers (IPF) is Australia's largest supplier of fertilisers, dispatching approximately two million tonnes each year for use in the grain, cotton, pasture, dairy, sugar and horticulture industries. It operates through a comprehensive network of distributors who supply the product to Australian farmers. With a long-term commitment to investment into soil nutrition research, IPF is a leading provider of nutrition advice for farmers and customers and is industry accredited, promoting sustainable use of fertilisers and safe handling to customers and farmers.

Incitec Pivot's explosives business Dyno Nobel is a market leader in North America and the second largest supplier in Australia. Dyno Nobel has a complete range of commercial explosives including ammonium nitrate, bulk explosives, packaged emulsions and dynamite as well as a range of initiating systems. The business includes provision of expert technical consulting services to customers that include mining companies and their suppliers, quarries and companies supporting the construction industry.

In addition, Incitec Pivot manufactures various industrial chemical products used in water treatment, process manufacturing and other industrial applications. Incitec Pivot's sustainability agenda is driven by the Vision and seven Values which guide all attitudes, decisions and actions.

Incitec Pivot recognises that sustainable growth requires the balancing of economic performance with environmental and social responsibilities. Those responsibilities include being a good corporate citizen and operating ethically. They include ensuring good governance in our day-to-day business activities and behaving with honesty and integrity in our interactions with communities, employees, customers, and the environment. Incitec Pivot's approach to sustainability includes the areas of: workplace health and safety, environmental impacts and resource efficiency, community impact and engagement, effective workforce management and labour practices, product stewardship and promoting the sustainable use of our products and services.

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 a 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(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Wed 01 Oct 2014 - Wed 30 Sep 2015

CC0.3**Country list configuration**

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

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 (\$)

CC0.6**Modules**

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questions.aspx>.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

The Incitec Pivot Board of Directors is responsible for charting the direction, policies, strategies and financial objectives of the Company. The Company's sustainability strategy, encompassing its climate change strategy, was endorsed by the Board. Day to day management and implementation of strategy and policy initiatives is formally delegated to the Managing Director & CEO. Vice President Sustainability was the individual that specifically managed information on climate change during the reporting period. This position reported to the Chief Financial Officer.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Energy managers	Monetary reward	Emissions reduction project Energy reduction project Efficiency project	95% of the company's emissions related to the use of gas as a feedstock and an energy source. Energy is a significant material cost to the business and energy use is closely managed as part of the corporate financial management.
Environment/Sustainability managers	Monetary reward	Emissions reduction target Energy reduction target	95% of the company's emissions related to the use of gas as a feedstock and an energy source. Energy is a significant material cost to the business and energy use is closely managed as part of the corporate financial management.
Facility managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction	95% of the company's emissions related to the use of gas as a feedstock and an energy source. Energy is a significant material cost to the business and energy use is closely managed as part of the corporate financial management.

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
		project Efficiency project Efficiency target	
Chief Executive Officer (CEO)	Monetary reward	Efficiency project Efficiency target	Executive remuneration for the CEO and Managing Director includes non-financial performance measures relating to Business Excellence, productivity and efficiency: specifically, the measurement of performance goals against a Project Scorecard for the delivery of the new Louisiana Ammonia Project, which includes the KPI 'plant efficiency' (see page 26 of the IPL 2015 Annual Report at http://www.incitecpivot.com.au/~media/Files/IPL/About%20us/IPL_2015_annual_report.pdf). The efficiency of this project will support IPL's 2015-2017 global greenhouse gas emissions target, which is a reduction of 2% tCO2e per tonne of ammonia produced.

Further Information

Attachments

https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC1.Governance/IPL_2015_annual_report.pdf

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Annually	Board or individual/sub-set of the Board or committee appointed by the Board	Global operations	1 to 3 years	Potential sustainability risks to be managed and opportunities to be leveraged, including carbon regulation, have been considered at a high level by Corporate and Business Units in creating and acting on business strategies.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

The highest governing body, the Board of Directors, is responsible for charting the direction, policies, strategies and financial objectives of the Company. The Board operates in accordance with the principles set out in its Board Charter (available at www.incitecpivot.com.au/Corporate_Governance). Day-to-day management of Company affairs and the implementation of the corporate strategy and policy initiatives are formally delegated to the Managing Director & CEO, and his direct reports form the Executive Team.

During the year ending September 30, 2015, responsibility for sustainability strategy and governance resided with the Executive Team, advised by the Corporate Sustainability Team, which was led by the Vice President, Sustainability who reported to the Chief Financial Officer, thereby providing alignment with the financial performance for the Company and overall risk management. Incitec Pivot manages risk within a comprehensive risk management process which is consistent with the Australian/New Zealand Standard for Risk Management (AS/NZS ISO 31000:2009). A key element of this risk management process is the Board's assessment of risk, which is based on the level of risk we are able to sustain in achieving the corporate objective of delivering value to shareholders. Each business unit, manufacturing plant, operating site and functional unit is required to maintain a register of risks and opportunities pertaining to their particular strategy and assets. The format and content of these registers is governed by the Group's Risk Management Framework and accompanying procedures and templates. The registers are monitored and updated on a regular basis with reporting to the Board Audit and Risk Management Committee occurring at least annually.

CC2.1c

How do you prioritize the risks and opportunities identified?

Risks are identified, analysed and prioritised using common methodologies, and risk controls are designed and implemented having regard to the overall corporate strategy. Sustainability risks and opportunities, inclusive of climate change, are considered within this annual risk review process. In addition, as part of the process to set the Incitec Pivot Sustainability Strategy a small cross-business sustainability risk exposure team was created. This team conducted a one-time review which identified and prioritised sustainability risks and opportunities across the supply chain using a risk impact assessment process which informed our sustainability strategy. Priority is given to those issues determined to have the most immediate impacts on our business. Our climate-change related priorities are:

1. Gas supply risk: Natural gas is one of the major inputs required for the production of ammonia and therefore is a critical feedstock (chemical source of hydrogen) for Incitec Pivot/s nitrogen manufacturing operations. Changing market conditions relating to the use and supply of natural gas are influenced globally by climate change policy
2. Extreme weather risk: Any prolonged adverse weather conditions could impact the future profitability and prospects of Incitec Pivot.
3. Regulatory compliance risk: Changes in federal or state government legislation, regulations or policies in any of the countries in which we operate may adversely impact Incitec Pivot's business. Incitec Pivot's business is subject to environmental laws and regulations that require specific operating licences and impose various requirements and standards

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i. Sustainability risks and opportunities, inclusive of climate change, are considered within the annual risk review process. In addition, as part of the process to set the Incitec Pivot Sustainability Strategy, a small cross-business sustainability risk exposure team was created in 2009 ahead of the introduction of a carbon pricing mechanism in Australia. This team established the position of Vice President Sustainability, who interacts with policy makers regarding regulatory changes and keeps abreast of industry and customer directions regarding industry responses and emerging customer needs related to climate change. During the reporting period, this position reported to the CFO, providing collection of information to influence the business strategy.

ii. IPLs business strategy has been influenced by the collection of information and analysis of risk and opportunity in two key areas:

- (a) Regulatory changes relating to carbon pricing (including a price on carbon in Australia) and environmental reporting of GHG emissions (Globally); and
- (b) Opportunities associated with the development of low carbon emission products in both the explosives and fertiliser markets

iii. The most important components of the short term strategy which have been influenced by climate change are

- (a) Financial management and accounting regarding potential liabilities (for example, we use an internal carbon price in Australia during part of this reporting year), and consideration of future carbon regulation is part of our capital expenditure program with forecasting of greenhouse gas emissions and the potential impacts associated with carbon pricing are included in all our capital expansion projects); and
- (b) Innovation surrounding the research and development of new products (for example, we are investing in research and development of low GHG fertilisers and low NOx explosives, and anticipate the need for low GHG explosives in the event of a carbon price including the accounting of carbon from these sources. We also include the carbon content of most of our explosives products on the technical data sheets, although this is not currently required by regulations).

iv. The most important components of the long term strategy which have been influenced by climate change are

- (a) Consideration of future carbon regulation is part of our capital expenditure program with forecasting of greenhouse gas emissions and the potential associated carbon pricing included in all our capital expansion projects; and
- (b) Innovation surrounding the research and development of new products, including collaborative research. For example, we are investing in research and development of low GHG fertilisers and low NOx explosives and anticipate the need for low GHG explosives in the event of a carbon price including the accounting of carbon from these sources. We also include the carbon content of explosives products on the technical data sheets for most explosives products. Although this is not currently required by regulations, it allows our customers to better estimate their emissions associated with the use of our products.

v. IPL anticipates that the research and development of low carbon products and the value adding associated with supplying carbon content information to our explosives customers may increase our market share.

vi. The most substantial business decisions made during the reporting year have been in the area of research and development investment, energy efficiency projects and the delivery of the Louisiana Ammonia Project, which supports our global reduction target of 2% tCO₂e per tonne of ammonia produced.

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price of carbon?

Yes

CC2.2d

Please provide details and examples of how your company uses an internal price of carbon

A carbon price was calculated and integrated into the cost of goods sold in Australia during part of the reporting period. Carbon pricing and potential grants are also integrated into the assessment of potential projects, where appropriate.

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations
Funding research organizations

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support with minor exceptions	Respond to Government discussion papers and participate in workshops	1. Simplification and alignment of related energy and greenhouse gas reporting legislation and regulation, and removal of red tape and excess administration
Cap and trade	Support with major exceptions	Respond to Government discussion papers and participate in workshops	2. Simplification of related energy efficiency project reporting legislation and regulation, and removal of red tape and excess administration
Energy efficiency	Support with major	Respond to Government discussion	3. Simplification and alignment of related energy and greenhouse gas

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
	exceptions	papers and participate in workshops	reporting legislation and regulation, and removal of red tape and excess administration
Clean energy generation	Support	Respond to Government discussion papers and participate in workshops	4. Discussion and investigation into potential grant funding for inclusion of clean energy and emission reducing technologies in operations
Climate finance	Support	Respond to Government discussion papers and participate in workshops	5. Discussion and investigation into potential financing of the inclusion of clean energy and emission reducing technologies in operations

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Australian Industry Greenhouse Network	Mixed	AIGN is a network of industry associations and individual businesses which contribute to the climate change policy debate and see value in joint industry action on climate change in order to promote sustainable industry development	We influence the position through participation in discussions on policy and written submissions to respond to proposed Government policy. The Vice President, Sustainability held a Board position on this association during the entire reporting period.
Business Council of Australia	Mixed	To provide a stable and predictable environment for investment and business activity, the Australian Government's national energy policy should deliver on the vision of: <ul style="list-style-type: none"> • maximising Australia's competitive advantage in energy through efficient markets • driving growth in our 	We influence the position through participation in discussions on policy and written submissions to respond to proposed Government policy

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		energy resource development and exports • delivering reliable, efficient and competitively priced energy to households and business • realising these growth opportunities while meeting best practice environmental standards and managing Australia's greenhouse gas emissions in line with global efforts	

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

Yes

CC2.3e

Please provide details of the other engagement activities that you undertake

CC2.3f

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Our highest governing body is the Board of Directors. The Board is responsible for charting the direction, policies, strategies and financial objectives of the Company. Our sustainability strategy, encompassing our strategy on climate change, was endorsed by the Board. Day-to-day management of Company affairs and the implementation of the corporate strategy and policy initiatives are formally delegated to the Managing Director and CEO. Responsibility for sustainability strategy and governance resides with the Executive Team, advised by the Corporate Sustainability Team. During the reporting period, the Corporate Sustainability Team was led by the Vice President, Sustainability who reported to the Chief Financial Officer, thereby providing alignment with the financial performance and financial processes for the Company.

CC2.3g

Please explain why you do not engage with policy makers

Further Information

A list of the research organisations funded by IPL during the reporting period can be found in our 2015 online Sustainability report at <http://www.incitecpivot.com.au/sustainability/ipl-online-sustainability-report/products-and-services/research-and-development>

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?

Intensity 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 covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
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CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Scope 1+2 (location-based)	57%	1.5%	Metric tonnes CO2e per metric tonne of product	2010			No, and we do not anticipate setting one in the next 2 years	Targets set for emissions from electricity and natural gas for all of Australian Manufacturing sites, including 'electricity only' manufacturing sites
Int2	Scope 1	71%	2%	Metric tonnes CO2e per metric tonne of product	2015	2.14		No, and we do not anticipate setting one in the next 2 years	2% reduction in CO2e per tonne of ammonia globally
Int3	Scope 1	29%	3%	Metric tonnes CO2e per metric tonne of product	2015	0.44138		No, and we do not anticipate setting one in the next 2 years	3% reduction in CO2e per tonne of nitric acid globally

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Increase	20	No change	0	Although Incitec Pivot's Australian intensity (emissions per tonne of production) decreased by 7% in line with our 2012 to 2015 targets, our total global absolute

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
					Scope 1 and 2 emissions increased by 16.2% across these three years due to increased production, including the commissioning of a new ammonium nitrate plant at Moranbah, Australia. There was no specific target for Scope 3 emissions.
Int2	Increase	10	No change	0	Although Incitec Pivot's intensity (emissions per tonne of production) is decreasing in line with targets, our absolute Scope 1 emissions are expected to increase slightly due to increased production. There is no specific target for Scope 3 emissions.
Int3	Increase	10	No change	0	Although Incitec Pivot's intensity (emissions per tonne of production) is decreasing in line with targets, our absolute Scope 1 emissions are expected to increase slightly due to increased production. There is no specific target for Scope 3 emissions.

CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
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CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Int1	100%	100%	Our Australian manufacturing sites manufactured 2,029,040 tonnes of product (including ammonia, sulphuric and single super phosphate) and emitted 1,161,070 tonnes of Scope 1 and 2 CO ₂ e in the 2010 financial year (base year). We are pleased to report that this target has been met: in the 2015 financial year, we manufactured 3,643,480 tonnes of product (including ammonia, ammonium nitrate at our new Moranbah plant, sulphuric acid and single super phosphate) and released 1,619,243 tonnes of Scope 1 and 2 CO ₂ e. This equates to a reduction in greenhouse gas intensity from 0.57 tCO ₂ e / t of product in 2010 to 0.44 tCO ₂ e / t of product in 2015. This is a 7% reduction in emissions per tonne since last year.
Int2	0%	0%	This target has just been set and will be delivered in the 2017 year
Int3	0%	0%	This target has just been set and will be delivered in the 2017 year

CC3.1f

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?

Yes

CC3.2a

Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	Fertilisers	Avoided emissions	Other: 1. Snyder et al (2010) Global crop intensification lessens greenhouse gas emissions, Better Crops 94, (4) 16-17 2. Burney et al (2010) Greenhouse gas mitigation by agricultural intensification. Proc Natl Acad Sci USA 2010 Jun 29:107(26):12052-7. Epub 2010 June 15	41.5%	Less than or equal to 10%	Emissions are avoided by increasing yields to meet food and biofuel demands using less cleared land, which preserves more forests for sequestration of CO2. Manufactured fertiliser use (taking into account those emissions released during the manufacture of the fertilisers) is estimated to have avoided 161 Gt of CO2e since 1961, or 31.1Gt / year.*
Group of products	Green Urea NV products contain urea treated with the urease inhibitor, N-(n-butyl) thiophosphoric triamide (NBPT), which delays hydrolysis of urea into unstable forms that may be lost to the atmosphere, thereby	Avoided emissions	Other: See 'Reducing nitrous oxide emissions from applied nitrogen with nitrification inhibitors through identification of key drivers of performance.' At http://www.piccc.org.au/research/project/269	2%	Less than or equal to 10%	Losses of nitrous oxides to the atmosphere are estimated to be reduced by a conservative 50%, but are difficult to quantify due to being affected by precipitation and

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
	reducing emissions related to fertiliser usage.					application techniques. Agronomy services and education are provided to customers to increase knowledge and maximise emissions reductions.
Group of products	Entec® is a fertiliser treatment that retains nitrogen in the stable ammonium form for an extended period. This reduces nitrogen losses to leaching (waterways) and denitrification (losses to the atmosphere as the GHG N2O) while conserving more nitrogen for plant uptake. In addition to minimising GHG emissions, trials during 2015 have demonstrated the potential for significant cane yield increase with the use of Entec: Read about the results of these trials on page 9 of the June-July edition of Australian Sugarcane.	Avoided emissions	Other: See 'Reducing nitrous oxide emissions from applied nitrogen with nitrification inhibitors through identification of key drivers of performance.' At http://www.piccc.org.au/research/project/269	2%	Less than or equal to 10%	Losses of nitrous oxides to the atmosphere are estimated to be reduced by a conservative 50%, but are difficult to quantify due to being affected by precipitation and application techniques. Agronomy services and education are provided to customers to increase knowledge and maximise emissions reductions

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	
To be implemented*	2	29107
Implementation commenced*	0	0
Implemented*	3	21405
Not to be implemented	6	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

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	Cheyenne Energy Efficiency Project: LoDAN #2 Cooling Tower circulation pump system optimisation	2289	Scope 2 (location-based)	Voluntary	153245	0	<1 year	3-5 years	This initiative will also save 5,467,824 kwh of electricity per year
Energy efficiency: Processes	Cheyenne Energy Efficiency Project: BEx Focused Improvement - #2 Auxiliary Boiler firing rate reduction to produce steam	625	Scope 1	Voluntary	46971	0	<1 year	6-10 years	This initiative will also save 12,167 GJ of natural gas per year
Energy efficiency: Processes	Cheyenne Energy Efficiency Project: BEx Focused Improvement - #3 Nitric Acid Plant Combustor Fuel Gas Optimization	1528	Scope 1	Voluntary	105261	0	<1 year	6-10 years	This initiative will also save 29,763 GJ of natural gas per year
Energy efficiency: Processes	Optimising the generation and capture of waste process heat to generate increased amounts of on-site electricity using the existing steam driven turbine at our Mt Isa, Australia site	16963	Scope 2 (location-based)	Voluntary	2853693	0	<1 year	21-30 years	This site captures waste heat from the making of sulphuric acid to run a steam turbine to generate CO2e free electricity for use at the site. Running the turbine at full capacity reduced the amount of electricity which needed to be purchased, therefore reducing Scope 2 emissions by 16963 tCO2e in 2015.

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for low carbon product R&D	Our fertiliser and explosives manufacturing businesses have a dedicated R&D budget for product development which includes research and development of slow release (low nitrous oxide emitting) fertiliser products and low NOx explosives products.
Internal incentives/recognition programs	Consistent improvement in energy efficiency is a key part of BEx (Business Excellence) process review across our manufacturing business. Bonuses are linked to the goals of energy managers.
Partnering with governments on technology development	IPL undertakes a range of research projects with Universities in several regions of Australia focused on the development of low emissions products.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	Sustainability Section, page ix	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC4.1/IPL_2015_annual_report.pdf	This report is available for download at http://www.incitecpivot.com.au/~/_media/Files/IPL/About%20us/IPL_2015_annual_report.pdf
In voluntary communications	Complete	Page 3	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC4.1/4 Pager SR_2015_FINAL.pdf	This report is available for download at http://www.incitecpivot.com.au/~/_media/Files/IPL/Sustainability/4%20Pager%20SR_2015_FINAL.pdf
In voluntary communications	Complete	2015 IPL Online Sustainability Report, Energy and Greenhouse Gases section, page 2	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC4.1/04_IPL Environment_2015.pdf	This online report is accessible at http://www.incitecpivot.com.au/sustainability/ipl-online-sustainability-report/environment/energy-and-greenhouse-gases
In other regulatory filings	Complete	IPL ASX Full Year Profit Report, Page 11	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC4.1/IPL Profit Report Full Year 2015.pdf	Available for download Under '2015' at http://investors.incitecpivot.com.au/phoenix.zhtml?c=170340&p=irol-news
In voluntary communications	Complete	2015 IPL Online Sustainability Report, 'Our Targets'	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC4.1/01_Intro Materiality and Governance_2015 SR.pdf	Accessible online at http://www.incitecpivot.com.au/sustainability/ipl-online-sustainability-report/sustainability-report-2015/our-targets

Publication	Status	Page/Section reference	Attach the document	Comment
		on page 10		

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

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 that are 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
Emission reporting obligations	Carbon reporting continues to impact IPL resources to enable compliance in Australia	Increased operational cost	1 to 3 years	Direct	Virtually certain	Low	The potential financial risks of non-compliance are Government penalties. The NGER Act allows for administrative, civil and/or criminal responses in relation to contraventions of the Act. Part 5 of the NGER Act sets out penalty provisions. These include fines of up to \$340,000 (2,000 penalty units) for failure to apply for registration, and daily fines of up to \$17,000 (100 penalty units) for each day of non-compliance.	In September 2010, IPL created a Sustainability Strategy which includes its approach to carbon risk. The financial risk of carbon costs is actively managed by the Sustainability Team under the supervision of the CFO to ensure that risk is managed at the Executive level. The key methods being used to mitigate the risk are education of key staff involved in the reporting and the introduction of internal controls over data accuracy. In 2012, 2013 and 2014, external reviews of our National Greenhouse Reporting in Australia formed part of our internal audit processes to assist in managing the potential risk of	Costs associated with compliance actions are estimated to be approximately \$400,000 per annum.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Uncertainty surrounding new regulation	As a nitrogen-based manufacturer, IPL's operations are carbon intensive and therefore carbon regulation inclusive of a carbon price will impact IPL as a trade exposed Company and also impact our customers. In addition, there is risk associated with uncertainty regarding future changes to legislation due to changes in Government.	Increased operational cost	1 to 3 years	Direct	Virtually certain	Low	Cannot be reliably estimated at this time	incorrect reporting. In September 2010, IPL created a Sustainability Strategy which includes its approach to carbon risk. The financial risk of carbon costs is actively managed by the Sustainability Team, under the supervision of the CFO to ensure that risk is managed at the Executive level. The Sustainability Team manages all obligations in relation to Australian carbon regulation including, including advocacy and cost forecasting and works with operations to increase energy efficiency and implement actions to reduce financial impacts. Since 2012, assurance of our National	Costs associated with compliance actions are estimated to be approximately \$400,000 per annum.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Greenhouse Reporting in Australia has formed part of our internal audit processes, designed to strengthen our data processes, including data accuracy.	

CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Extreme weather conditions may impact IPL's production as well as sections of IPL's customer base, particularly IPL's fertiliser trade and mine access for	Inability to do business	Up to 1 year	Indirect (Client)	More likely than not	Unknown	The financial implications of extreme weather events, including drought, flood and the incidence of tropical cyclones include possible temporary disruption to production and trade	The potential operations exposure to physical risks and associated mitigation is reviewed as part of our Health Safety Environment risk management	Costs associated with these actions are difficult to quantify.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	mining customers						which could negatively impact the timing, and/or quantity, of revenue earned and result in increased repairs and maintenance costs.	processes and business continuity planning.	
Tropical cyclones (hurricanes and typhoons)	An increase in the incidence of natural disasters may affect IPL's production as well as sections of IPL's customer base, particularly the fertiliser trade.		Up to 1 year	Direct	More likely than not	Unknown	The financial implications of extreme weather events, including drought, flood and the incidence of tropical cyclones include possible temporary disruption to production and trade which could negatively impact the timing, and/or quantity, of revenue earned and result in increased repairs and maintenance costs.	The potential operations exposure to physical risks and associated mitigation is reviewed as part of our Health Safety Environment risk management processes and business continuity planning.	Costs associated with these actions are difficult to quantify.

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Business reputation risk if Sustainability and Climate Change actions are not addressed and communicated	Reduced stock price (market valuation)	1 to 3 years	Direct	Unlikely	Unknown	Potential financial implications of the risk to business reputation in the event of ignoring sustainability and climate change issues include a possible reduction in investor interest and low morale of employees.	This has been actively mitigated by the formalising of a Sustainability Strategy and a position on Climate Change together with increased communications and employee education.	The costs associated with these actions are difficult to quantify.

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

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

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

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	Increased customer demand for Dyno Nobel's	New products/business services	1 to 3 years	Indirect (Client)	Likely	Low-medium	As demand for low emission products increases, IPL	IPL has three laboratories where research and	Costs associated with research and

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	energy efficient and low NOx explosives and Incitec Pivot Fertilisers' low nitrous oxide emission fertilisers leading to increased sales revenue and a changed product mix						has the opportunity to supply internally developed low emission products and support services such as soil management and energy efficient blasting to customers which has the potential to increase global sales revenue.	development of new products is being undertaken to meet the future demand of customers for products with a reduced carbon footprint. In addition, IPL funds research by the University of Melbourne into: <ul style="list-style-type: none"> • Mitigation of indirect greenhouse gases in intensive agricultural production systems with the use of inhibitors. • Reducing nitrous oxide emissions from applied nitrogen with nitrification inhibitors through identification of key drivers of performance • Mitigation of Nitrous Oxide Emissions in the Vegetable 	development of new products and with directing staff have been quantified but not disclosed in this response.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	Emissions Reduction Fund (Australia)	Increase in capital availability	1 to 3 years	Direct	About as likely as not	Low-medium	Funds may become available for energy efficiency projects which reduce the long term energy costs and carbon emissions associated with the manufacture of our products	Industry The promotion of available grants to site managers and energy managers within IPL is being coordinated by the Corporate Environmental Sustainability Manager. Capital approvals management is also being educated in the available opportunities.	Costs associated with actions to access grant opportunities have not been quantified

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation pattern	Changes in weather patterns,	Other: Changes in	Unknown	Indirect (Client)	Unknown	Unknown	This has not been quantified.	IPL's agronomy team maintains a close relationship with the	Costs associated with research and development of

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	particularly concerning rain will impact the timing of fertiliser application of IPL fertiliser products and therefore the timing of sales	customer activity						Department of Agriculture, Fisheries and Forestry and related agencies, who are undertaking research into potential impacts on agriculture from climate change to ensure they are up to date with scientific findings which may have implications for customers and their product needs.	new products and with directing staff have been quantified but not disclosed in this response.

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Changing consumer trends may impact IPL's customers and therefore IPL's products and services, particularly IPL's agricultural	New products/business services	Unknown	Indirect (Client)	Unknown	Unknown	This has not been quantified.	The research and development undertaken at IPL's laboratories targets the current and future needs of IPL's customers	Costs associated with research and development of new products and with directing staff have been quantified but not disclosed in this response.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	customers.								

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Sat 01 Oct 2011 - Tue 30 Oct 2012	1967663
Scope 2 (location-based)	Sat 01 Oct 2011 - Tue 30 Oct 2012	363079
Scope 2 (market-based)	Sat 01 Oct 2011 - Sun 30 Sep 2012	363079

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

Australia - National Greenhouse and Energy Reporting Act

Please select the published methodologies that you use

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)
SF6	IPCC Second Assessment Report (SAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
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Further Information

Attached Excel spreadsheet with Emissions Factors data

Attachments

[https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC7.EmissionsMethodology/CDP_Emissions Factors Equations_IPL_2015.xls](https://www.cdp.net/sites/2016/14/8914/Climate%20Change%202016/Shared%20Documents/Attachments/ClimateChange2016/CC7.EmissionsMethodology/CDP_Emissions%20Factors%20Equations_IPL_2015.xls)

Page: CC8. Emissions Data - (1 Oct 2014 - 30 Sep 2015)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO₂e

2349534.7

CC8.3

Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?

Don't know

CC8.3a

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
355915.6		

CC8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded
Emissions from offsite transport of product in North America	Emissions are not evaluated	No emissions from this source	No emissions from this source	Data is presently unavailable. Very low materiality (estimated to be less than 1% of total emissions).
Emissions from electricity used in small remote offices and despatch sites in North America	Emissions are not evaluated	Emissions are not evaluated	Emissions are not evaluated	Data is presently unavailable. Very low materiality (estimated to be less than 0.1% of total emissions).

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints Data Management	1. Uncertainty associated with systematic biases occurring in the estimation process, e.g. accuracy of measurement equipment 2. Statistical uncertainty associated with human error which may have occurred in data management. This risk has been reduced by independent verification/assurance on our Australian data set
Scope 2 (location-based)	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints Data Management	1. Uncertainty associated with systematic biases occurring in the estimation process, e.g. accuracy of measurement equipment 2. Statistical uncertainty associated with human error which may have occurred in data management. This risk has been reduced by independent verification/assurance on our Australian data set

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 2 (market-based)	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints Data Management	1. Uncertainty associated with systematic biases occurring in the estimation process, e.g. accuracy of measurement equipment 2. Statistical uncertainty associated with human error which may have occurred in data management. This risk has been reduced by independent verification/assurance on our Australian data set

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Underway but not complete for reporting year –	Limited assurance	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC8.6a/2015 NGER S19 Limited Assurance Report.pdf	1-2	ASAE3000	62

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
	previous statement of process attached					

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Underway but not complete for reporting year – previous statement of process attached	Limited assurance	https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/CC8.7a/2015 NGER S19 Limited Assurance Report.pdf	1-2	ASAE3000	51

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

Third Party Limited Assurance is conducted annually on 100% of IPL's Australian energy use and greenhouse gas emissions as required to be reported under the National Greenhouse and Energy Reporting legislation, on a June 30 year end basis. This statement is attached. This CDP Report is based on the IPL Financial year period, which ends October 30. The attached statements of Assurance therefore cover 9 months of this reporting period. The data for the remaining 3 month period will be verified during the assurance conducted on IPL's 2016 NGER report.

Page: CC9. Scope 1 Emissions Breakdown - (1 Oct 2014 - 30 Sep 2015)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Australia	1446996
United States of America	898325
Rest of world	4215

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Incitec Pivot Fertilisers	971965
Dyno Nobel Americas	902187
Dyno Nobel Asia Pacific	475031
Nitromak Europe	352

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
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CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Oct 2014 - 30 Sep 2015)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia	179467	179467	206826	206826
United States of America	172667	172667	334891	334891
Rest of world	3781	3781	9295	9295

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
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Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Incitec Pivot Fertilisers	176605	176605
Dyno Nobel Americas	175920	175920
Dyno Nobel Asia Pacific	2862	2862
Nitromak Europe	529	529

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)

Further Information

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

CC11.2

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	0
Cooling	0

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

11616960

CC11.3a

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	11534391
Diesel/Gas oil	77921
Motor gasoline	4015
Distillate fuel oil No 1	534
Propane	99

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
		None were reported at CC8.3a

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
873570	551017	322554	0	0	

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	0.9	Decrease	Three Cheyenne energy efficiency projects listed + Australian Mt Isa electricity generation optimisation: $(-2289-625-1528-16963)/2498888*100 = -0.9\%$
Divestment			
Acquisitions			
Mergers			
Change in output	9.2	Increase	Increased production at Dyno Nobel Moranbah + increased production at IPF Phosphate Hill site = $(164638+64442)/2498888*100 = 9.2\%$
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.000742582	metric tonnes CO2e	3643300000	Location-based	1	Increase	This metric has remained relatively stable although production has been increased, mainly at our IPF Phosphate Hill and DNAP Moranbah sites in Australia. There was a 7% increase in revenue and an 8.3% increase in emissions globally.

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
573.06721	metric tonnes CO2e	full time equivalent (FTE) employee	4721	Location-based	14	Increase	This increase is due to a 5% decrease in employee numbers and an 8.3% increase in total emissions. Emissions increases relate directly to increased production, particularly at our IPF Phosphate Hill and DNAP Moranbah sites in Australia.
6782.28	metric tonnes CO2e	Other: AUD\$ Million Net Profit	398.9	Location-based	33	Decrease	This decrease is due to a 61% increase in net profit, while total emissions only increased by 8.3%. (This reflects IPLs increasingly lean productivity increases, along with emissions reduction measures taken in both 2014 and 2015, including the replacement of catalysts in the nitrous oxide abatement units in our North American Dyno Nobel manufacturing plants, and energy efficiency projects in North American and Australian manufacturing sites.)

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, but we anticipate doing so in the next 2 years

CC13.1a

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated				
Capital goods	Relevant, not yet calculated				
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, not yet calculated				
Upstream transportation and distribution	Relevant, not yet calculated				
Waste generated in operations	Relevant, not yet calculated				
Business travel	Relevant, not yet calculated				
Employee commuting	Relevant, not yet calculated				

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Upstream leased assets	Not relevant, explanation provided				IPL has no upstream leased assets
Downstream transportation and distribution	Relevant, not yet calculated				
Processing of sold products	Not relevant, explanation provided				There is no further processing of IPL's products.
Use of sold products	Relevant, not yet calculated				During 2015, Incitec Pivot continued research on two projects with the University of Melbourne, which are aimed at reducing the emissions associated with the use of our products: (i) Mitigation of indirect greenhouse gases in intensive agricultural systems with the use of inhibitors (ii) Reducing nitrous oxide emissions from applied nitrogen with nitrification inhibitors through identification of key drivers of importance. These projects are jointly funded by the Australian Government's Department of Agriculture, Fisheries and Forestry and continue our long standing association with the University of Melbourne.
End of life treatment of sold products	Relevant, not yet calculated				
Downstream leased assets	Not evaluated				
Franchises	Not relevant, explanation provided				Incitec Pivot has no franchises
Investments	Not evaluated				
Other (upstream)	Not evaluated				
Other (downstream)	Not evaluated				

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

No emissions data provided

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

No, we don't have any emissions data

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagement and measures of success

During the 2015 IPL financial year, a working group involving Supply Chain, Procurement and Sustainability leadership assessed new opportunities to engage with our suppliers on sustainability issues. Regarding GHG emissions, priority was given to engaging with those suppliers where
(a) GHG emissions were generated directly as a result of performing services to IPL; and
(b) there was an immediately available methodology that could be applied to reduce those emissions.

Two initiatives resulted in 2015:

1. IPL now uses the RightShip GHG ratings which enable customers to include the growing importance of carbon emissions in their vessel selection process. IPL charters more than 200 vessels annually and by selecting the most efficient vessels we are reducing carbon emissions while rewarding ship owners that invest in more efficient ships. During 2015 we measured the success of this initiative by ensuring that ships we chartered had a RightShip GHG Rating between "A" and "E". Vessels with an "F" rating were only considered if no better alternative was available and vessels with a "G" rating were fully excluded. 98% of vessels chartered were within the "A" to "E" range.
2. During the re-tendering process for road transport of our explosives products in Western Australia, IPL negotiated with our incumbent contractor to upgrade the entire fleet of 25 long haul trucks to Euro 5 efficiency standards. These trucks, used exclusively for IPL under contract, are aerodynamically designed, more fuel efficient and emit less greenhouse gases than the trucks they replaced.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend (direct and indirect)	Comment
200	5.2%	The shipping contracts total 84 million dollars annually and involve over 200 suppliers. The Western Australia road transport contract is over 25 million dollars annually and is a single contractor.

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Use in supplier scorecards	The RightShip GHG ratings are used to score and rank our shipping supplier's emissions and climate change strategies. We ensure that the ships we charter have a RightShip GHG Rating between "A" and "E". Vessels with an "F" rating are only considered if no better alternative is available and vessels with a "G" rating are fully excluded. 98% of vessels chartered during 2015 were within the "A" to "E" range. As regards the road transport contract, IPL included the efficiency and greenhouse gas emissions of each contractor tendering, and made a one time decision to award the contract to the most fuel efficient fleet.

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Attachments

<https://www.cdp.net/sites/2016/14/8914/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC14.Scope3Emissions/Two billion tonnes of goods shipped with Greenhouse Gas Emissions Rating.docx>

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Karen Durand	Corporate Sustainability Manager	Environment/Sustainability manager

Further Information

CDP