

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 5,000 staff worldwide, including 1,800 staff in Australia. 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, labour practices and product 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

Tue 01 Oct 2013 - Tue 30 Sep 2014

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-questionnaires.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 is the individual that specifically manages information on climate change. This position reports 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
Chief Financial Officer (CFO)	Monetary reward	Efficiency target	Executive remuneration includes non-financial performance measures relating to Business Excellence and productivity. Financial performance measures also incentivize the management of climate change issues at the executive level as 95% of the company's emissions related to the use of gas as an energy source and feedstock. Energy is a significant material cost to the business and energy use is closely managed as part of the corporate financial management.
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 an energy source and feedstock. 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 an energy source and feedstock. 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
Facility managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target	95% of the company's emissions related to the use of gas as an energy source and feedstock. Energy is a significant material cost to the business and energy use is closely managed as part of the corporate financial management.

Further Information

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 serves the interests of the Company and its shareholders, as well as our other stakeholders such as employees, customers and the community, in a manner designed to create and continue to build sustainable value. The Board operates in accordance with the principles set out in its Board Charter which is 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. Responsibility for sustainability strategy and governance resides with the Executive Team, advised by the Corporate Sustainability Team, which is led by the Vice President, Sustainability who reports 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. 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

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. This position reports 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 regulation (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, and 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 (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 products, 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.

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 the reporting period. Carbon pricing is 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 exceptions	Respond to Government discussion papers and participate in workshops	3. Simplification and alignment of related energy and greenhouse gas 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

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
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
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 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 	We influence the position through participation in discussions on policy and written submissions to respond to proposed Government policy

CC2.3d

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

Yes

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

Yes

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

During the 2014 financial year Incitec Pivot continued research on two projects with the University of Melbourne, and added a third:

- (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.
- (iii) Mitigation of Nitrous Oxide Emissions in the Vegetable Industry, with trials across three states.

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. This work aligns with our sustainability strategy of actively mitigating risks and leveraging opportunities. This broad sustainability strategy encompasses our strategy on climate change. We are also funding research into enhanced efficiency fertilisers in cereals, grass pastures, sugarcane, potatoes, bananas and vegetable crops. While these projects have already produced key findings that have been incorporated in to product development process, the full results of this research won't be publically available until the trials are completed in 2015.

CC2.3g

Please provide details of the other engagement activities that you undertake

CC2.3h

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. The Corporate Sustainability Team is led by the Vice President, Sustainability who reports to the Chief Financial Officer, thereby providing alignment with the financial performance and financial processes for the Company.

CC2.3i

Please explain why you do not engage with policy makers

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

IPL supports a well-considered and appropriately designed carbon scheme that combats climate change but does not put Australian industry and jobs at risk. Fertiliser is one of many domestically manufactured products which are priced internationally and IPL is unable to pass a carbon impost on to customers. Australia's actions must align to that of our major trading partners and provide appropriate assistance to prevent offshore migration of manufacturing investment to countries without domestic carbon action and with no benefit to global carbon equivalent emissions.

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction 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 (metric tonnes CO2e)	Target year	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	Target year	Comment
Int1	Scope 1+2	57%	1.5%	metric tonnes CO2e per metric tonne of product	2010	1161070	2015	Targets set for emissions from electricity and natural gas for all of Australian Manufacturing, including 'electricity only' manufacturing sites

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 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. There is no specific target for Scope 3 emissions.

CC3.1d

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

ID	% complete (time)	% complete (emissions)	Comment
Int11	80%	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 is progressing well: in the 2014 financial year, we manufactured 3,155,085 tonnes of product (including ammonia, ammonium nitrate at our new Moranbah plant, sulphuric acid and single super phosphate) and released 1,503,164 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 0.48 tCO ₂ e / t of product in 2014.

CC3.1e

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

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

1. Use of nitrogen fertilisers helps to increase yields of food and biodiesel per hectare, reducing greater GHG emissions associated with land clearing.

(i) Emissions are avoided by increasing yields to meet food and biofuel demands using less cleared land, which preserves more forests for sequestration of CO₂.

(ii) Fertiliser use (including manufacture) is estimated to have avoided 161 Gt of CO₂e since 1961, or 31.1Gt / year.*

*Snyder et al (2010) Global crop intensification lessens greenhouse gas emissions, Better Crops 94, (4) 16-17

*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.

(iii) The methodology and assumptions used in this study can be obtained from the journal articles referenced above.

(iv) Carbon credits will not be sought.

2. Use of 'Green Urea' fertiliser may reduce GHG emissions in agriculture

(i) Urea inhibitors delay the hydrolysis of urea into nitrogen forms that may enter the atmosphere during volatilisation.

(ii) 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.

(iii) No exact methodology to measure reductions in emissions has been developed as yet.

(iv) No carbon credits will be sought.

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	22	
To be implemented*	3	
Implementation commenced*	2	
Implemented*	5	21615.58
Not to be implemented	4	

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	Optimising the generation and capture of waste process heat to generate increased amounts of on-site electricity using the	14862.58	Scope 2	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

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
	existing steam driven turbine at our Mt Isa, Australia site								site. Running the turbine at full capacity will reduce the amount of electricity which needs to be purchased, therefore reducing Scope 2 emissions
Energy efficiency: Processes	Optimizing the efficiency of the NOx Abatement process (optimized/reduced the natural gas supply) for temperature control to the Combustors in the #3 Nitric Acid Plant at our Cheyenne, USA site	967	Scope 1	Voluntary	71749	0	<1 year	16-20 years	Optimizing the efficiency of the NOx Abatement process through temperature control in this combustor has saved 19,256 GJ gas annually
Energy efficiency: Processes	Optimizing the efficiency of the NOx Abatement process (optimized/reduced the natural gas supply) for optimum temperature control to the Combustors in the #4 Nitric Acid Plant at our Cheyenne, USA site	2076	Scope 1	Voluntary	175259	0	<1 year	16-20 years	Optimizing the efficiency of the NOx Abatement process through temperature control in this combustor has saved 41,312 GJ gas annually
Energy efficiency: Processes	Optimisation of steam production: Auxiliary Boiler firing rate reduction at our Cheyenne, USA site	2436	Scope 1	Voluntary	168554	0	<1 year	16-20 years	Reducing the firing rate has saved 48,482 GJ gas annually
Energy efficiency: Processes	Optimisation of number of cooling pumps running concurrently in LoDAN #2	1274	Scope 1	Voluntary	147000	0	<1 year	11-15 years	Following testing it was determined that two (2) of the three (3) pumps are

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
	Cooling Tower at our Cheyenne, USA ammonia manufacturing plant								adequate to maintain the required cooling in the LoDAN #2 Cooling Tower system: the third remains on standby only, saving 3,042,578kWh per annum.
Process emissions reductions	Replacement of catalysts in nitrous oxide abatement units in nitric acid plants at Cheyenne, USA	217370	Scope 1	Mandatory	0	400000	>25 years	3-5 years	The replacement of catalysts in the nitrous oxide abatement units at Cheyenne nitric acid manufacturing plants early in the reporting period delivered reduced process emissions this year. As the catalyst ages, abatement will be slightly less effective over each of the next 5 years. There is essentially no return on investment for this initiative.

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
In mainstream financial reports but have not used the CDSB Framework	Complete	IPL 2014 Annual Report	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC4.1/IPL_2014_annual_report.pdf

Publication	Status	Page/Section reference	Attach the document
In voluntary communications	Complete	IPL 2014 Sustainability Summary, Page 3	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC4.1/IPL_4 Page SR_Summary FINAL_2014.pdf
In voluntary communications	Complete	IPL 2014 Online Sustainability Report	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC4.1/04_Environment_2014 IPL SR.pdf
In other regulatory filings	Complete	ASX Full Year Profit Report, Page 11	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC4.1/IPL Profit Report Full Year 2014.pdf

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 change 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 mining	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 which could	The potential operations exposure to physical risks and associated mitigation is reviewed as part of our Health Safety Environment risk management processes and	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
	customers						negatively impact the timing, and/or quantity, of revenue earned and result in increased repairs and maintenance costs.	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
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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
	<p>energy efficient and low NOx explosives and Incitec Pivot Fertilisers' low emission fertilisers leading to increased sales revenue and a changed product mix</p>						<p>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.</p>	<p>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:</p> <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 	<p>development of new products and with directing staff have been quantified but not disclosed in this response.</p>

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 fertilizer 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	Mon 01 Oct 2007 - Thu 30 Oct 2008	1316000
Scope 2	Mon 01 Oct 2007 - Thu 30 Oct 2008	256000

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
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

Emissions factors used (source: NGER)

Attachments

[https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/CDP_Emissions Factors Equations_IPL_2015.xls](https://www.cdp.net/sites/2015/14/8914/Climate%20Change%202015/Shared%20Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/CDP_EmissionsFactorsEquations_IPL_2015.xls)

Page: CC8. Emissions Data - (1 Oct 2013 - 30 Sep 2014)

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

2132244

CC8.3

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

366644

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 Scope 2 emissions excluded from this source	Explain why the source is excluded
Emissions from offsite transport of product in North America	Emissions are not evaluated	No emissions from this source	Data is presently unavailable. Very low materiality (estimated to be less than 0.01% of total emissions).
Emissions from electricity used in small remote offices and despatch sites in North America	No emissions from this source	Emissions are not evaluated	Data is presently unavailable. Very low materiality (estimated to be less than 0.01% 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
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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	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 complete

CC8.6a

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

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC8.6a/Assurance_Delottes_s19_2014.pdf	All	ASAE3000	57

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 your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

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

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/14/8914/Climate Change 2015/Shared Documents/Attachments/CC8.7a/Assurance_Delottes_s19_2014.pdf	All	ASAE3000	54

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
No additional data verified	

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

Page: CC9. Scope 1 Emissions Breakdown - (1 Oct 2013 - 30 Sep 2014)

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	1217916
United States of America	909928
Rest of world	4400

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	907523
Dyno Nobel Americas	913667
Dyno Nobel Asia Pacific	310393
Nitromak Europe	661

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)
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CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)

CC9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Oct 2013 - 30 Sep 2014)

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 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Australia	196313	213276	0
United States of America	166368	319379	0
Rest of world	3963	10304	0

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 (metric tonnes CO2e)
Incitec Pivot Fertilisers	193568
Dyno Nobel Americas	169803
Dyno Nobel Asia Pacific	2744
Nitromak Europe	529

CC10.2b

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

Facility	Scope 2 emissions (metric tonnes CO2e)
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CC10.2c

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

Activity	Scope 2 emissions (metric tonnes CO2e)
----------	--

CC10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)
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Further Information

Page: CC11. Energy

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 fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	10750500
Electricity	542959
Heat	0
Steam	0
Cooling	0

CC11.3

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

Fuels	MWh
Natural gas	10656790
Diesel/Gas oil	87507
Propane	78
Motor gasoline	4337
Distillate fuel oil No 1	1788

CC11.4

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

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment

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?

Decreased

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	Comment
Emissions reduction activities	11	Decrease	Replacement of catalysts reductions + energy efficiency projects listed + Australian Manufacturing target reductions: $(-217370-15419-68799)/2732893*100 = -11.0355\%$
Divestment			
Acquisitions			
Mergers			
Change in output	2	Increase	Increased production at our Dyno Nobel Moranbah site increased emissions by $56382tCO_2e: 56382/2732893*100 = 2.063\%$
Change in methodology			
Change in boundary			

Reason	Emissions value (percentage)	Direction of change	Comment
Change in physical operating conditions			
Unidentified			
Other			

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	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.000734924	metric tonnes CO2e	unit total revenue	8	Decrease	This decrease is due to a 9% decrease in absolute emissions while revenue remained relatively stable. Emissions decreases relate directly to ERAs 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.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
502.08720	metric tonnes CO2e	FTE employee	4	Decrease	This decrease is due to a 5% decrease in employee numbers with a 9% decrease in actual emissions. Emissions decreases relate directly to ERAs 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.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.010068042	metric tonnes CO2e	Other: Net Profit	37	Increase	This increase is due to a decrease in net profit (There was a decrease of 9% in actual emissions, directly related to ERAs 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?

Yes

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
Other: Australian Clean Energy Future - Carbon Pricing Mechanism	Mon 01 Jul 2013 - Mon 30 Jun 2014			1298983	Facilities we own and operate

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

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. The Managing Director & CEO and his direct reports form the Executive Team. Responsibility for sustainability strategy and governance, inclusive of compliance with Australian carbon regulation, resides with the Executive Team, advised by the Corporate Sustainability Team. The Corporate Sustainability Team is led by the Vice President, Sustainability who reports to the Chief Financial Officer, thereby providing alignment with the financial performance for the Company and overall risk management. In particular, the Vice President Sustainability is specifically responsible for the carbon cost management strategy, including carbon permit acquisition and surrender, assistance applications, reporting and assurance.

The IPL compliance strategy for the Clean Energy Future was aligned to our overall Sustainability Strategy of creating long term economic value whilst caring for our people, communities and the environment. Carbon credits were purchased at lowest cost and trading was undertaken to maximize positive cashflow. In addition continuous improvements to energy efficiencies, particularly at the three Australian nitrogen plants were sought and implemented where the internal capital investment hurdle rates were met.

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Forests		Other: ACCU (Australian Carbon Credit Units)	64949	64949	No	Compliance

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				
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 2014, Incitec Pivot continued research on two new projects with the University of Melbourne and added a third research project aimed at reducing the emisisions associated with the use of our products: (i) Mitigation of indirect greenhouse gases in intensive agricultural systems

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
					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. (iii) 'Mitigation of Nitrous Oxide Emissions in the Vegetable Industry'
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

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
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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
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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)

No, we do not engage

CC14.4a

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

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	Comment
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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
------------------------------	---------------------

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

Our approach to engaging our suppliers on sustainability, including GHG emissions, is still under development.

Further Information

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
Clare Luehman	Vice President Global Sustainability	Environment/Sustainability manager

Further Information

CDP