SUPPLIERS PARTNERSHIP FOR THE ENVIRONMENT

SP Automotive Climate Action Questionnaire Framework
Mapping Metrics to Industry Guidance / Resources
March 2025

In a collaborative process facilitated by the Suppliers Partnership for the Environment (SP), leading vehicle manufacturers and suppliers have developed common definitions, tools, and resources to support companies in measuring and advancing progress on automotive environmental sustainability ambitions, including decarbonization.

An Automotive Climate Action Questionnaire framework developed through this collaboration was designed to provide a voluntary questionnaire template which seeks to improve data quality and reduce reporting burdens by aligning around common questions and definitions, building on existing industry guidance. The Questionnaire is designed to support continuous improvement in the consistency and quality of supplier reported primary data, while driving efficiencies and reducing the burden of expanded sustainability reporting requests on the supply chain.

As much as possible, each of the core topics covered in this Questionnaire were developed in alignment with the practices of relevant international third party sustainability reporting standards / frameworks, such as CDP, European Sustainability Reporting Standards (ESRS), Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), the Science Based Targets Initiative (SBTi), the Science Based Targets Network (SBTN), the Taskforce on Climate Related Financial Disclosures (TCFD), the Taskforce on Nature Related Financial Disclosures (TNFD), and others.

Core Questionnaire Topics

• Facility-Level Energy / Carbon Information • Enterprise-Level Energy / Carbon Targets	• SP Carbon Reduction KPIs, Terms & Definitions Guidance Document
• Enterprise-Level Water Targets	• SP Water Stewardship Action Matrix Guidance Document • SP Water Stewardship Strategy Framework Guidance Document
• Facility-Level Waste Information	• SP Core Waste Metrics for Automotive Operations Guidance Document

Additional Questionnaire Topics

• Enterprise-Level Scope 3 Information • Facility-Level Energy / Carbon Targets	• SP Carbon Reduction KPIs, Terms & Definitions Guidance Document • SP Evaluating the Carbon Intensity of Automotive Materials Guidance Document
• Facility-Level Renewable Energy Information	• Transform: Auto Renewable Energy Supply Chain Program
• Facility-Level Water Information	• SP Water Stewardship Action Matrix Guidance Document
• Enterprise-Level Biodiversity Information • Facility-Level Biodiversity Information	• SP Nature-Related Terms and Definitions Guidance Document

Core Questionnaire Topics

<table>
<tr>
<td><u>Facility-Level</u> Energy / Carbon Information
What are the facility's total calculated Scope 1 CO2e emissions for the reporting year?
What are the facility's total calculated Scope 2 CO2e emissions for the reporting year?
What are the facility's estimated Upstream Scope 3 CO2e emissions for the reporting year?
Has the data reported for this year been checked or verified?
If your facility has a Carbon Neutral target, what is the target year for carbon neutrality?</td>
<td rowspan="2">Guidance: Reference the SP guidance document, "Carbon Reduction KPIs, Terms & Definitions", for general industry-supported guidance on establishing a framework for CO_2 reporting and reduction aligned with common industry expectations. Additional useful resources may be found here.

Explanation: As companies in the automotive industry proactively work toward long-term goals of achieving carbon neutrality, it is often expected that suppliers take an active role in striving to reduce CO2e emissions from their businesses as far as possible.

Carbon Neutrality means that any carbon dioxide emissions into the atmosphere associated with a supplier entity, product or activity are balanced with the same amount of renewable energy credits and/or carbon dioxide removals from the atmosphere over a specified period.

Many industry leaders expect their suppliers to strive to reduce absolute carbon dioxide emissions from their business as far as possible consistent with the ambition of the Paris Agreement and then offset any remaining unavoidable emissions with actions that remove carbon dioxide from the atmosphere. Suppliers should be transparent in reporting the type and quantity of any carbon offsets or RECs used in meeting their carbon neutrality goals.

Many industry leaders also expect that suppliers setting and reporting on long-term corporate carbon neutrality targets include consideration of all relevant Scope 1 and Scope 2 emissions and begin developing a plan to measure and track their Scope 3 emissions. Suppliers should be transparent in clearly stating the boundaries of their carbon neutrality ambitions.</td>
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<tr>
<td><u>Enterprise-Level</u> Energy / Carbon Targets
Does your organization have a Scope 1 & 2 greenhouse gas (CO2e) reduction target?
Does your organization have a Scope 3 greenhouse gas (CO2e) reduction target?
Has your organization published a near-term carbon reduction target?
Has your organization published a net zero target?
If your organization has greenhouse gas reduction targets, have they been externally validated?
Do you have Lifecycle Assessments (LCA) or Product Carbon Footprints (PCF) for any of your products?</td>
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Enterprise-Level Water Targets • Has your organization published water-related targets? • Has your organization undertaken a water-related risk assessment of its operations? • Has your organization undertaken a water-related risk assessment of its supply chain?	**Guidance:** Reference the SP guidance document, "Water Stewardship Action Matrix", for general industry-supported guidance on conducting a water-related risk assessment and collecting information to develop a water-related target. **Explanation:** At every stage of the automotive value chain, water is both an operational input and an asset that conveys value to companies in the sector and the communities in which they operate. Many of our most important water resources globally are stressed and emerging trends are expected to further impact availability of, and access to, water resources in the future. One of the most important aspects of a corporate water program is conducting a watershed risk assessment. Even high-level risk assessments help companies to prioritize interventions and inform the development of policies and targets. Stakeholders increasingly expect external, credible reporting on water risks, actions and outcomes, both within a company's own operations as well as its supply chain. This information provides a starting point to prioritize water-related risks and opportunities while preparing for anticipated future reporting expectations.
Facility-Level Waste Information • Total hazardous waste generated • Amount of hazardous waste sent for disposal • Total non-hazardous waste generated • Amount of non-hazardous waste sent for disposal	**Guidance:** Reference the SP guidance document, "Core Waste Metrics for Automotive Operations", for guidance on industry-supported definitions and measurement methods. **Explanation:** Several leading organizations within the automotive industry have announced aspirations toward achieving zero waste from their operations. Currently, there is no universally accepted definition of the term "zero waste". However, at the basis of any evaluation of zero waste is a clear understanding of the total waste generated by an entity and the percentage of that total that has been diverted from certain disposal operations. Tracking of the requested metrics provides a solid foundation to address various waste-related target-setting, reporting, and continuous improvement efforts. This information can also support waste reporting requests within relevant third-party sustainability frameworks important to the automotive industry.

Additional Questionnaire Topics

Enterprise-Level Scope 3 Information • What are your organization's upstream Scope 3 emissions (CO2e)? • What are your organization's downstream Scope 3 emissions (CO2e)? • If your organization has a Scope 3 Category 1 target, what is the target year? • If your organization has a Scope 3 Category 1 target, what is the target % reduction? • If your organization has a Scope 3 Category 1 target, what is the baseline year?	**Guidance:** Reference the SP guidance document, "Carbon Reduction KPIs, Terms & Definitions" and the SP guidance document "Evaluating the Carbon Intensity of Automotive Materials" for more information relevant to this topic. Additional useful resources may be found here. **Explanation:** The impact of any one vehicle manufacturers' or large Tier 1 suppliers' Scope 3 purchased goods and services emissions can be 10 to 20 times greater than their own Scope 1 and 2 emissions. Many industry leaders request their suppliers to take an active role in striving to reduce carbon dioxide emissions from their businesses as far as possible, while developing a plan to measure and track their own Scope 3 emissions and cascade information to their own suppliers. The ability to understand the total carbon footprint, and associated reduction targets, of a supplier is one critical tool for customers and other stakeholders to evaluate progress in absolute carbon reduction toward a long-term goal of carbon neutrality. However, it can be difficult to assess the upstream sustainability impacts of individual material, process and technology choices when looking at a company's total carbon footprint alone. High quality cradle-to-gate carbon intensity information can support users in identifying upstream carbon hotspots and in assessing opportunities for sourcing / implementing "lower-carbon" materials, products, and manufacturing processes.
Facility-Level Energy / Carbon Targets • If your facility has a Net Zero greenhouse gas (CO2e) target, what is the target year for net zero? • What is this facility's absolute Scope 1 & 2 emissions reduction target for each 5-year period from 2030 through 2050? • If your facility has a reduction target for absolute Scope 1 & 2 emissions, what is the baseline year? • If your facility has a reduction target for absolute Scope 1 & 2 emissions, what is the target year? • If your facility has a reduction target for absolute Scope 1 & 2 emissions, what is the target % reduction?	

Facility-Level Renewable Energy Information • What is the planned share of renewable electricity at this facility for 2025? • What is the planned share of renewable electricity at this facility for 2030? • If you purchase electricity with renewable energy attributes, what contractual instruments apply?	**Guidance:** Please reference the Transform: Auto platform for educational materials and tools on renewable electricity fundamentals and solutions. **Explanation:** The profile of energy types used to manufacture automotive products indicates that grid electricity is generally the largest contributor to energy requirements, followed by natural gas. Increasing the use of renewable energy to reduce emissions is a key part of pursuing goals of achieving carbon neutrality. Renewable energy also provides businesses with potential opportunities to reduce long-term exposure to energy market volatility risks and, in some cases, to achieve near-term energy cost savings. And due to the interconnection between business risk and climate risk, investors, regulators and other stakeholders are increasingly requesting companies to report on net zero transition plans. The Transform: Auto program, sponsored by member companies of SP, offers Tier 1 automotive suppliers free, tailored guidance and support to facilitate the transition to renewable energy procurement.
Facility-Level Water Information • Total freshwater withdrawal • Total water discharged • If a water risk assessment has been undertaken for this facility, what risks have been identified? • If water risk has been identified, can you provide a mitigation plan on request?	**Guidance:** Please reference the SP water guidance documents here for information on water-related definitions and practices. **Explanation:** Due to the hyper local nature of water risks and impacts, it is important for companies to develop procedures that assess levels of risk based on uses and locations. Total volumes can indicate an organization's relative significance as a user of water and provide a baseline figure for other calculations. Along with trend data, these volumes can also suggest the level of risk posed by future disruptions to water supplies or increases in the cost of water. Water stress is a driver of business risk and, as stress is projected to worsen, transparency is important to support stakeholders in understanding elevated business risk due to operations in water stressed areas. Knowledge of water-related hot spots also may help an organization to identify where water stress may be affecting its operations, now or in the future, as well as to prioritize sustainable water management practices.

Enterprise-Level Biodiversity Information • Does your organization have a target to protect and enhance biodiversity? • Has your organization committed to buying deforestation & conversion-free commodities? **Facility-Level Biodiversity Information** • Has your facility assessed its impact or dependency on nature, local ecosystems and biodiversity? • If relevant, what high risk nature-related impacts or dependencies have been identified for this facility? • If a high nature-related risk has been identified, can you provide a mitigation plan on request? • What percentage of the total land area at this facility is set aside as a natural ecosystem? • What sized area at this facility, if any, is set aside for pollinators? • Does your facility purchase any high-impact commodities as defined by the Science Based Targets Network (SBTN)?	**Guidance:** Reference the SP guidance document, "Nature-Related Terms and Definitions", for industry-supported definitions of key terms used in this section. Additional useful resources may be found here related to topics such as natural ecosystem projects and pollinator projects. **Explanation:** As with many industries, the automotive industry relies on nature for essential raw materials such as leather, rubber, steel, aluminum, and a wide range of other metals and minerals. The industry both depends on, and has the opportunity to impact, nature at nearly every stage throughout the value chain, from the design, sourcing, manufacturing, use, and disposal of automotive products and components. Nature and biodiversity conservation are critical to not only individual sustainability goals, but to the long-term competitiveness and resilience of the industry as a whole. Stakeholders increasingly expect external, credible reporting on nature and biodiversity risks, actions and outcomes, both within a company's own operations as well as its supply chain. The information requested provides a starting point to prioritize nature-related risks and opportunities while preparing for anticipated future reporting expectations.

Disclaimer

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