

Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Spectrum Brands Holdings (SBH), a member of the Russell 1000 Index, is a global and diversified consumer products company and a leading supplier of locksets, builders hardware, plumbing and accessories, shaving and grooming products, personal care products, small household appliances, specialty pet supplies, lawn and garden and home pest control products, and personal insect repellents. Helping to meet the needs of consumers worldwide, our Company offers a broad portfolio of market-leading, well-known and widely trusted brands. Spectrum Brands Holdings' products are sold in approximately 160 countries. Based in Middleton, Wisconsin, Spectrum Brands Holdings generated net sales from continuing operations of approximately \$3.0 billion in fiscal 2018.

Please note that the following responses address our fiscal year: Oct 1, 2017 through Sept 30, 2018. Please further note that as of January 2nd, 2019, Spectrum Brands Holdings closed the sale of its Global Battery and Lighting and Global Auto Care businesses, thus the following responses address only emissions from facilities owned or operated as of the date of this report (July 31, 2019).

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Row 1	October 1, 2017	September 30, 2018	No

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Australia
Cambodia
Canada
China
Colombia
Ecuador
Germany

Mexico
Netherlands
Philippines
Taiwan, Greater China
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>i) The CEO, a member of both our Board and Executive Advisory Board, leads our sustainability governance efforts.</p> <p>ii) As a member of both the Board and Executive Advisory Board, the CEO provides oversight while demonstrating Spectrum Brands Holdings' high-level commitment to sustainability.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>During the time period covered by this report, the CEO, a member of both our Board and Executive Advisory Board, led our sustainability governance efforts.</p> <p>The Board received annual updates regarding the company's sustainability efforts and progress and was involved in reviewing and guiding sustainability strategy, as well as reviewing and guiding risk management policies. For example, the CSO presented to the board the status of Spectrum Brands Holdings' progress on energy, water, and product sustainability goals and this opportunity served as a means to receive feedback from the board on status towards achieving climate goals.</p>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

DVP, Chief Sustainability Officer (CSO):

- i. The DVP, Chief Sustainability Officer (CSO) reports to Executive Leadership and has responsibility for the SBH global sustainability program.

ii. Rationale: The CSO position allows for coordination of teams across the company to deliver a shared, consistent and best-practice approach for the continuous improvement of sustainability, i.e. safety, environmental, energy/climate change, social, and governance/compliance performance. The CSO also coordinates an annual global sustainability meeting that focuses on topics such as: sustainability initiatives/trends, regulatory strategy, responsible sourcing, and customer sustainability programs.

iii. The CSO oversees a committee-led approach that consists of senior leadership as well as dedicated cross-functional and cross-divisional teams. As part of our committee structure, we have established a sustainability committee, the Global Sustainability Council, to facilitate integration of sustainability across our company. The committee-led approach is coordinated by the CSO. As a next step, the CSO is leading efforts to expand the Global Sustainability Council to include risk, and in 2019 the Council will be renamed to the Global Risk and Sustainability Council.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction target

Comment

Spectrum Brands Holdings recognizes the individual efforts of any employee who contributes to the company's sustainability or reduces the energy-use (and, therefore, cost) of operations. Carbon footprint metrics are annually established for each facility and the progress is reported to the operations team during quarterly regional stakeholder calls, to which the leadership team is accountable.

Who is entitled to benefit from these incentives?

Other, please specify
Plant employees

Types of incentives

Monetary reward

Activity incentivized

Efficiency project

Comment

Plant employees within the United Industries and United Pet Group divisions receive monetary bonuses in exchange for increasing changeover efficiency as well as for enacting behavioural and process changes that reduce energy use. Increased changeover efficiency leads to reduced energy and emissions intensities in operations.

Who is entitled to benefit from these incentives?

Facilities manager

Types of incentives

Monetary reward

Activity incentivized

Efficiency project

Comment

Facility managers within the United Industries and United Pet Group divisions receive monetary bonuses in exchange for increasing changeover efficiency as well as for enacting behavioural and process changes that reduce energy use. Increased changeover efficiency leads to reduced energy and emissions intensities in operations.

Who is entitled to benefit from these incentives?

Other, please specify
Operational sites

Types of incentives

Other non-monetary reward

Activity incentivized

Efficiency project

Comment

Each operational site has performance goals for reaching scrap waste reduction goals. Reductions in scrap waste also reduce the company's scope 3 emissions.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	5	
Long-term	5	10	

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	1 to 3 years	At the company level, Spectrum Brands Holdings has a risk management process that identifies and prioritizes risks to the company. Risks that have the potential to be material are disclosed on the Spectrum Brands Holdings' 10-K and include statements associated with climate change risk.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

- i. Company level: An important component of the sustainability program is a materiality risk assessment process, facilitated by SBH implementation of the ISO 14001 Environmental Management System in 2005 at select sites. For climate change related risks, the sustainability committee identifies climate change risks associated with energy and water resource scarcity and extreme weather occurrences that have potential to disrupt operational and/or supply chain

performance and impact product sales. The materiality risk assessment process also includes prioritization on addressing the risks that offer the greatest business value.

ii. Asset level: At the asset level, each of the divisional leadership is responsible for risk management within the operations. This involves identification and prioritization of risks to each facility. Sustainability data metrics that include safety, energy, waste and other information are collected and reviewed to identify risks and opportunities for continuous improvement at the facility level on a quarterly basis by the sustainability committee.

iii. Process for assessing potential size and scope of risks: Risk in the supply chain are addressed by a sourcing risk management framework and includes the assessing a supplier's ability to perform in terms of quality, delivery, and sustainability issues. This framework includes identifying the potential size and scope of the risks on the supply chain. SBH now applies the sourcing risk management framework to the product design functions at the company, which will include product specific sustainability topics such as resource scarcity, and continuity of resources. In the future, emissions intensity of products will also be considered as part of the framework.

iv. Process for assessing relative significance of risks: The materiality risk assessment process also includes prioritization for addressing the risks that offer the greatest business value. The global sourcing risk management procedure that is required to be implemented by the sourcing and procurement at the division level is used to assess supplier's performance and risk as may vary during initiation, maintenance, renewal and interim changes through and to contract end. Elements of performance and risk included in the procedure include: financial, quality, EHS, sustainability, and the social license to operate and distribute the product.

v. The definitions applicable to our risk terminologies are as described.

vi. **Substantive impact** for SBH is a qualitative and quantitative determination that is determined at the division level. Factors are evaluated for potential impact on business continuity, size and number of business units affected, and the potential for shareholder, customer, and regulatory concern. Quantitative impact is a reflection of property and equipment value.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	At SBH our formal mechanism for assessing regulations is through the Regulatory Advisory Council. The Council is sponsored by a representative from SBH legal department and is global in scale. The Council is charged with identifying new/emerging requirements, predominantly associated with governmental, customer policy or

		internal initiatives that could affect plant or product, including current environmental regulations. An example current regulation would be the European Emission Trading System (ETS).
Emerging regulation	Relevant, always included	At SBH our formal mechanism for assessing regulations is through the Regulatory Advisory Council. The Council is sponsored by a representative from SBH legal department and is global in scale. The Council is charged with identifying new/emerging requirements, predominantly associated with governmental, customer policy or internal initiatives that could affect plant or product, including new and emerging environmental regulations. For example, several proposed carbon regulatory schemes have been under consideration recently in the US, such as the Consensus Climate Solution from the Climate Leadership Council.
Technology	Relevant, sometimes included	Our Regulatory Advisory Council is charged with identifying new/emerging requirements, predominantly associated with governmental, customer policy or internal initiatives that could affect plant or product. When appropriate, the Regulatory Advisory Council will engage divisional IT departments when technology is an affected element of the Council's assessment. Example technology risks would be the desire to shift towards lower carbon-intensity feedstock materials in our products that will have different performance criteria thus requiring substantial testing and consideration prior to selection.
Legal	Relevant, always included	Regulatory, and thereby legal risks are consistently evaluated by the Regulatory Advisory Council and may be informed by climate-related issues.
Market	Relevant, sometimes included	Through the sourcing risk management framework described above in 2.2b, SBH has added to the supplier procurement process an evaluation of EHS and social risk focused on mitigating risks to the business and market risk from supplier nonconformance. For example, customer and Retail Partner Carbon performance expectations continue to increase.
Reputation	Relevant, always included	For SBH reputation is often tied to the use of our products. Our product teams are constantly innovating products to provide the quality, value, and performance our customers demand, while protecting health, safety, and wellness, and minimizing our environmental impacts. An example of climate-related reputation risk would be a news event that negatively affects one of our product categories, potentially allowing key stakeholders such as customers or employees to draw an incorrect conclusion regarding our products.
Acute physical	Relevant, sometimes included	Operational risks at the plant level are consistently evaluated and may be informed by climate-related issues. For example, some facilities are located in areas prone to extreme weather events such as flooding or ice storms. Our Divisional Operations team is an example of one risk owner that would consider these acute physical risks as

		they affect the division's daily operations and strategy to mitigate and manage extreme weather events.
Chronic physical	Relevant, sometimes included	Operational risks are consistently evaluated and may be informed by climate-related issues. For example, facilities are located in areas prone to rising average temperatures. Our facility managers are an example of a risk owner that would consider these chronic physical risks as they affect the division's daily operations and strategy to manage for these rising temperatures.
Upstream	Relevant, always included	Our sourcing team evaluates risks related to suppliers upstream in the value chain through the sourcing risk management framework. This framework includes identifying the potential size and scope of the risks on the supply chain as described in 2.2b.
Downstream	Relevant, always included	Risks previously described, such as emerging regulation and reputation, can have an impact on our stakeholders – in particular, our customers. Our product teams evaluate downstream impacts, and strive to develop safer products, eliminate unneeded chemicals, and improve cradle-to-grave management of products and packaging. Our approach focuses on both regulatory compliance and conformity with emerging customer and consumer requirements. As part of the potential downstream risks identified through the risk management framework, in 2018 we provided additional disclosure of ingredients from formulated products and article type goods to our retailer customers through the UL WERCSmart platform.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

How your organization makes decisions to mitigate, transfer, accept or control climate-related risks and to capitalize on opportunities: The implementation of measures to address climate change risks and capitalize on opportunities are the responsibility of the Global Steering Committee and Global Sustainability Council. The Global Steering Committee is tasked with setting the overall sustainability strategy and evaluating performance. Our Global Sustainability Council comprised of subject matter experts across the company oversees execution. The Council ensures SBH is on track with regulatory requirements by interfacing with the Regulatory Advisory Council and facilities' EHS programs, coordinates the sharing of best practices, and drives the implementation of sustainable business practices at the operational level including energy efficiency and water conservation. In addition, implementation of a global sourcing risk management framework (as described in 2.2b) includes, as part of the procurement process, an EHS supplier evaluation tool focused on mitigating risks to the business and market risk from supplier nonconformance down to the raw material level, which can include sustainability topics such as GHG emission from product manufacturing. In 2014 we adopted the SBH Code of Conduct, which was developed as a response to CSR commitments to customers and workforce as part of regulatory, contractual, and reputational obligations. The sourcing risk management framework is reviewed for improvements at least

annually in terms of elements of sustainability addressed. This is our mechanism for supplier engagement and supplier risk mitigation as well as our process for identifying sustainability opportunities.

ii. Physical risk case study: SBH has facilities located throughout the world, each with unique physical risks associated with climate change and extreme weather events. Through each facility's EHS program, risks are addressed through written policies and procedures designed to safe guard employees and allow business continuity. For example, one facility located in Middleton, WI experienced a historical rain event in 2018 which closed a R&D facility. The event was handled as follows: the EHS Coordinator was responsible for tracking the storm and local road closures and then worked with the division management team to decide facility closure, and determine next steps for reopening the facility. During the facility shutdown, HR issued messages to departments and coordinated notices to employees for alternate working locations. The EHS and Facility Department shut down unwanted power supplies and secured the premises, chemicals, outdoor equipment / materials and ensured proper storage and safety before, during and after the flood rehabilitation effort. As needed the IT department shut down the servers. After re-entry was permitted, the departments inspected the facility and equipment. A similar process is instituted based on relevant extreme weather risks at Spectrum facilities throughout the world.

iii. Transitional risk case study: To comply with the California Cleaning Product Right to Know Act, SB258, the Regulatory Advisory Council assessed the act for relevance and applicability down to the product level. The Council then reported on the impact to the business and the specific divisions and products in the company that would be affected. The identified divisions and divisional leaders are then responsible a variety of impacted areas such as management, marketing, supply chain and value chain, R&D (i.e. formulating products), operations, labeling, quality, and customer service. The Council also reported the results of the risk analysis and plan to address the risks to the legal department and Executive Advisory Board. In 2018, all divisions completed review of relevancy and applicability and have developed the required labeling changes to meet the 1 January 2020 deadline.

Opportunity Example: EU Waste Framework Directive provides us with an opportunity to asses our suppliers and products in terms of GHG emissions associated with plastic products and packaging so we can better understand our own GHG footprint and in turn create areas of improvement. This also leads to better transparency in scope 2 and 3 emissions in our supply chain. Plastics have been a focus for the past few years and we are having ongoing internal discussions related to our contribution to the circular economy. This opportunity is relevant to our operations globally. The process of assessing and managing this opportunity sits with the Regulatory Advisory Council and effected product development teams.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Proposed international accords and treaties, as well as federal, state and local laws and regulations, may attempt to control or limit the causes of climate change in the future, including the effect of greenhouse gas emissions on the environment. In the event that the U.S. government or foreign governments enact new climate change laws or regulations or make changes to existing laws or regulations, compliance with applicable laws or regulations may result in increased manufacturing costs for our products, such as by requiring investment in new pollution control equipment or changing the ways in which certain of our products are made. Spectrum Brands may incur some of these costs directly and others may be passed on to us from our third-party suppliers.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be negative. We are looking to build a process to quantify the financial impacts in the next few years.

Management method

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and ongoing projects and implications of internal and external factors. External factors, for example, include the UN Environmental Programme Sustainable Buildings; and Sustainable Real Estate.

Cost of management

Comment

The costs associated with managing this risk are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage operations.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Increasing severe weather occurrence rate, driven by climate change, forces Spectrum Brands to consider supply chain preparedness for these events.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be negative.

Management method

SBH is regularly assessing its supply chain to strengthen response to potential changes in climate. The Global Sustainability Committee has the responsibility to manage this risk. For example, the Committee oversees how the following are captured into organizational planning: ensuring proper insurance coverages, facility readiness (emergency preparedness), and supplier coordination in the event of heightened risk.

Cost of management

Comment

The costs are related to risk assessments and logistical improvements.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Customer

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Reduced revenues from lower sales/output

Company- specific description

Increased global temperatures may cause regional ecological changes, such as unusual drought or precipitation patterns. These climate shifts may naturally prevent weed

growth, which would reduce the demand for Spectrum Brands' herbicide products and present a financial risk to the company.

Time horizon

Unknown

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be negative.

Management method

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and how this could impact our products.

Cost of management

Comment

The costs associated with managing this risk are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage operations.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Shifts in consumer preferences

Type of financial impact

Reduced revenue from decreased demand for goods/services

Company- specific description

As more consumers choose to support brands with strong environmental credentials, there is a potential risk in the loss of market share to organizations that ignore sustainability initiatives. If Spectrum Brands does not maintain its commitment towards sustainability, the organization could incur negative impacts to its reputation.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be negative.

Management method

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and ongoing projects. Furthermore, by reporting to CDP and the Walmart Sustainability Index, SBH is showing its commitment to emissions reductions and climate change initiatives. Additionally, SBH has sustainability goals related to: emissions reductions, product sustainability, water savings, health and safety, and partnerships.

Cost of management

Comment

The costs associated with managing this risk are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage

operations. The company has also engaged a consultant firm to help with emissions calculations and reporting.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of supportive policy incentives

Type of financial impact

Reduced operational costs (e.g., through use of lowest cost abatement)

Company-specific description

SBH has identified an opportunity in the uncertainty surrounding the broad range of potential regulations relating to climate emissions. Agencies such as the Environmental Protection Agency and a host of other organizations at the local, state, national, and international level may implement a policy that directly or indirectly creates a price for greenhouse gas emissions. SBH has identified an opportunity in pre-emptively measuring, managing, and reducing greenhouse gas emissions as it will be better positioned, relative to its peers, to adhere to future regulations. This may provide a competitive advantage through relatively lower operational costs.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be positive.

Strategy to realize opportunity

At the divisional level, the Program Manager and Director of Quality meet quarterly with senior leadership, which includes the Senior Vice President and General Manager, the Vice President of Research and Development, and the Sales and Operations team, to provide updates on incoming climate change-related requests and ongoing projects.

Cost to realize opportunity

Comment

The costs associated with managing this opportunity are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage operations.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation and insurance risk solutions

Type of financial impact

Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services)

Company-specific description

In some areas, increased precipitation associated with climate change may cause pest population growth. This may increase the demand for our products. Additionally, we

expect increased demand in reconstruction for hardware and appliance products due to increased frequency and severity of natural disasters.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be positive.

Strategy to realize opportunity

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and ongoing projects.

Cost to realize opportunity

Comment

The costs associated with managing this opportunity are not significant and are part of existing operating costs. These costs include annual salaries of employees on the committee and councils.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Employee and customer awareness towards climate change continues to increase. Promoting environmental activities and more sustainable products will improve our image and potentially increase sales.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

A large number of consumers are environmentally-conscious. If sales increase due to gained consumers' support, estimated financial gains may be significant.

Strategy to realize opportunity

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and ongoing projects. Furthermore, by reporting to CDP and disclosing emissions, SBH is showing its commitment to emissions reductions and climate change initiatives. Additionally, our sourcing, procurement, and product development teams are encouraged to move beyond compliance to improve product design and packaging from a sustainability perspective.

Cost to realize opportunity

Comment

The costs associated with managing this opportunity are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage

operations, as well as engagement of a consulting firm to help with emissions calculations and reporting.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Major purchasing organizations are responding to the financial and regulatory risks associated with climate change by more closely monitoring their supply chains' greenhouse gas emissions. Many retailers have started to give preference to suppliers that measure, disclose, and reduce their impact. SBH believes that monitoring and disclosing its emissions will give it a competitive advantage with buyers that prioritize transparency and compliance.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications may be positive.

Strategy to realize opportunity

The sustainability committee and councils meet regularly to provide updates on incoming climate change-related requests and ongoing projects. Furthermore, by reporting to CDP and disclosing emissions, Spectrum Brands is showing its commitment to emissions reductions and climate change initiatives.

Cost to realize opportunity

Comment

The costs associated with managing this opportunity are not significant and are part of existing operating costs. These costs include annual salaries of employees that manage operations, as well as engagement of a consulting firm to help with emissions calculations and reporting.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	<p>i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our approach to designing our products in that our sourcing, procurement, and product development teams are encouraged to move beyond compliance to improve product design and packaging from a sustainability perspective.</p> <p>ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Supply chain and/or value chain	Impacted	<p>i) The risks and opportunities described in 2.3a/2.4a have affected our supply chain/value chain activities, particularly with regard to engaging our suppliers to achieve our sustainability goals related to performance on the Walmart Sustainability Index. In 2018, our teams worked alongside select suppliers to improve resource use efficiency and to reduce carbon footprints.</p> <p>ii) The magnitude of this impact is minimal, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Adaptation and mitigation activities	Impacted	<p>i) Physical climate risks as described in 2.3a have affected our mitigation activities in that our facilities must appropriately plan for and respond to severe weather events to ensure interruptions to normal operations are not substantively impacted.</p> <p>ii) The magnitude of planning for this impact in terms of costs is minimal, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>

Investment in R&D	Impacted	<p>i) The identified risks and opportunities reported in 2.3a and 2.4a have affected SBH investment in R&D to design our products in that our sourcing, procurement, and product development teams to encouraged to move beyond compliance to improve product design and packaging from a sustainability perspective.</p> <p>ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Operations	Impacted	<p>i) Physical and transitional climate risks and opportunities as described in 2.3a/2.4a have affected our operations, particularly with regard to implementing projects that support our progress toward achieving sustainability goals while saving on operational costs.</p> <p>ii) The magnitude of this impact is minimal, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Other, please specify		

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	<p>i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our revenues planning in that our ongoing investment toward more sustainable products and efficient facilities are incentivized by customer interest; responding to these customers support revenues.</p> <p>ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Operating costs	Impacted	<p>i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our operating costs in that our ongoing investment toward more sustainable products and efficient facilities to reduce our environmental impacts can require operating costs.</p> <p>ii) The magnitude of this impact is low, as these functions are part of day-to-day management and these activities are undertaken during the course of regular business.</p>
Capital expenditures / capital allocation	Impacted	<p>i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our capital expenditures in that our ongoing investment toward more sustainable products and efficient facilities to reduce our impacts can require capital.</p> <p>ii) The magnitude of this impact is low, as these functions are part of</p>

		day-to-day management and these activities are undertaken during the course of regular business.
Acquisitions and divestments	Not impacted	i) The identified risks and opportunities reported in 2.3a and 2.4a have not affected our approach to evaluating acquisitions and divestments.
Access to capital	Not impacted	i) The identified risks and opportunities reported in 2.3a and 2.4a have not affected our planning for access to capital.
Assets	Impacted	i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our asset planning in that energy efficiency initiatives in their facilities could increase the value of owned assets. ii) The magnitude of this impact is low.
Liabilities	Impacted	i) The identified risks and opportunities reported in 2.3a and 2.4a have affected our liabilities in that the company works with contracted third-party vendors to support implementation of environmental objectives related to climate change. ii) The magnitude of this impact is low.
Other		

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

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

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

i) SBH's business objectives and strategy have been influenced in that we take a strategic approach to environmental management, which is an indispensable element of our overall business management. The company observes the whole value chain to find ways to improve its environmental performance and sets energy, emissions, water, and waste reduction targets annually. Spectrum Brands has a mission to create and maintain a working environment that is safe for the employees, the communities in which it is involved, and the earth. Spectrum periodically hosts internal sustainability conferences, where senior management and representatives from all company divisions worked together to identify sustainability metrics data collection processes and implement changes to select products to address green

chemistry concerns. Spectrum's Risk and Sustainability Council shares recommendations to address consistently throughout the company and sets targets for additional benchmarking. For example, Spectrum continues to implement a sustainability program that includes corporate level governance and a global sustainability metrics data collection for our major operations and facilities to track greenhouse gas emissions and monitor our sustainability goals. The sustainability program has the support of our executive leadership team and engages all levels and divisions within the organization.

ii) SBH's business strategy is linked to emissions and energy reduction targets in that we set corporate level sustainability performance improvement goals that include reductions in greenhouse gas emissions. To that end, we implemented a global data collection process for our major facilities to establish baseline greenhouse gas emissions. Our primary focus is on our most significant operations, namely facilities worth more than \$1 million in annual wages and product and equipment assets, which in 2017 included close to 60% of our employees. Within these facilities our goal is to reduce scope 1 (direct emissions from owned or controlled sources) and scope 2 market-based emissions (indirect emissions from the generation of purchased energy) by 3% on a per revenue basis each year from FY2017 through FY2022.

iii) Customer and retail partner awareness towards climate change continues to increase, driving changes in consumer behavior and necessitating that SBH demonstrates its commitment toward sustainability. This increase in market expectations is the aspect of climate change that has most influenced SBH. SBH has responded with corporate-level sustainability goals. The most substantial business decisions made during the reporting year involved the continued commitment towards these corporate level sustainability goals for the next five years. For our efforts in setting a specific, measurable, time-limited emissions reduction target, disclosing this target publicly, and reducing emissions within the last reporting year Spectrum received Giga-Guru recognition from Walmart, as part of their Project Gigaton initiative to reduce emissions in the global value chain by 1 billion metric tons by 2030. SBH also pursued a robust effort to engage both internal stakeholders and suppliers to comprehensively report to the Walmart Sustainability Index, with plans to expand the effort to include additional sustainability topics and increase the number of suppliers engaged. For example, we are working to collect greenhouse gas data from our supply chain to inform our understanding of our Scope 3 emissions.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

SBH does not currently utilize forward-looking scenario analyses associated with climate change to inform our strategy and financial planning; however we are putting processes in place. We are currently setting the stage in order to take on climate scenario planning in the short term. For example, we are in the process of understanding the climate change risk and impact on our property and businesses by working with our insurers globally.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1 +2 (market-based)

% emissions in Scope

100

Targeted % reduction from base year

3

Metric

Metric tons CO2e per unit revenue

Base year

2017

Start year

2017

Normalized base year emissions covered by target (metric tons CO2e)

0.0000301

Target year

2018

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% of target achieved

0

Target status

Underway

Please explain

Years noted reflect SBH's fiscal years. Our goal is to reduce our carbon footprint (scope 1 and 2 market based emissions) 3% year over year through FY 2022 on a per revenue basis from a FY 2017 baseline. SBH measures progress each year towards this goal, which is what is reported here. Note that the target date for the goal is 2022.

% change anticipated in absolute Scope 1+2 emissions

-0.5

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	1,778
To be implemented*	7	162
Implementation commenced*	14	3,079
Implemented*	20	702.94
Not to be implemented	3	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Energy efficiency: Building services

Description of initiative

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

77.79

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

8,000

Investment required (unit currency – as specified in C0.4)

23,700

Payback period

1-3 years

Estimated lifetime of the initiative

1-2 years

Comment

Change to LED lights

Initiative type

Energy efficiency: Building services

Description of initiative

HVAC

Estimated annual CO2e savings (metric tonnes CO2e)

21.8

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,280

Investment required (unit currency – as specified in C0.4)

27,800

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

Replacement of 4 HVAC units

Initiative type

Energy efficiency: Processes

Description of initiative

Waste recovery

Estimated annual CO2e savings (metric tonnes CO2e)

18

Scope

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,500

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

21-30 years

Comment

Initiative type

Energy efficiency: Building fabric

Description of initiative

Other, please specify

Installation of Translucent Tiles

Estimated annual CO2e savings (metric tonnes CO2e)

5

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

300

Investment required (unit currency – as specified in C0.4)

600

Payback period

1-3 years

Estimated lifetime of the initiative

1-2 years

Comment

Initiative type

Process emissions reductions

Description of initiative

Behavioral change

Estimated annual CO2e savings (metric tonnes CO2e)

198.94

Scope

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

Employee day without car

Initiative type

Energy efficiency: Building services

Description of initiative

Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

73.11

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

7,000

Investment required (unit currency – as specified in C0.4)

96,000

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

VFD Air Compressor Install

Initiative type

Energy efficiency: Processes

Description of initiative

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

130

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

70,000

Investment required (unit currency – as specified in C0.4)

20,000

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Greenhouse drying of rawhide treats

Initiative type

Energy efficiency: Building services

Description of initiative

Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

33.58

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,090

Investment required (unit currency – as specified in C0.4)

Payback period

Estimated lifetime of the initiative

6-10 years

Comment

Change compressor motor VFD to units with speed control. Increase efficiency of compressors

Initiative type

Energy efficiency: Processes

Description of initiative

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

140.87

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

12,964

Investment required (unit currency – as specified in C0.4)

Payback period

Estimated lifetime of the initiative

16-20 years

Comment

Addition of P Line - Aerosol Expansion product reduced number of staff hours

Initiative type

Energy efficiency: Building fabric

Description of initiative

Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

4.18

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

300

Investment required (unit currency – as specified in C0.4)

60,000

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

Change of roof

Initiative type

Energy efficiency: Building services

Description of initiative

Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

0.44

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

680

Investment required (unit currency – as specified in C0.4)

3,300

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

Replacement of air compressors

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
--------	---------

Compliance with regulatory requirements/standards	SBH constantly investigates and reviews opportunities to reduce the environmental impacts and carbon footprint associated with the company's day-to-day operations and products. When opportunities to reduce emissions and improve energy efficiency emerge, the company evaluates both the economic and environmental impacts of such projects, with the end goal of achieving year-on-year improvements.
Financial optimization calculations	SBH constantly investigates and reviews opportunities to reduce the environmental impacts and carbon footprint associated with the company's day-to-day operations and products. When opportunities to reduce emissions and improve energy efficiency emerge, the company evaluates both the economic and environmental impacts of such projects, with the end goal of achieving year-on-year improvements.
Employee engagement	SBH constantly investigates and reviews opportunities to reduce the environmental impacts and carbon footprint associated with the company's day-to-day operations and products. When opportunities to reduce emissions and improve energy efficiency emerge, the company evaluates both the economic and environmental impacts of such projects, with the end goal of achieving year-on-year improvements.

C4.5

(C4.5) 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?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO₂e)

30,639.69

Comment

In January 2019, SBH divested its Global Battery & Lighting (GBL) and Global Auto Care (GAC) divisions. As such we have updated our base year to FY17 from FY16. We

removed emissions associated with the GBL and GAC divisions from our FY17 and FY18 inventory to align with our company's current organizational structure.

Scope 2 (location-based)

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO2e)

80,618.56

Comment

In January 2019, SBH divested its Global Battery & Lighting (GBL) and Global Auto Care (GAC) divisions. As such we have updated our base year to FY17 from FY16. We removed emissions associated with the GBL and GAC divisions from our FY17 and FY18 inventory to align with our company's current organizational structure.

Scope 2 (market-based)

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO2e)

79,986.04

Comment

In January 2019, SBH divested its Global Battery & Lighting (GBL) and Global Auto Care (GAC) divisions. As such we have updated our base year to FY17 from FY16. We removed emissions associated with the GBL and GAC divisions from our FY17 and FY18 inventory to align with our company's current organizational structure.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

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

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

37,137

Start date

October 1, 2017

End date

September 30, 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

81,482

Scope 2, market-based (if applicable)

76,996

Start date

October 1, 2017

End date

September 30, 2018

Comment

C6.4

(C6.4) 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

C6.4a

(C6.4a) 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

Sales Office

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

The logistics required and cost associated with collecting this data are prohibitive at this time

Source

Individual fuels (i.e. propane, distillate fuel oil, etc.) used in vehicles and equipment

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

The logistics required and cost associated with collecting this data are prohibitive at this time

Source

Wastewater treatment plants under operational control

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

The logistics required and cost associated with collecting this data are prohibitive at this time

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Explanation

Capital goods

Evaluation status

Relevant, not yet calculated

Explanation

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

6,058.48

Emissions calculation methodology

Location -based emissions from electricity transmission and distribution (T&D) losses were calculated by multiplying electricity consumption (international facilities) or electricity emissions (US facilities) by the T&D loss rate in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (Version 1.0). Emission factors for the US are from US EPA, "Year 2016 Summary Tables", Table 1 Subregion Output Emission Rates (eGRID2016), February 2018. GWPs from the IPCC Fifth Assessment Report (AR5 - 100 year) were applied. T&D loss rates for the US are from US Energy Information Administration (EIA), "State Electricity Profiles," Table 10. Supply and disposition of electricity, 1990-2017 (megawatthours), Data for 2017, February 26, 2019 (<https://www.eia.gov/electricity/state/>), and international T&D loss rates are from the International Energy Agency (IEA), "CO₂ Emissions from Fuel Combustion," 2018 Edition, Year 2016 Data.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Explanation

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

9,800.79

Emissions calculation methodology

Solid waste emissions (hazardous and non-hazardous waste to landfill, recycling) were calculated by multiplying the mass of waste by the appropriate emission factor (EF) based on the waste treatment method and waste type. Hazardous waste was assumed to be general hazardous waste sent to landfill, non-hazardous waste to landfill was assumed to be mixed municipal solid waste (MSW), and potential waste material

recycled/reused/recovered was assumed to be 100% mixed recyclables. Waste EFs should include end-of-life processes only, adapted from US EPA, "Waste Reduction Model (WARM)," Version 14, February 2016 (<https://www.epa.gov/warm/documentation-chapters-greenhouse-gas-emission-and-energy-factors-used-waste-reduction-model>). Landfill EFs only include non-biogenic emissions associated with landfilling and transportation (https://www.epa.gov/sites/production/files/2016-03/documents/warm_v14_management_practices.pdf). Recycling EFs only include non-biogenic emissions associated with transportation to the recycling facility (<http://epa.gov/epawaste/conservation/tools/warm/pdfs/Recycling.pdf>). Emissions associated with water, sewage and other systems were calculated using Carnegie Mellon's Economic Input-Output Life Cycle Assessment US 2002 Purchaser Price Model (<http://www.eiolca.net/cgi-bin/dft/use.pl?newmatrix=US428PURCH2002>). FY18 water withdrawal costs were adjusted for inflation using the CPI Inflation Calculator (<http://cpiinflationcalculator.com/>). GWPs from the IPCC Fifth Assessment Report (AR5 - 100 year) were applied.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Business travel

Evaluation status

Relevant, not yet calculated

Explanation

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

23,619.84

Emissions calculation methodology

SBH collected commute data from employees via a commute and travel survey requesting distance traveled to and from work in an average week in 2018 for the following transport methods: public transit and alternative methods - walk/bike, transit rail, intercity rail, bus, and ferry/boat; vehicle transit - car, truck or SUV, and motorcycle (also requested fuel type for car, truck or SUV, and motorcycle transport). 938 of 9479 employees responded to the survey with usable data. One-way commute distances as

well as the number of commute days traveled in an average week were recorded. Distances traveled were multiplied by an assumed 50 weeks per year. Per person distances traveled by each transport method were calculated by division and applied to the 7541 employees that did not respond to the survey, with half the per person distances being applied to "Other" employee types (including temp, seasonal, intern, casual, contract, etc.). Employee commuting emissions were then calculated by multiplying total miles traveled by the appropriate emission factor and global warming potential in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (Version 1.0). Emission factors from EPA, "Emission Factors for Greenhouse Gas Inventories," Table 2 Mobile Combustion CO₂ Emission Factors, Table 3 Mobile Combustion CH₄ and N₂O Emission Factors for On-road Gasoline Vehicles, Table 4 Mobile Combustion CH₄ and N₂O Emission Factors for On-road Diesel and Alternative Fuel Vehicles, Table 7 Business Travel Emission Factors, April 4, 2014 (<http://www.epa.gov/climateleadership/documents/emission-factors.pdf>) and GWPs from the IPCC Fifth Assessment Report (AR5 - 100 year) were applied. Actual employee commute emissions for the 1938 employees that responded to the survey were 4834 t CO₂e, and estimated employee commute emissions for the remaining 7541 employees were 18785.55 tCO₂e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

SBH does not operate any leased facilities within the company's boundaries.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Explanation

Processing of sold products

Evaluation status

Not relevant, explanation provided

Explanation

SBH products are finished goods and do not undergo further processing after point of sale.

Use of sold products

Evaluation status

Relevant, not yet calculated

Explanation

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Explanation

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

SBH does not operate any leased facilities within the company's boundaries.

Franchises

Evaluation status

Not relevant, explanation provided

Explanation

SBH does not operate franchises.

Investments

Evaluation status

Not relevant, explanation provided

Explanation

SBH did not make investments in the reporting year that could substantially impact the company's Scope 3 emissions.

Other (upstream)

Evaluation status

Explanation

Other (downstream)

Evaluation status

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00003129

Metric numerator (Gross global combined Scope 1 and 2 emissions)

118,620.32

Metric denominator

unit total revenue

Metric denominator: Unit total

3,790,400,000

Scope 2 figure used

Location-based

% change from previous year

3.93

Direction of change

Increased

Reason for change

Scope 1-2 Location-Based Emissions increased by 6.62% while net revenue increased by 2.58% compared to the previous reporting year, resulting in an increase in emissions per unit revenue of 3.93%.

Intensity figure

12.5008

Metric numerator (Gross global combined Scope 1 and 2 emissions)

118,620.32

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

9,489

Scope 2 figure used

Location-based

% change from previous year

48.54

Direction of change

Increased

Reason for change

Scope 1-2 Location-Based Emissions increased by 6.62% while the number of FTE employees reduced by 28.22% compared to the previous reporting year, resulting in an increase in emissions per FTE by 48.54%.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	37,090.67	IPCC Fifth Assessment Report (AR5 – 100 year)
CH ₄	21.89	IPCC Fifth Assessment Report (AR5 – 100 year)
N ₂ O	24.76	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	8,463.53
Australia	0
Brazil	0
Cambodia	0
Canada	0
China	2,079.37
Germany	1,751.23
Guatemala	0
Mexico	12,801.17
Philippines	3,568.79
Taiwan, Greater China	0.11
United Kingdom of Great Britain and Northern Ireland	287.11
Netherlands	6,363.88
Colombia	1,156.47
Ecuador	665.66

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
HPC	831.26
HHI	21,520.18
PHG	14,785.88

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-	Scope 2, market-	Purchased and consumed	Purchased and consumed low-carbon
----------------	--------------------	------------------	------------------------	-----------------------------------

	based (metric tons CO ₂ e)	based (metric tons CO ₂ e)	electricity, heat, steam or cooling (MWh)	electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America	30,588.7	27,149.59	54,851.34	0
Australia	504.03	504.03	661.81	0
Brazil	0	0	0	0
Cambodia	1,457.46	1,457.46	2,716.31	0
China	10,947.62	10,947.62	17,385.35	0
Germany	2,647.82	289.76	6,046.43	5,650.33
Guatemala	0	0	0	0
Mexico	16,652.96	16,652.96	35,780.01	0
Philippines	10,739.89	10,739.89	17,625.21	0
Taiwan, Greater China	1,024.72	1,024.72	1,738.3	0
United Kingdom of Great Britain and Northern Ireland	376.73	497.9	1,358.44	0
Netherlands	6,060.49	7,249.16	13,659.87	0
Colombia	235.34	235.34	1,063.72	0
Ecuador	247.22	247.22	879.33	0
Canada	0	0	0	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO ₂ e)	Scope 2, market-based emissions (metric tons CO ₂ e)
HPC	4,495.64	4,038.12
HHI	53,007.75	53,977.96
PHG	23,979.59	18,979.57

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) 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.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	
Other emissions reduction activities	486.4	Decreased	0.44	Emissions have not grown as high as could be expected due to 'other emissions reduction activities' implemented during FY18. In FY18, 486.4t CO ₂ e were reduced by the scope 1-2 emissions reduction projects that we were able to quantify in C4.3b, such as tankless hot water heating, replacement of 4 HVAC units, VFD air compressor installation with speed control, changing to LED lights, greenhouse drying of rawhide treats, installation of translucent tiles resulting in decreased electricity usage, an aerosol expansion project resulting in fewer shifts worked to achieve increased production, and a waste recovery initiative. Our revised FY17 Scope 1-2 location-based emissions were 111,258 t CO ₂ e. Therefore we arrived at -0.44% through $((-486.4/111,258) * 100 = -0.44\%$ (i.e., a 0.44% decrease in emissions).
Divestment	0	No change	0	
Acquisitions	0	No change	0	

Mergers	0	No change	0	
Change in output	2,875.63	Increased	2.6	Our revenue increased 2.6% from \$3,694,900,000 in FY17 to 3,790,400,000 in FY18 as a result of increased production at our facilities. Our revised FY17 Scope 1-2 location-based emissions were 111,258 t CO ₂ e, so based on our FY17 emissions per revenue intensity and assuming business as usual, our FY18 emissions should have been approximately 114,133.87 t CO ₂ e. In theory, this accounts for scope 1-2 location-based emissions increasing 474% at our Bogota facility from 242 t CO ₂ e in FY17 to 1,392 t CO ₂ e in FY18 since this facility was non-operational for a portion of FY17. Therefore, we arrived at 2.6% through $((114,133.87 - 111,258)/111,258) * 100 = 2.6\%$ (i.e., a 2.6% increase in emissions due to increased production).
Change in methodology	952.5	Decreased	0.9	There was a 1.2% decrease in location-based scope 2 emissions as a result of grid emission factor updates provided by the Environmental Protection Agency's Emissions & Generation Resource Integrated Database (eGRID) for facilities in the US and the International Energy Agency (IEA) for international facilities. In other words, FY18 electricity emissions would increase from 81,483 t CO ₂ e to 82,435 t CO ₂ e if calculated with 2017 emission factors. Our revised FY17 Scope 1-2 location-based emissions were 111,258 t CO ₂ e. Therefore, we arrived at -0.9% through $((81,483 - 82,435) / 111,258) * 100 = -0.9\%$ (i.e., a 0.9% decrease in emissions).
Change in boundary	0	No change	0	
Change in physical	5,236.89	Increased	4.7	Our natural gas emissions increased approximately 21.2% from approximately

operating conditions				28,121 t CO ₂ e in FY17 to 34,085 t CO ₂ e in FY18. Assuming that approximately 12.2% of this increase (727 t CO ₂ e) is associated with increased production described above, the remaining increase is most likely due to a harsher winter, resulting in more natural gas usage for heating and cooking. Our revised FY17 Scope 1-2 location-based emissions were 111,258 t CO ₂ e. Therefore, we arrived at 4.7% through $((34,085 - 28,121 - 727) / 111,258) * 100 = 4.7\%$ (i.e., a 4.7% increase in emissions).
Unidentified	688.45	Increased	0.62	After accounting for the emissions reductions associated with other emissions reduction activities and change in methodology, and emissions increases associated with change in output and change in physical operating conditions, we are unable to explain the remaining 0.62% increase in scope 1-2 location-based emissions (688.45 t CO ₂ e) from FY17 to FY18. Our revised FY17 Scope 1-2 location-based emissions were 111,258 t CO ₂ e. Therefore, the unidentified 0.62% increase in scope 1-2 location based emissions was calculated as $((688.45) / 111,258) * 100 = 0.5\%$.
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	202,048.12	202,048.12
Consumption of purchased or acquired electricity		5,650.33	148,115.8	153,766.13
Total energy consumption		5,650.33	350,163.92	355,814.25

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes

Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

188,071.48

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

188,071.48

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

15.17

MWh fuel consumed for self-generation of electricity

15.17

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4,113.64

MWh fuel consumed for self-generation of electricity

4,113.64

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

9,847.82

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

9,847.82

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Diesel

Emission factor

10.24268

Unit

kg CO2 per gallon

Emission factor source

US EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018
(<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Liquefied Petroleum Gas (LPG)

Emission factor

5.70374

Unit

kg CO2e per gallon

Emission factor source

US EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018
(<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Motor Gasoline

Emission factor

8.81184

Unit

kg CO2e per gallon

Emission factor source

US EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018
(<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Natural Gas

Emission factor

53.1145

Unit

kg CO₂e per million Btu

Emission factor source

US EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018
(<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type

Hydropower

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

5,650.33

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

Spectrum's Melle facility consumes 100% renewable energy purchased from the utility.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Spectrum Brands FY 2018 GHG Verification Statement_20190724.pdf

Page/ section reference

1

Relevant standard

Other, please specify

Environmental Resources Trust Corporate GHG Verification Guideline (Tier II)

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Spectrum Brands FY 2018 GHG Verification Statement_20190724.pdf

Page/ section reference

1

Relevant standard

Other, please specify

Environmental Resources Trust Corporate GHG Verification Guideline (Tier II)

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading systems in which you participate.

EU ETS

% of Scope 1 emissions covered by the ETS

17.14

Period start date

January 1, 2018

Period end date

December 31, 2018

Allowances allocated

3,401

Allowances purchased

2,239

Verified emissions in metric tons CO₂e

5,640

Details of ownership

Facilities we own and operate

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

SBH strategy with regard to complying with schemes in which we participate is to adhere to European law according to the Energy Emissions Directive. This particular site is subject to the EU-ETC emission trading scheme via a separate CO₂ emission trading permit, granted by the Dutch Emissions Authority dated January 2013.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0

% total procurement spend (direct and indirect)

0

% Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

The coverage of our engagement prioritizes suppliers from whom we require data to respond to and achieve improved performance on the Walmart Sustainability Index. In 2018, we surveyed nearly 400 tier 1 and tier 2 suppliers to generate our responses to the WMSI surveys that include product category Key Performance Indicators (KPIs).

Impact of engagement, including measures of success

SBH engagement with suppliers is undertaken to evaluate the risks and opportunities presented by our upstream relationships. Engagement success is measured by high response rates to supplier surveys, enabling us to improve performance with regard to CDP and the Walmart Sustainability Index and thereby leading to increased transparency within the supply chain. The intent of surveying suppliers is to go beyond collecting data to increasing awareness, which we facilitate by providing educational materials describing the importance of evaluating and reporting on sustainability-related impacts.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

0

% Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

SBH reports to CDP as well as the Walmart Sustainability Index (WMSI). Our strategy for prioritizing engagement is based significantly on our customers' priorities, which also prompt us to measure greenhouse gas emissions and other climate change impacts beyond our standard organizational reporting.

Impact of engagement, including measures of success

SBH reports to CDP as well as the Walmart Sustainability Index (WMSI). Our strategy for prioritizing engagement is based significantly on our customers' priorities, which also prompt us to measure greenhouse gas emissions and other climate change impacts beyond our standard organizational reporting. Success is measured by consistently improving sustainability performance across our product categories.

In 2018, we earned a top 3 ranking for 9 out of 13 product categories. We also continued to increase our company-wide average, achieving a 62% average in 2018, up from 49% in 2017, 33% in 2016 and 26% in 2015.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

As part of our Sustainability program goals, we have a Community goal focused on how we can positively affect the people and communities in which we operate. SBH employees volunteer thousands of service hours with dozens of community organizations around the world. Colleagues on the ground often initiate these programs, with "champions" taking the lead to

organize employees and determine how best to focus efforts locally. Each spring since 2012, employees across our U.S. divisions unite for our annual day of service. Our corporate headquarters team often partners with the Clean Lakes Alliance to perform water quality and stewardship projects such as litter clean-up, tree planting, and invasive plant removal. These actions help educate our employees about how to improve the quality of nearby bodies of water, protect wildlife, and enrich life for nearby communities. The National Environmental Education Foundation (NEEF) is a non-profit creating a safer and healthier environment. In 2018, more than 390 employees dedicated over 11,970 volunteer hours in Middleton, WI; Lake Forest, CA; and St. Louis, MO. SBH helped fund events hosted by local community groups, such as the Pheasant Branch Creek Corridor, Orchid Heights Park, Marshall Park, Five Rivers Metroparks, Irvine Conservancy, and Gateway Greening Urban Farm. Our support of volunteer projects and educational work allows employees to feel meaningfully engaged in their communities and offers us an opportunity to give back.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Retail Industry Leaders Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Retail Industry Leader's Association has multiple sustainability focus areas, including improving efficiency and decreasing greenhouse gas emissions from energy. The RILA produces a guide for its members on renewable energy procurement and how to take advantage of renewable energy policies and incentives to deliver cost savings and environmental benefits. SBH is a member of the RILA and maintains consistent views with the RILA in regard to climate change and the value of sustainability.

How have you influenced, or are you attempting to influence their position?

SBH is a member of the RILA. Through that involvement, Spectrum Brands influences the climate change-related policies and actions of this trade association

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Clean Lakes Alliance (CLA) is a non-profit organization dedicated to the environment and protection of the lakes, streams and wetlands in the Yahara Watershed. Spectrum Brands is a Sustaining Founder of CLA, providing significant financial, staffing and other in-kind support each year. Partnering with CLA on hands-on educational volunteer opportunities for staff promotes informed stewardship of natural resources, aligning with our corporate philosophy. SBH is on the Board of CLA. Furthermore, over 100 Spectrum Brands employees are assisting with improvement projects, including invasive species removal, native plantings and trash pick-up annually.

C12.3f

(C12.3f) 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?

At SPH, sustainability is a strategic element carried out to enhance the company's competitive edge while demonstrating commitment to the communities in which we live and work. The company employs a VP-Chief Sustainability Officer in the Global Sustainability function, to address Environmental, Social, Risk and Governance matters. This role is supported by senior Regulatory and EHS experts among our global operating businesses.

Our sustainability program continues to focus on building and maintaining our governance structure that will define our climate change strategy and lead our efforts to continuously evaluate activities around climate change policy. This approach ensures the elements of our strategy can adapt to changes in our businesses, physical operations and supply chains, marketplace demands, and internal objectives.

C12.4

(C12.4) 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

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

 Spectrum_Corporate_Citizenship_Review_51 (3).pdf

Page/Section reference

5-7,14,19-22

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	VP, Chief Sustainability Office	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	3,790,400,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Target Corporation

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

616.48

Uncertainty (±%)

5

Major sources of emissions

Natural Gas

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate.

Requesting member

Target Corporation

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

1,352.62

Uncertainty (±%)

5

Major sources of emissions

Purchased electricity (location-based)

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate.

Requesting member

Target Corporation

Scope of emissions

Scope 3

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

655.35

Uncertainty (±%)

5

Major sources of emissions

Transmission & distribution losses associated with purchased electricity (location-based), employee commute, waste and water consumption

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

5,165.8

Uncertainty (±%)

5

Major sources of emissions

Natural Gas

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate

Requesting member

Walmart, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

11,334.28

Uncertainty (±%)

5

Major sources of emissions

Purchased electricity (location-based)

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate

Requesting member

Walmart, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

5,491.54

Uncertainty (±%)

5

Major sources of emissions

Transmission & distribution losses associated with purchased electricity (location-based), employee commute, waste and water consumption

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SBH has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate Spectrum Brands has engaged a third party consulting firm to identify the inventory boundaries, complete all calculations, and report emissions to CDP. The chosen allocation method is approximate

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Not applicable

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

SBH does not face any challenges with emissions allocation at this time. The company is comfortable with its current strategy to allocate emissions.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Non-public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms