

**Module: Introduction****Page: Introduction****0.1****Introduction**

Please give a general description and introduction to your organization

Hasbro, Inc. (NASDAQ: HAS) is a branded play company providing children and families around the world with a wide-range of immersive entertainment offerings based on the Company's world class brand portfolio. From toys and games, to television programming, motion pictures, digital gaming and a comprehensive licensing program, Hasbro strives to delight its global customers with well-known and beloved brands such as TRANSFORMERS, LITTLEST PET SHOP, NERF, PLAYSKOOL, MY LITTLE PONY, G.I. JOE, MAGIC: THE GATHERING, and MONOPOLY. The Company's Hasbro Studios develops and produces television programming for markets around the world. The Hub TV Network is part of a multi-platform joint venture between Hasbro and Discovery Communications (NASDAQ: DISCA, DISCB, DISCK), in the U.S. Through the company's deep commitment to corporate social responsibility, including philanthropy, Hasbro is helping to build a safe and sustainable world for future generations and to positively impact the lives of millions of children and families every year. It has been recognized for its efforts by being named among the "100 Best Corporate Citizens" by CR Magazine and one of the "World's Most Ethical Companies" by the Ethisphere Institute. Hasbro was also recognized by the U.S. Environmental Protection Agency (EPA) in its inaugural Climate Leadership award for reduction of greenhouse gas emissions – goal achievement and was named by Climate Counts as the Toy Sector Leader - scoring highest in transparency and reduction of impact on global warming. Learn more at [www.hasbro.com](http://www.hasbro.com) and [www.hasbro.com/csr](http://www.hasbro.com/csr).

**0.2****Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Sat 01 Jan 2011 - Sat 31 Dec 2011

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### 0.3

#### Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
Australia
United States of America
Canada
Mexico
Chile
France
United Kingdom
Germany
Spain
Ireland
Greece
Switzerland
Belgium
Hungary
Netherlands
Denmark
Turkey
Russia
Italy
Romania

Select country
Austria
Poland
New Zealand
China
Malaysia
Singapore
Taiwan
Japan
Czech Republic
Vietnam
South Korea

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0.4

**Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

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0.5

**Please select if you wish to complete a shorter information request**

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0.6

**Modules**

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email [respond@cdproject.net](mailto:respond@cdproject.net).

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

## Module: Management [Investor]

### Page: 1. Governance

#### 1.1

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

Individual/Sub-set of the Board or other committee appointed by the Board

#### 1.1a

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

The highest level of responsibility for climate change at Hasbro resides with the Nominating, Governance and Social Responsibility Committee of the Board of Directors of Hasbro, Inc. Additionally, the Chief Executive Officer (CEO) chairs an executive CSR Committee that sets strategic direction for CSR policies and initiatives, including climate change, and ensures their integration throughout the entire corporation. Our Chief Development Officer, a CSR Committee member, oversees climate change issues related to Hasbro owned and third party factories.

#### 1.2

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

Yes

#### 1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
Chief Executive Officer (CEO)	Monetary reward	Meeting sustainability goals and objectives
Chief Executive Officer (CEO)	Recognition (non-monetary)	Meeting sustainability goals and objectives
Executive officer	Monetary reward	Meeting sustainability goals and objectives
Executive officer	Recognition (non-monetary)	Meeting sustainability goals and objectives
Business unit managers	Monetary reward	Meeting sustainability goals and objectives
Business unit managers	Recognition (non-monetary)	Meeting sustainability goals and objectives
Environment/sustainability managers	Monetary reward	Meeting sustainability goals and objectives
Environment/sustainability managers	Recognition (non-monetary)	Meeting sustainability goals and objectives
Facility managers	Monetary reward	Meeting sustainability goals and objectives
Facility managers	Recognition (non-monetary)	Meeting sustainability goals and objectives
All employees	Monetary reward	Annual performance objectives are tied to Corporate Social Responsibility, which includes Climate Change as a corporate priority
All employees	Recognition (non-monetary)	Annual performance objectives are tied to Corporate Social Responsibility, which includes Climate Change as a corporate priority
Other: Corporate Function Head	Monetary reward	Meeting sustainability goals and objectives
Other: Corporate Function Head	Recognition (non-monetary)	Meeting sustainability goals and objectives
Other: Employee Green Teams	Recognition (non-monetary)	Communicating climate change issues and developing grassroots programs supporting emission reduction targets as an integral part of the Hasbro culture

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

Integrated into multi-disciplinary company wide risk management processes

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## 2.1a

### **Please provide further details (see guidance)**

#### i. Scope of process:

Hasbro has developed an enterprise risk management (ERM) process that guides the identification, assessment and actions taken related to potential developments that can have impact on our business. The process incorporates an interdisciplinary group with a diverse set of skills to assess the potential risks that issues may pose for the company. Proposed and final regulatory actions and other developments related to climate change are considered as part of this risk management process.

At Hasbro, business continuity planning is a priority element of corporate governance accountability against which management performance is measured. Hasbro maintains a Business Continuity Planning Commitment Statement which is signed by the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer. Hasbro's commitment includes effective and timely crisis response, avoiding damage to the company's profitability, reputation or ability to operate. Specific to potential physical impacts of climate change on our operations, Hasbro has a Business Continuity Plan in place that establishes safeguards to minimize the risk, cost and duration of disruption to essential business processes in the event of a catastrophe at critical company locations. Additionally, for Hasbro owned and operated factories in the U.S. and Ireland, annual environmental objectives are set which are often more stringent than government requirements. We annually implement new project initiatives that advance our environmental stewardship and our cost competitiveness. Environmental policies and procedures are in place which are audited by internal (Hasbro) and external (ISO14001, FSC COC, SGP, etc.) auditors.

#### ii. How risks/opportunities are assessed at a company level:

At a company level, Enterprise Risk Management (ERM) is applied systematically top-down for Product Brands and Entertainment; in all Markets; on Strategic Partnerships/Adjacencies; in Sourcing and Human Capital; on Financial, Internal Systems and Controls, and Regulatory and Compliance, and finally on an ad hoc basis in many other areas. ERM is proactively managed by embedding the risk identification, monitoring and mitigating activities into our business process at the regional and functional levels with frequent updates to Hasbro's executive management team and our Board of Directors. ERM is part of our strategic planning process as well as our regional business reviews and influences our Internal Audit program. ERM is embedded into our business process and is included as part of our proactive management of our business on a daily basis.

#### iii. How risks/opportunities are assessed at an asset level:

Site specific ERM assessments are performed under the leadership of a cross-functional team. We also perform regional and functional assessments.

#### iv. Frequency of monitoring:

At least three times per year. We utilize an ERM Dashboard for Hasbro's executive management and Board Level reporting with at least three updates per year. We include a deeper dive on our ERM process and risks on an annual basis as part of our strategic planning process. At the regional and functional level our monitoring is constant and embedded into our daily business process.

#### v. Criteria for materiality/priorities:

Materiality/priority is based on a combined analysis of Risk Impact and the Risk Trend. We evaluate the overall impact of each risk which may be financial, operational or reputational and evaluate the magnitude of the risk and the effectiveness of our monitoring and mitigating activities in assessing the potential severity of a risk to Hasbro. We also consider how the risk is trending to determine if any additional mitigating actions are required. We use a color coding system on our reports and dashboards to indicate if our risk is High, Moderate or Low and use arrows for our trend indication to quickly draw attention to risks which are trending up for Hasbro.

vi. To whom are results reported:

Our ERM reporting system utilizes an ERM Dashboard for Hasbro's executive team and Board level reporting with at least three updates per year.

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## 2.2

### Is climate change integrated into your business strategy?

Yes

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## 2.2a

### Please describe the process and outcomes (see guidance)

i. The process by which the strategy is influenced:

Climate change is integrated into Hasbro's business strategy as part of a broader commitment to Corporate Social Responsibility (CSR) and environmental sustainability. A CSR committee, chaired by the CEO and comprised by members of the Senior Management team, oversees CSR policies and initiatives including environmental sustainability. Our Chief Development Officer oversees climate change issues related to Hasbro owned and third-party factories, as well as owned and operated facilities. Additionally, the company has a formal CSR practice led by Vice President of Corporate Responsibility and Government Affairs. Additionally, we have several working groups comprised of functional leaders focused on driving and executing environmental sustainability initiatives across the company:

- CSR Working Group: A subset of the CSR Committee and chaired by the VP of CSR.
- Sustainable Design Group: A cross-functional group focused on sustainable product and packaging design and chaired by the Chief Development Officer.
- Global Operations Sustainability Group: A cross-functional group focused on operations and supply chain and chaired by the SVP of Quality Assurance.
- Energy Conservation Committees: A management leadership group focused on driving annual energy reduction initiatives at each Hasbro owned and operated factory.
- CSR Core Team: A cross-functional leadership team focused on identifying and evaluating opportunities, challenges and gaps related to CSR, including climate change and environmental sustainability
- Green Teams: Employee-led teams focused on engaging employees and driving site specific environmental improvements, including energy, water and paper conservation.

ii. What aspects of climate change have influenced the strategy:

The following risks have influenced Hasbro's strategy:

- Regulatory issues: Hasbro is subject to regulation at national and local levels worldwide. Changes in the laws governing Hasbro can have a direct impact on our business. Through its trade associations or on its own, Hasbro monitors and/or participates in public policy debate and regulatory developments related to key issues, including environmental issues impacting our operations and manufacturing.
- Economic issues: Rising fuel and raw material prices, for paperboard and other components such as resin used in plastics or electronic components, increased transportation costs, and increased labor costs in the markets in which our products are manufactured
- Physical climate issues: Work stoppages, slowdowns, or an outbreak of a severe public health pandemic affecting our supply chain; transportation limitations or delays with product shipments; or damage/interruption to our information technology systems due to natural disasters or climate change related events
- Reputation issues: We recognize that our stakeholders, including consumers, review our progress and performance in these areas influences their perception which in turn can influence our corporate and/or product brands reputation. For example, we have taken steps to address deforestation in our supply chain as well as setting a goal to reduce our product to package ratio size.

iii. The most important components of short term strategy that have been influenced by climate change:

Our deep commitment to sustainability and minimizing our impact on the environment have influenced the most important component of our short term strategy - sustainable packaging. In 2012, Hasbro announced plans to reduce materials used in product packaging for many of its global brands resulting in an approximate 15 percent improvement in the average product-to-package ratio of brands and products included in the initiative. For the CDP reporting year 2011, Hasbro's sustainable packaging initiative included the following:

- Phase-out of PVC in packaging: In 2011, Hasbro announced plans to eliminate PVC from all new core toy and game packaging beginning in 2013.
- Elimination of wire ties: In 2011, Hasbro replaced all wire ties in its packages with ties made from paper rattan or bamboo mix to reduce environmental impact.
- Increasing recycled content: In 2011, Hasbro achieved its goal to derive at least 75 percent of paper and board packaging from recycled material, or from sources that practice sustainable forest management. By 2015, Hasbro plans to increase that target to 90 percent.
- Responsible paper sourcing policy: Hasbro implemented an aggressive paper sourcing policy in 2011, providing guidelines for suppliers regarding sustainable paper sourcing to help ensure that paper used in Hasbro products aligns with the company's commitment to environmental sustainability and responsibly managed forests. Among the policy's key requirements is the expectation that suppliers will source paper with as much post-consumer recycled content as practical and financially viable. The company has communicated the policy to its suppliers, and has made it a part of its company-wide quality assurance procedures.

Answer continued below in 'Further Information.'

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2.2b

Please explain why not

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2.3

**Do you engage with policy makers to encourage further action on mitigation and/or adaptation?**

Yes



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## 2.3a

### **Please explain (i) the engagement process and (ii) actions you are advocating**

Hasbro is committed to constructive engagement in public policy and does this both as an individual company and through U.S. and global trade organizations. Hasbro has maintained a leadership role in many groups that have helped build partnerships and develop best practices within our industry. Organizations include the Toy Industry Association (TIA), Canadian Toy Association (CTA), International Council of Toy Industries (ICTI), Toy Industries of Europe (TIE), Climate Leaders , Business Roundtable, Tec-RI, and Lean Benchmark Council. Additionally, through trade associations Hasbro has begun to participate in pilot projects, including, for example, an initiative in France to explore eco labelling. Additionally, we collaborate with NGOs on issues of mutual importance including product safety, manufacturing ethics, and the environment. For example, we engaged with Greenpeace on the development of our paper sourcing policy during 2011.

Hasbro's CEO is a member of the Business Roundtable (BRT). Business Roundtable was the first broad-based business group to call for action on climate change. Business Roundtable CEOs are committed to working with policymakers to forge a path to a more sustainable future and remain committed to a vision for America's energy future that is more diverse, more domestic and more efficient. Business Roundtable's effectiveness is rooted in the direct, personal participation of its CEO members, who present government with reasoned alternatives and positive policy suggestions. Business Roundtable identifies issues early, employs careful research and understands the problems faced by government as well as business. The environmental and energy challenges facing the United States and the rest of the world are serious obstacles to economic growth. Threats of increasing greenhouse gas emissions and the impacts of climate change – along with rising energy prices and growing energy demand must be managed with thoughtful and far-sighted government policies and business strategies. The Lean Benchmark Council was initiated by Hasbro's Massachusetts manufacturing facility five years ago in order to share best lean and other management practices among local companies, including environmental opportunities in energy conservation, greenhouse gas reductions, recycling, and water conservation. The council represents 17 companies in the western Massachusetts and northern Connecticut regions. The mission of the group is to share what works and what doesn't in order for each company to improve its competitiveness. The group meets quarterly at a host company's location; however members are free to work more closely with each other on common opportunities between group meetings if beneficial.

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## Further Information

### 2.2a continued

iv. The most important components of long term strategy that have been influenced by climate change:

Our deep commitment to sustainability and minimizing our impact on the environment have influenced the most important component of our long term strategy, including:

On mitigation:

- Target reduction of greenhouse gas (GHG) emissions (and other air emissions) at our sites, including own and operated factories. In 2011, we reduced global Scope 1 and 2 greenhouse gas emissions by 20 percent from a 2008 baseline, using Greenhouse Gas Protocol guidelines
- Evaluate GHG emissions from Scope 3 sources, such as data from manufacturing vendors, transportation (logistics) and business travel.
- Achieve zero waste in Hasbro's owned and operated factories' (U.S. and Ireland) manufacturing processes.

- Align procurement decisions with Hasbro's commitment to sustainable forest management, which requires that no sources of Mixed Tropical Hardwood (MTH) virgin fiber be used in products, including packaging.

On adaptation:

- Hasbro has a robust series of policies and standards that set minimum criteria for all operations, and each site is responsible for putting them into practice. Both our owned and operated factories have implemented the internationally recognized Environmental Management Systems (EMS) standard ISO 14001. In 2011, our owned and operated factories also achieved FSC certification.
- Implement energy efficiency projects, minimize water discharges, increase recycling and reduce waste to minimize landfill disposal at Hasbro sites, including owned and operated factories.
- Engage Hasbro employees (both non-union and union) in environmental sustainability efforts.
- Engage with governments, third party vendors and other stakeholders to evaluate impacts, develop action plans and implement strategies for different regions and markets.
- Work with governments, trade bodies and NGOs to assess and address pressing climate change related issues.

On reporting:

- Report on our CSR/sustainability efforts, including GHG emissions and risks/performance improvement measures related to climate change, via Hasbro's CSR Report (1st time published in 2011) and Hasbro, Inc. Annual Report.
- Track and report non-hazardous waste and recycling efforts for all our U.S. facilities through the U.S. EPA Waste Wise program.
- Report via retailer scorecards sustainability related product/packaging initiatives and improvements.
- Voluntary reporting on sustainable packaging efforts via the Australia Packaging Covenant.
- Respond to shareholder and investor inquiries, as well as other stakeholder groups, as requested.

v. Most substantial business decisions made influenced by climate change driven aspects of the strategy:

- Paper Sourcing (influenced by reputational aspect of climate change)

In 2011, Hasbro issued a Paper and Forest Procurement Policy (PFPP) intended to ensure that procurement decisions align with the Company's commitment to environmental sustainability and support sustainable forest management. The PFPP reiterates the Company goal of industry-leading 90 percent usage of paper packaging and in-box game content derived from recycled material or sources that practice sustainable forest management by 2015. The policy also sets stringent vendor requirements for credible third party certification (such as the Forest Stewardship Council) of fiber. In addition, as one facet of the PFPP's standards related to avoiding fiber from controversial sources, Hasbro requires that no sources of Mixed Tropical Hardwood (MTH) virgin fiber be used in products, including packaging.

- Chemicals/Materials (influenced by regulatory and reputation aspects of climate change)

Hasbro takes great care in selecting materials to be used in our products in order to ensure that they withstand reasonable use and abuse during play and provide an enjoyable play experience. We use a variety of materials and continue to investigate and assess alternate materials. Our challenge remains identifying cost effective alternates that not only meet our stringent quality and safety standards, but also provide an equal play experience and value for the consumer. Similarly, with respect to chemicals we are very careful about chemical selection and we have minimized the use of BPA, phthalates and brominated flame retardants in our products.

- Packaging (influenced by regulatory and reputation aspects of climate change)

Hasbro is actively working to extend our sustainable packaging efforts, including material selection and design, and will be concentrating on standardizing and aligning our business requirements across the global with our third party vendors.

- Logistics (influenced by economic aspect of climate change)

Emissions reduction initiatives include our regional distribution model, container load maximization program, off-peak loading and unloading, use of closest port, and our utilization of a train line in China to move containers to port instead of numerous truck haulers.

- Manufacturing – for Hasbro owned and operated factories (influenced by economic aspect of climate change)

Energy reduction projects include lighting upgrades and occupancy sensors, converting boilers to natural gas, installing roof insulation, replacing door and window seals, ensuring equipment is shut off when unused, and using optimal temperature settings for heating and cooling. We have also invested in energy-saving

manufacturing equipment, such as all-electric injection molding machines that are 70 percent more energy efficient than hydraulic machines.

**Page: 3. Targets and Initiatives**

**3.1**

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

Absolute target

**3.1a**

**Please provide details of your absolute target**

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
1	Scope 1+2	100%	10%	2008	34379	2012	

**3.1b**

**Please provide details of your intensity target**

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
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**3.1c**

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

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
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**3.1d**

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
1	75	100	Hasbro has exceeded its 10% goal in only two years, ahead of the expected four years.

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**3.1e**

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

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**3.2**

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

No

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**3.2a**

Please provide details (see guidance)

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**3.3**

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

Yes

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**3.3a**

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

Stage of development	Number of projects	Total estimated annual CO2e savings (only for rows marked *)
Under investigation	1	
To be implemented*	3	
Implementation commenced*	2	
Implemented*	2	
Not to be implemented	1	

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**3.3b**

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

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency:	Installation of VFD compressors	163	31000	210000	>3 years

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
processes					
Energy efficiency: building fabric	Replace R5 roof insulation with R20				>3 years
Energy efficiency: building services	Installed HVAC VFDs and synchronized belts	638	121000	209000	1-3 years
Energy efficiency: building services	Disconnected 50% of excess overhead lighting	8	600	1600	1-3 years
Process emissions reductions	Installed 5 all-electric injection molding machines that are 70% more energy efficient	237	397000	1150000	>3 years
Energy efficiency: building services	RI office electrical upgrades	31	9700	2200	<1 year

### 3.3c

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

Method	Comment
Compliance with regulatory requirements/standards	
Dedicated budget for energy efficiency	Lighting and equipment/machinery projects
Employee engagement	Green Teams
Dedicated budget for low carbon product R&D	Packaging initiatives
Internal incentives/recognition programs	Internal award programs such as the "INNY's".

### 3.3d

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

## Page: 4. Communication

### 4.1

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

Publication	Page/Section Reference	Identify the attachment
In annual reports (complete)	<a href="http://www.hasbro.com/csr">www.hasbro.com/csr</a>	CSR Report
In other regulatory filings (complete)	<a href="http://www.epa.gov/climateleaders/partners/index.html">http://www.epa.gov/climateleaders/partners/index.html</a>	
In voluntary communications (complete)	<a href="http://www.shareholder.com/visitors/DynamicDoc/document.cfm?DocumentID=2935&amp;CompanyID=HAS&amp;zid=4d6301e3">http://www.shareholder.com/visitors/DynamicDoc/document.cfm?DocumentID=2935&amp;CompanyID=HAS&amp;zid=4d6301e3</a>	
In annual reports (complete)	<a href="http://www.shareholder.com/visitors/DynamicDoc/document.cfm?DocumentID=2935&amp;CompanyID=HAS&amp;zid=4d6301e3">http://www.shareholder.com/visitors/DynamicDoc/document.cfm?DocumentID=2935&amp;CompanyID=HAS&amp;zid=4d6301e3</a>	

## Module: Risks and Opportunities [Investor]

### Page: 2012-Investor-Risks&Opps-ClimateChangeRisks

### 5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

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

5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
R1	Cap and trade schemes	Cap and trade schemes are being closely watched and monitored. The European Union Emission Trading Scheme (or EU ETS) is the largest multi-national, greenhouse gas emissions trading scheme in the world. It is one of the EU's central policy instruments to meet their cap set in the Kyoto Protocol. Other countries such as Japan, Australia and the United states have implemented or contemplated cap and trade schemes. These schemes may impact the operational costs of factories participating in the scheme and affect their competitiveness.	Increased operational cost	1-5 years	Direct	Likely	Low
R2	Product labeling regulations and standards	Product labelling requirements are also being closely followed. A California state representative sponsored the carbon labelling act in the California state legislature. The act would require the State Air Resources Board to develop and implement a program for the voluntary assessment, verification, and standardized labelling of the carbon footprint of consumer products sold in the state. Japan announced carbon footprint labelling scheme in 2008. Another label initiative started in spring 2008 in Switzerland. In July 2009, Wal-Mart announced an environmental labelling program for its products. The intent is to create over the next five years a universal rating system, that scores products based on how environmentally and socially sustainable they are over the course of their lives. Wal-Mart's goal is to have other retailers eventually adopt the indexing system. Retailer actions to bring low carbon products to market could favor competitors and affect consumer purchasing decisions.	Increased operational cost	1-5 years	Direct	About as likely as not	Medium



ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		Perceived environmental performance of products could have an impact on brand desirability and consumer behaviors.					
R3	Uncertainty surrounding new regulation	The past three decades have seen a large increase in the number of regulations and other environmental policies affecting the operations of businesses. The vast increase has been driven by a constant stream of discoveries of new environmental issues which are affecting human health and natural resources or have the potential to do so. Hasbro closely monitors such regulations and seeks to proactively implement process to address new potential requirements.	Increased operational cost	Unknown	Direct	Likely	Low

#### 5.1b

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions**

i. Cap and trade schemes may impact the operational costs of factories participating in the scheme and affect their competitiveness. Hasbro has two factories, one in the United States (Mass.) and one in Waterford Ireland. The relatively low emissions associated with these factories make the potential impact from cap and trade mechanisms low. Retailer actions to bring low carbon products to market could favor competitors and affect consumer purchasing decisions. Perceived environmental performance of products could have an impact on brand desirability and consumer behaviours.

ii. Hasbro has implemented systems to measure and monitor the GHG emissions from all of our operations including manufacturing, distribution and offices. Energy use is considered when capital expenditures are considered for implementation. Activities are implemented to minimize energy use and GHG emissions. Examples are provided in question 3.3b. In Australia, Hasbro is a signatory to the Australia Packaging Covenant (APC), a voluntary government and industry initiative working to reduce the environmental effects of packaging. Since 2008, we have pledged to publicly report against eight key performance indicators. These include how we are implementing sustainable guidelines for packaging design and procurement and our efforts to improve onsite recovery and recycling systems for used packaging.

iii. Costs of allowances under Cap and Trade are expected to increase. This can affect production costs in factories that participate in schemes and affect their competitiveness with third party suppliers. Establishing policies and processes in the face of regulatory uncertainty can cause unnecessary costs and affect competitive balance. Determining the carbon impact of products and implementing labelling requirements poses the threat of increasing costs given the diverse product portfolio of Hasbro.

5.1c

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
P1	Uncertainty of physical risks	Increasing global emissions of greenhouse gases (GHGs) may contribute to floods, droughts, and extreme weather events, as well as to international pressure to reduce emissions and shift to low-carbon technologies. The inability to predict the timing and magnitude of events and their impacts requires that plans be established proactively to manage potential disruptions to Hasbro operations and the supply chain. Thorough business interruption plans are established for this purpose.	Inability to do business	Unknown	Indirect (Supply chain)	About as likely as not	Low-medium

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

- i. Financial impact due to operations or supply chain disruptions depends on many factors including the location of the area affected, the extent of the effects, the timing of the event, and the duration of the impacts.
- ii. Hasbro has an extensive supplier base to work with so that needs can be met under various circumstances. Hasbro works with its suppliers to address supply needs and establish contingency plans.
- iii. The costs to assess, establish and implement the plans necessary to effectively manage potential disruptive events are part of doing business in a responsible manner and are not material in comparison to the financial impacts from supply chain disruptions they can protect against.

5.1e

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
O1	Reputation	Consumers, stakeholders and the general public are becoming more conscious of company social responsibility and environmental sustainability performance and rankings. Failure to act in an environmentally responsible manner can affect company or brand reputation in a negative manner and affect sales.	Reduced demand for goods/services	Unknown	Direct	Unlikely	Low
O2	Changing consumer behaviour	Consumer environmental awareness is growing and consumer choices may be influenced by the environmental impacts related to producing toys and games.	Reduced demand for goods/services	Unknown	Direct	Unlikely	Low

**5.1f**

**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions**

- i. The financial implications associated with reputation and changing consumer behavior risks may be derived from loss of market share.
- ii. Hasbro has taken a number of actions to address these risks. In 2011, Hasbro reported GHG emissions to the Carbon Disclosure Project as part of our ongoing efforts in transparent reporting of GHG emissions. This was the next stage in our reporting efforts. Early on, Hasbro demonstrated leadership by becoming a charter member of the U.S. EPA Climate Leaders program, the first in our industry and in our state of Rhode Island. Through the voluntary Climate Leaders program, Hasbro has been reporting GHG emissions since 2002. Hasbro also issues press releases on environmental related activities and goals to communicate externally with stakeholders and consumers. Examples of this type of transparent reporting include packaging and wire tie elimination goals, recycled content and sustainable sourcing goals, and GHG reporting and goals. In addition, Hasbro publishes a comprehensive Corporate Social Responsibility report ([www.hasbro.com/csr](http://www.hasbro.com/csr)) on its corporate website that discusses environmental sustainability progress and opportunities.
- iii. The cost of producing products may increase due to increased costs of raw materials. For example, paper based materials that are sourced from sustainably managed forests or certified to FSC standards (in support of our target to derive 90 percent of our paper packaging from recycled material or from sustainably managed sources by 2015), as well as sourcing PVC alternates for use in our packaging (in support of our goal to eliminate PVC from packaging beginning in 2013), can have greater cost.

**5.1g**

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

---

5.1h

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

---

5.1i

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

---

**Page: 2012-Investor-Risks&Opps-ClimateChangeOpp**

---

6.1

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

Opportunities driven by changes in regulation

Opportunities driven by changes in other climate-related developments

---

6.1a

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
R1	Product labeling regulations and standards	Product labeling regulations and standards may present an opportunity to differentiate our products from competitors. In France, a trial is underway with 168 companies volunteering 1000 products. The aim of the trial is to provide sound information to strengthen the nationwide roll-out of the eco-labelling law. Several working groups in various sectors have been collaborating to define the methodologies of the eco-labelling framework including outlining the goal and scope of the simplified LCA for the different product categories. Similar regulations may emerge in other European countries.	Increased demand for existing products/services	1-5 years	Direct	About as likely as not	Low

#### 6.1b

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

- i. Financially, it can present increased operating efficiencies which could result in cost savings.
- ii. We regularly assess the environmental characteristics of the materials we use to identify areas for improvement. Streamlined Life Cycle Assessment tools and software are used to support these efforts. We have already made significant progress in reducing packaging related waste, including: Reducing the amount of adhesive taping on master cartons (used to ship our product); Reducing the size of master shipping cartons; Specifying, where feasible, single-wall master carton construction, instead of double-walls; Reducing the use of secondary tissue paper material; Reducing window packaging (PVC) by changing to open and/or “try me” construction; Increasing the percentage of recycled material and post-consumer waste in action figure cards; Specifying 100 percent recycled material in medium-grade paper; Specifying a minimum 98 percent post-consumer recycled content in Kraft grade paper.
- iii. Materials with improved environmental characteristics can result in higher input costs.

#### 6.1c

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
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6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

6.1e

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
O1	Reputation	Environmental issues are increasingly being associated with companies by consumers, stakeholders and the public. By taking proactive actions to improve environmental performance of our operations and products, there is an opportunity to obtain operational efficiencies and cost savings as well as distinguishing our company from competitors.	Increased demand for existing products/services	1-5 years	Direct	About as likely as not	Low
O2	Changing consumer behaviour	Consumer awareness is growing and purchasing decisions may be influenced by consumer values. By producing products which minimize environmental impacts, there is an opportunity to build brand loyalty and differentiate our products from competitors.	Increased demand for existing products/services	1-5 years	Direct	About as likely as not	Low

6.1f

**Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions**

i. While it is difficult to quantify the financial impact, the reputational and consumer behaviour opportunities have the potential operating efficiencies and to effect sales.

ii. Hasbro has taken a number of steps to address this opportunity. We are working hard to reduce packaging and to maximize the use of recycled materials for our packaging. Where we have to use virgin materials, we strive to find sources that are certified as sustainable. We are fully committed to sustainable packaging and that's why we are actively pursuing our goal to eliminate PVC from all Hasbro core toy and game packaging beginning in 2013. We have also designed and implemented an internal checklist, which our designers use to compare packaging systems. Environmental factors considered include the number of packaging layers, greenhouse (GHG) emissions associated with the packaging, and the type and weight of material used. Hasbro purchases paper from suppliers who practice sustainable forestry. Both of our owned and operated factories have achieved certification from recognized certifying bodies like the Forest Stewardship Council (FSC). In 2010 we pledged to source at least 75 percent of paper packaging from recycled material or sources that practice sustainable forest management. By 2015, we aim to reach 90 percent usage of these materials and sources for all paperboard packaging and in-box content.

iii. Material costs can be higher in some cases and this can be offset, at least in part, through material reduction.

---

6.1g

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

---

6.1h

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

Hasbro has considered physical climate change parameters such as temperature, precipitation, changes in weather patterns and other natural resources and has determined that they do not present substantial opportunities to Hasbro at this time.

---

6.1i

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

## Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

### Page: 7. Emissions Methodology

#### 7.1

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

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Tue 01 Jan 2008 - Wed 31 Dec 2008	8241	26138

#### 7.2

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

Please select the published methodologies that you use

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

#### 7.2a



If you have selected "Other", please provide details below

---

7.3

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

Gas	Reference
-----	-----------

---

7.4

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

Fuel/Material/Energy	Emission Factor	Unit	Reference
----------------------	-----------------	------	-----------

**Page: 8. Emissions Data - (1 Jan 2011 - 31 Dec 2011)**

---

8.1

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

Operational control

---

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO<sub>2</sub>e

7656

---

8.2b

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

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment
----------	---	---------

---

8.2c

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

Gross global Scope 1 emissions (metric tonnes CO2e) – Part 1 Total	Comment
--	---------

---

8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment
----------	---	---------

---

8.3a

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

19684

---

8.3b

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e)	Comment

---

8.3c

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1	Comment

---

8.3d

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

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment

---

8.4

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

---

8.4a

Please complete the table

Reporting Entity	Source	Scope	Explain why the source is excluded
------------------	--------	-------	------------------------------------

---

8.4

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

No

---

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
--------	-------	------------------------------------

---

8.5

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

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 2% but less than or equal to 5%	Data Gaps	Where Hasbro leases space in multi-tenant office buildings, specific use data is not always available. Total building energy use is prorated based on percentage of Hasbro occupied space in these cases.	More than 2% but less than or equal to 5%	Data Gaps	Where Hasbro leases space in multi-tenant office buildings, specific use data is not always available. Total building energy use is prorated based on percentage of Hasbro occupied space in these cases.

## 8.6

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

Verification or assurance complete

### 8.6a

**Please indicate the proportion of your Scope 1 emissions that are verified/assured**

More than 90% but less than or equal to 100%

### 8.6b

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

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached assurance statement from Trucost

---

**8.7**

**Please indicate the verification/assurance status that applies to your Scope 2 emissions**

Verification or assurance complete

---

**8.7a**

**Please indicate the proportion of your Scope 2 emissions that are verified/assured**

More than 90% but less than or equal to 100%

---

**8.7b**

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

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached assurance statement from Trucost

---

**8.8**

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

---

8.8a

Please provide the emissions in metric tonnes CO<sub>2</sub>e

---

**Attachments**

[https://www.cdproject.net/Sites/2012/26/8126/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/8.EmissionsData\(1Jan2011-31Dec2011\)/TRUCOST Assurance Statement AA1000- HASBRO \(JR\)\\_v2.pdf](https://www.cdproject.net/Sites/2012/26/8126/Investor%20CDP%202012/Shared%20Documents/Attachments/InvestorCDP2012/8.EmissionsData(1Jan2011-31Dec2011)/TRUCOST%20Assurance%20Statement%20AA1000-HASBRO%20(JR)_v2.pdf)

**Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)**

---

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

---

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO <sub>2</sub> e
United States of America	3405
Mexico	139
Canada	472

Country	Scope 1 metric tonnes CO2e
United Kingdom	381
Turkey	102
Switzerland	23
Spain	235
Russia	36
Poland	197
Netherlands	126
Italy	253
Ireland	523
Hungary	108
Greece	41
Germany	229
France	874
Denmark	52
Belgium	287
Austria	33
New Zealand	11
China	10
Romania	21
Czech Republic	55
Australia	43

---

## 9.2

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

- By facility
- By activity

---

### 9.2a



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

Business Division	Scope 1 metric tonnes CO2e

9.2b

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

Facility	Scope 1 metric tonnes CO2e
RI Bldg 1027	848
RI Bldg 1011	70
RI Bldg NPD	192
RI Bldg 1033	196
MA ELM	1944
TX GP	110
WA Renton	27
FL Miami	9
WA Seattle	5
AK Bentonville	1
MA Dedham	4
Mexico DC	127
Mexico Office	12
Quebec	471
UK Newport	369
UK Uxbridge	11
Istanbul	102
Baar	23
Valencia	235
Moscow	36
Warsaw	197
Emmen	43
Utrecht	83

Facility	Scope 1 metric tonnes CO2e
Milan	253
Waterford	523
Budapest	108
Athens	41
Dreieich	3
Soest	226
Cruetzwald	786
Le Bourget	84
Paris	4
Glostrup	52
Brussels	287
Vienna	33
Aukland	11
Wharf HK	2
Shatin HK	1
Shanghai	1
WC HK	4
Shenzhen	3
Bucharest	21
Prague	55
Epping	7
Erskine	36

9.2c

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

GHG type	Scope 1 metric tonnes CO2e

---

**9.2d**

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

Activity	Scope 1 metric tonnes CO2e
Stationary Combustion	4293
Refrigerants	77
Mobile	3286

---

**Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)**

---

**10.1**

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

---

**10.1a**

Please complete the table below

Country	Scope 2 metric tonnes CO2e
United States of America	12454
Mexico	338
Chile	7
Canada	302
United Kingdom	1012
Turkey	42
Spain	349
Russia	28
Poland	19

Country	Scope 2 metric tonnes CO2e
Netherlands	15
Italy	38
Ireland	1880
Hungary	14
Greece	52
Germany	308
France	218
Denmark	22
Belgium	34
Austria	1
Taiwan	3
Singapore	23
New Zealand	25
Malaysia	51
Japan	7
China	1907
Romania	15
Czech Republic	28
South Korea	48
Australia	444

---

## 10.2

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

- By facility
- By activity

---

### 10.2a

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

Business division	Scope 2 metric tonnes CO2e
-------------------	----------------------------

10.2b

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

Facility	Scope 2 metric tonnes CO2e
RI Bldg 1027	1918
RI Bldg 1011	175
RI Bldg NPD	1909
RI Bldg 1033	261
MA ELM	6649
TX GP	514
WA Renton	908
FL Miami	64
MA Dedham	56
Mexico DC	193
Mexico Office	145
Santiago	7
Ontario	292
Quebec	10
UK Newport	302
UK Uxbridge	710
Istanbul	42
Valencia	349
Moscow	28
Warsaw	19
Utrecht	15
Milan	38
Waterford	1880

Facility	Scope 2 metric tonnes CO2e
Budapest	14
Athens	52
Dreieich	50
Soest	258
Creutzwald	160
Le Bourget	58
Glostrup	22
Brussels	34
Vienna	1
Taipai	3
Singapore	23
Aukland	25
Selangor	51
Tokyo	7
Shatin HK	13
Shanghai	36
WC HK	756
Shenzhen	1102
Bucharest	15
Prague	28
Soeul	48
Epping	175
Erskine	269

### 10.2c

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

Activity	Scope 2 metric tonnes CO2e
Electricity Purchase	19684

11.1

**Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?**

Yes

11.1a

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO<sub>2</sub>e

11.1b

Explain the basis of the alternative figure (see guidance)

11.2

**Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?**

No

11.2a

Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments

12.1

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

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

12.2

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

Energy type	MWh
Fuel	20557
Electricity	45654
Heat	
Steam	
Cooling	

12.3

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

Fuels	MWh
Distillate fuel oil No 2	5911
Natural gas	14601



Fuels	MWh
Propane	45

**Page: 13. Emissions Performance**

**13.1**

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

Decreased

**13.1a**

**Please complete the table**

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	10.3	Decrease	Examples provided in question 3.3

**13.2**

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

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
.00639	metric tonnes CO2e	unit total revenue	16.1	Decrease	Primarily emissions reduction activities and lower manufacturing production

13.3

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

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
4.72379	metric tonnes CO2e	FTE Employee	12.6	Decrease	Primarily emissions reduction activities and lower manufacturing production

13.4

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

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
.00579	metric tonnes CO2e	square foot	10.9	Decrease	Primarily emissions reduction activities and lower manufacturing production

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

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

14.1a

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

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
-------------	-----------------------------------	----------------------	----------------------	--	----------------------

14.1b

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

14.2

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

No

14.2a

Please complete the following table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance
---------------------------------------	--------------	------------------------	----------------------------	---	--	-----------------	-------------------------

15.1

**Please provide data on sources of Scope 3 emissions that are relevant to your organization**

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	4070	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Data represents travel of U.S., Mexico, Brasil and China employees.	
Downstream transportation and distribution	32251	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. 25042 is representative of third party ocean transportation, 3729 is from third party trucking transportation and 3480 is from third party distribution centers. The ocean transportation data reflects only shipments from Asia suppliers to the U.S. and Canada markets and is approximately 41% of global container movements. Data for other markets is currently being investigated and we plan to be able report it in the future.	
Other (upstream)	305110	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Other (upstream) represents approximately 50 third party manufacturing suppliers.	

**15.2**

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

Verification or assurance complete

**15.2a**

**Please indicate the proportion of your Scope 3 emissions that are verified/assured**

More than 0% but less than or equal to 20%

**15.2b**

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

Level of verification or assurance	Relevant verification standard	Relevant statement attached
Moderate assurance	AA1000 Assurance Standard	See attached assurance statement from Trucost

---

15.3

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

No, this is our first year of estimation

---

15.3a

Please complete the table

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

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Attachments

**Module: Sign Off**

**Page: Sign Off**

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**Please enter the name of the individual that has signed off (approved) the response and their job title**

John Gallucci  
Director of Environment, Health and Safety