

# SPARC – Environmental Sustainability

Revised 5/8/2024

This document details the supplier requirements for the Supply Chain Responsibility Environmental Program. Please read and understand the details below which explain the actions required for completion and how your participation helps Intel.

After implementation, there may be additional requirements to comply with this program. These may include regulatory updates, additional assessment or audit requests, actions required resulting from an audit/assessment, or any other requirement Intel deems necessary due to a change in the risk landscape.

## CDP Program Deliverables

- Climate Change Questionnaire
- Water Use Questionnaire

Intel has high supplier expectations associated with environmental performance and transparency. Intel is working with CDP, a not-for-profit organization that runs a global disclosure system for investors, companies, and governmental agencies. Intel is a member of CDP's Supply Chain program and requests key suppliers to participate in CDP's annual Corporate Questionnaire with a focus on the following areas:

- Environmental Performance – Climate Change
- Environmental Performance – Water Security

Suppliers assigned the Climate Change Questionnaire deliverable and/or the Water Use Questionnaire deliverable are requested to complete the relevant CDP questionnaire sections and are required to submit their responses by CDP's due date and to make responses public. The submission deadline for suppliers to receive a score from CDP on their response is September 18, 2024, and the final submission deadline is October 2, 2024. Please note that CDP has made changes to the disclosure framework for the 2024 cycle, which include the integration of questionnaires across CDP environmental focus areas into a single Corporate Questionnaire, as well as changes to the timeline and process for submission. For additional details, please visit the [CDP 2024 disclosure webpage](#). While the questionnaires will be integrated across the CDP focus areas, suppliers may still be requested to submit information related to individual sections of the CDP Questionnaire to meet the minimum SPARC requirements. Required questions within the CDP Corporate Questionnaire, as well as other requirements to receive credit for closing the Climate Change Questionnaire and Water Use Questionnaire deliverables, are outlined below.

## Requirements

### Climate Change Questionnaire Deliverable

**Step 1:** An email will be sent by Intel with a link to a CDP secure website where suppliers are able to identify the contact person at their company who will receive all communications directly from CDP including the link to the Corporate Questionnaire when it is released.

**Step 2:** Upon receipt of notification from CDP via e-mail, follow the instructions. Please sign in and "confirm participation" so that CDP and Intel can be notified that suppliers (a) received the questionnaire request and (b) are able to access the CDP Questionnaire. This step helps reduce the need for Intel to conduct additional validation and reduces communications from Intel and CDP to suppliers during the submission cycle.

**Step 3: Answer at least the required questions for Intel outlined in the table below** (completing additional portions of the questionnaire, although not mandatory, is desirable and may increase suppliers' CDP score). Intel recommends that suppliers review the CDP guidance documents, which can be accessed [here](#), to find more information on how to complete each CDP question required by Intel.

**Step 4:** Set at least one forward-looking (i.e., target year is in the future from current reporting year) **Greenhouse Gas (GHG) reduction goal/target** and report these targets and progress made toward them in the relevant questions regarding emissions targets in the questionnaire submission.

**Step 5: Make the response publicly viewable** (via CDP's Online Response System) per CDP instructions when the questionnaire is submitted.

CDP Corporate Questionnaire Module	Question Number(s)	Question Focus Area(s) and Requested Information	How Intel Uses This Information
<b>Required Questions to be Answered to Receive Credit for Deliverable Closure</b>			
Environmental Performance – Climate Change	7.3	Scope 2 Emissions Reporting Approach	Calculation of Intel's Scope 3 Category 1 and Category 2 GHG emissions
	7.6	Scope 1 Emissions	
	7.7	Scope 2 Emissions	
	7.8	Relevant Scope 3 Emissions	
	7.45	Emissions intensity per unit of currency total revenue and any additional intensity metrics that are appropriate to your business operation	
	7.53 (+ 7.53.1 – 7.53.3 as applicable)	Absolute emissions targets, emissions intensity targets, and progress made against those targets	Evaluation of compliance with requirement to set at least one forward-looking GHG reduction goal/target
	7.54 (+ 7.54.1 – 7.54.3 as applicable)	Other climate-related targets, including targets to increase low-carbon energy consumption or production, targets to reduce methane emissions, net-zero targets, and other climate-related targets	Evaluation of compliance with requirement to set at least one forward-looking GHG reduction goal/target, as well as Climate Change Commitments SPARC deliverables
	7.55 (+ 7.55.1 – 7.55.4 as applicable)	Emission reduction initiatives	Tracking progress toward Intel's 2030 goal to reduce supply chain GHG emissions by 30% from what they would be in the absence of action
<b>Recommended Questions</b>			

Environmental Performance – Climate Change	7.16	Breakdown of Scope 1 and Scope 2 emissions by country/area	Exploration of opportunities to refine Scope 3 Category 1 and Category 2 GHG emissions through higher-granularity data
	7.17 (+ 7.17.1 – 7.17.3 as applicable)	Breakdown of Scope 1 emissions by business division, by facility, and/or by activity	
	7.20 (+ 7.20.1 – 7.20.3 as applicable)	Breakdown of Scope 2 emissions by business division, by facility, and/or by activity	
	7.26	Allocation of emissions to customers	
	7.30.16	Breakdown of electricity/heat/steam/cooling consumption in the reporting year by country/area	Evaluation of potential opportunities for expansion of renewable electricity utilization and engagement through the Catalyze renewable accelerator program (additional details below)

## Water Use Questionnaire Deliverable

**Step 1:** An email will be sent by Intel with a link to a CDP secure website where suppliers are able to identify the contact person at their company who will receive all communications directly from CDP including the link to the Corporate Questionnaire when it is released.

**Step 2:** Upon receipt of notification from CDP via e-mail, follow the instructions. Please sign in and “confirm participation” so that CDP and Intel can be notified that suppliers (a) received the questionnaire request and (b) are able to access the CDP Questionnaire. This step helps reduce the need for Intel to conduct additional validation and reduces communications from Intel and CDP to suppliers during the submission cycle.

**Step 3: Answer at least the required questions for Intel** outlined in the table below (completing additional portions of the questionnaire, although not mandatory, is desirable and may increase suppliers’ CDP score). Intel recommends that suppliers review the CDP guidance documents, which can be accessed [here](#), to find more information on how to complete each CDP questionnaire question required by Intel.

**Step 4:** Set at least one forward-looking (i.e., target year is in the future from current reporting year) **water withdrawal, consumption, conservation, and/or efficiency goal/target** and report these targets and progress made in the relevant question(s) in the questionnaire submission.

**Step 5: Make the response publicly viewable** (via CDP’s Online Response System) per CDP instructions when the questionnaire is submitted.

CDP Corporate Questionnaire Module	Question Number(s)	Question Focus Areas(s) and Requested Information	How Intel Uses This Information
<b>Required Questions to be Answered to Receive Credit for Deliverable Closure</b>			

Environmental Performance – Water Security	9.2	Measurement and monitoring of water-related aspects, including withdrawals, discharges, and consumption	Provides information for Intel’s supply chain water assessments and sustainability programs
	9.2.2	Water withdrawal, discharge, and consumption volumes	
	9.2.4	Water withdrawal in areas with water stress	
	9.2.7	Water withdrawal by source	
	9.2.8	Water discharge by destination	
	9.2.9	Level of water discharge treatment	
	9.5	Water withdrawal efficiency	
	9.15 (+ 9.15.1 – 9.15.3 as applicable)	Provide information on water-related targets and provide details of water withdrawal and/or other consumption, conservation, and/or efficiency targets	Evaluation of compliance with requirement to set at least one water withdrawal, consumption, conservation, and/or efficiency goal/target
<b>Recommended Questions</b>			
Disclosure of Risks and Opportunities	3.3 (+ 3.3.1 – 3.3.2 as applicable)	Provide information on any penalties for water-related regulatory violations	Provides information for Intel’s supply chain water assessments and sustainability programs

→ Note: If this is the first year your company has been requested to participate in the CDP program or add a new reporting element then this is considered your Introduction Year. As a result, you are only required to report information you have access to for this year’s CDP reporting cycle. However, you are required to establish necessary systems/processes in your company during your Introduction Year so that you have the information available to report via CDP in the following year.

For more information about CDP, please go to <https://www.cdp.net>.

## Climate Change Commitments Deliverables:

- **Renewable Energy 2030:** Commit to achieving 100% renewable electricity for facilities that provide products or services to Intel with a target year by or before 2030
- **Greenhouse Gas (GHG) Net Zero 2050:** Commit to achieving net-zero Scope 1, Scope 2, and relevant upstream Scope 3 GHG emissions with a target year of no later than 2050

Intel has a commitment to achieve net-zero upstream Scope 3 GHG emissions by 2050, as well as an interim 2030 goal to reduce supply chain Scope 3 emissions by 30% from what they would be in the absence of action. Collaboration and action across the value chain is important for accelerating progress on GHG emissions reductions and helping to achieve these goals. Intel requests that suppliers assigned these deliverables make a commitment to achieve: (a) 100% renewable electricity

for facilities that provide products and/or services to Intel with a target year by or before 2030; and (b) net-zero Scope 1, Scope 2, and relevant upstream Scope 3 emissions across their total operations, with a target year of no later than 2050. We recognize that while many suppliers already have these targets and roadmaps to achieve these targets in place, for others, achieving these deliverables will require longer-term actions.

To meet the requirements of these deliverables, suppliers are requested to complete a survey, which can be accessed through the link provided in the latest quarterly SPARC snapshot letter. The survey opens on April 15, 2024, and the survey submission deadline is October 31, 2024. The purpose of this survey is to measure progress toward meeting these SPARC deliverables and to identify any challenges for which collaboration may be beneficial. Responses to this survey will not be public and will be provided only to Intel. Any personal data will be treated as private and kept confidential. For more information on how Intel manages your Personal Data, please review the [Intel Privacy Notice](#). If you have any questions about the survey or to request example questions for informational purposes, please email [Intel.Supplier.Assurance.Communications@intel.com](mailto:Intel.Supplier.Assurance.Communications@intel.com). Survey questions may change.

## Requirements

Deliverable	How compliance will be measured
<p>Commit to achieving 100% renewable electricity for facilities that support Intel with a target year by or before 2030.</p>	<p>Suppliers that have publicly set a commitment to achieve 100% renewable electricity across their operations by or before 2030 and that report this through relevant questions in their CDP Questionnaire submission and an annual Climate Change Commitment Survey will be considered to have met this deliverable.</p> <p>Suppliers that have not publicly set a 100% renewable electricity goal with a target year by or before 2030 will be asked to provide additional information in the Climate Change Commitment Survey, including if the supplier commits to achieving 100% renewable electricity by 2030 for facilities that provide products and/or services to Intel, a proposed timeline for achieving this deliverable if a commitment cannot be made at this time, any potential challenges or barriers to setting or achieving this deliverable, and any potential areas of collaboration. Please see above for additional survey information.</p>
<p>Commit to achieving net-zero Scope 1, Scope 2, and relevant upstream Scope 3 GHG emissions with a target year no later than 2050.</p>	<p>Suppliers are asked to a commit to achieving net-zero Scope 1, Scope 2, and relevant upstream Scope 3 GHG emissions with a target year of no later than 2050 and to report this through responses to relevant questions in the CDP Questionnaire and an annual Climate Change Commitment Survey.</p> <p>Suppliers that have not yet publicly set a net-zero GHG target that meets these criteria will be asked to provide additional information on the Climate Change Commitment Survey, including a proposed timeline for achieving this deliverable, any potential challenges or barriers to setting or achieving this deliverable, and any potential areas of collaboration. Please see above for additional survey information.</p>

## Catalyze Renewable Electricity Program

To support suppliers in their progress to set and achieve renewable electricity and GHG reduction targets, Intel is a co-sponsor of the Catalyze renewable electricity accelerator program. The Catalyze program is a semiconductor industry collaboration that provides suppliers with access to educational content and resources focused on renewable electricity, support for evaluating renewable electricity opportunities and procurement strategies, and access to renewable electricity procurement opportunities. Suppliers can find additional information and register for Catalyze through this [link](#). Suppliers are under no obligation to participate in any portion of the program or work with Schneider Electric, who is facilitating Catalyze, to explore the renewables market or purchase renewable electricity.

## Institute of Public & Environmental Affairs

Intel is working to better understand our supply chain's compliance to environmental laws in Mainland China and to influence our suppliers to address any non-compliance issues in a timely manner. In support of this goal, we are working with the [Institute of Public & Environmental Affairs](#) (IPE), a non-profit environmental research organization, to provide Intel with pertinent environmental compliance information.

IPE is dedicated to collecting, collating, and analyzing government and corporate environmental information to build a database of environmental information. Intel provides supplier names and their registered address **for sourcing facilities in Mainland China** to IPE under NDA. IPE will then inform Intel when any enforcement has occurred in an effort to comprehend supplier environmental performance. In addition, key suppliers who operate manufacturing facilities in Mainland China in support of business with Intel are requested to register with IPE and to submit the annual Pollution Release and Transfer Registry.

### Requirements

Intel expects all suppliers to meet local laws and regulations and close any gaps or violations quickly. If Intel receives notification of any open non-compliance issues from IPE for a given supplier, Intel will notify the supplier in writing with detailed instructions. Intel expects the Supplier to address or close the issue within one month. Failure to close identified issues with IPE within one month of Intel notifying the supplier may impact supplier report card scoring. Sustained non-compliance may impact future business with Intel.

Intel also requests that select suppliers with facilities in Mainland China to register with IPE and submit an annual Pollutant Release and Transfer Registry (PRTR). To register, visit IPE website (<https://www.ipe.org.cn/User/UserRegister.aspx>). Once registered, a supplier will have access to the Blue Map Database with environmental performance data and will be notified real-time of any notices registered for your facility.

A PRTR is an annual disclosure of resource use and emissions data. PRTR encourages the benchmarking and monitoring of enterprise performance and creates a platform for continuous improvement. It can be a powerful tool for pollution prevention and chemical risk reduction. Once the supplier is registered with IPE, they can follow the PRTR reporting guidance and refer to other resources provided on the IPE website (<http://www.ipe.org.cn/GreenSupplyChain/download.html?isfile=1>).

## Supplier Sustainability Scorecard (S3)

As a way to quantify the varied sustainability work by our supply chain, Intel has created the Supplier Sustainability Scorecard. Three environmental components are included in the S3: climate, water, and energy. Completion of Intel's required questions in CDP will help count towards the climate and water sections.

For Energy Usage and Consumption SPARC deliverable: Suppliers who participated in the Supplier Sustainability Scorecard (S3) in 2023 who do not already have a mechanism to disclose energy usage and consumption are asked to begin tracking and reporting this information. This deliverable looks to have suppliers report energy usage and consumption and document it either in an external document, such as a Corporate Social Responsibility report, or share the findings with Intel directly. Please provide the link to the externally visible document or send the energy usage and consumption report directly to Intel representative to close out this deliverable. Another option for completion is to provide the link when filling out the 2024 version of the S3 survey.

If you have any questions about our Environmental Sustainability program, please contact [Intel.Supplier.Assurance.Communications@intel.com](mailto:Intel.Supplier.Assurance.Communications@intel.com).

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