

C0. Introduction

C0.1

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

Slovenská Grafia is the original name of the company dating from 1921 and is the oldest original printing works in Slovakia. In 1935, the first colour publication made for Matica slovenská emerged from its printing-machines. In 1936 gravure equipment was installed, and two years later, an offset equipment. The tradition of rotary printing dates back to 1956, when the first gravure printers and offset rotary presses were installed and the production of colour picture magazines started. In 1971, the current factory in Bratislava - Krasňany was built. From 1997, a technology for the preparation of a form in gravure without film was introduced - CTG and from 2002, the same was done for offset - CTP. In 2012, after 55 years, the rotogravure production was finished. The majority share-holder of Slovenská Grafia is the Grafobal Group, the most important Slovak business group working in the area of packaging, printing, distribution and media.

We have the state-of-the-art equipment in all production stages available, from the order placement by means of and web interface InSite, through the workflow Kodak Prinergy Connect, the state-of-the-art proof on the monitor on each printing press, automatic colour control in the printing presses up to the elements of automation and robot utilisation by the production machines in the printing as well as finishing. For the manufacture of printing moulds, CTP technology is used, which ensure a top reproduction quality. The immediate hourly capacity of 12 million A4 per hour ranks us among the best printing houses in Europe. In 2018 we expanded our printing capacity by installing a new rotation offset printing press.

We know and define the needs of our clients and guarantee high-quality service with high added value. Our aim is to offer complex service to the clients and to fulfill demanding market requirements on quality and professional engagement. In this way, we have gained a firm place in European printing and integrated ourselves in to the strong international community of renowned publishing houses and influential printers, whether through direct customers or through partnerships.

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	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

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

Slovakia

C0.4

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

EUR

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 chosen approach for consolidating your GHG 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
Board Chair	A board chair is the highest ranking position in our company. The board has also the highest decision-making power in our organisation. Therefore the board chair has the highest influence in the process of adopting decisions by the board. Climate-related issues belong to the highest topics in our company. The board chair pays serious attention to this issues, as they are increasingly influencing everyday business of company.
Director on board	Directors on board play a crucial role in a key decision making process in our company. They can approve issues with substantial impact to our company. The directors on board are well aware of relevancy of climate issues, because they see its growing importance.

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	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	All meetings of the board are regularly scheduled. A Climate-related agenda is regularly monitored, reviewed and objectives are set once a year. There are various governance mechanisms to manage climate-related issues. The board has decision-making, supervising and approving competence. The board deals with all relevant issues and climate related issues belong to them. For example the board approves suggested major plan of action which also includes objectives on lowering amount of GHG emissions and particular steps to achieve the objectives. The plan is worked-out by the Health, safety and environment department. Then it is discussed in the Safety, Health, Environment and Quality committee. After the discussion reminders from the committee are amended to the plan. In the end the plan is submitted to the board for final approval.

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)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Safety, Health, Environment and Quality committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

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).

In our organizational directive the position of the Safety, Health, Environment and Quality committee lies in a Technical division. The chief of the committee is a Technical director who is a head of the Technical division. The Technical director is subordinated to a Managing director (equivalent of CEO). The Managing director is accountable to the Board. Other members of committee are Quality manager – responsible for quality issues, Health, safety and environment manager- responsible for environmental issues (also for climate related issues) and Health and safety specialist – responsible for health and safety issues.

The committee is responsible for environmental, occupational health and safety issues and for quality issues. Every year a plan of actions is set in these areas of interests. Among environmental targets also climate-related goals play important role. The plan is based on specific climate related risks and opportunities. These are approved, reviewed and monitored by the Board. Documents for the committee are worked-out by the Health safety and environment (HSE) department. The HSE department works-out tasks and manage a team of employees to meet the targets. The targets are evaluated by the board once a year.

At the end of the year the HSE department elaborates an annual report, in which current climate-related targets are assessed and new targets are suggested to the committee.

The committee discusses suggested targets or makes comments and then sends it back to the HSE department to revise the report. Then the report is submitted to the Board. After final approval of the report by the Board the targets become obligatory. There is also preliminary report submitted to the board quarterly. Quarterly reports describe partial success in targets fulfilling.

If energy reduction targets are met incentives are provided to the HSE manager, to the members of the committee who were participated and to the members of the Board.

Climate-related issues are a important part of overall environmental topics, so it is obvious that it is an agenda of a HSE manager in our company.

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	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).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Environmental, health, and safety manager	Monetary reward	Energy reduction target	If energy reduction target is not fully met parcial monetary reward is granted (between 50 - 99 %). Especially energy reduction target is rewarded because it saves cost expenditures.
Board/Executive board	Monetary reward	Energy reduction target	If energy reduction target is not fully met parcial monetary reward is granted (between 50 - 99 %). Especially energy reduction target is rewarded because it saves cost expenditures.
Other, please specify (members of the Safety, Health, and Environment and Quality committee)	Monetary reward	Energy reduction target	If energy reduction target is not fully met parcial monetary reward is granted (between 50 - 99 %). Especially energy reduction target is rewarded because it saves cost expenditures.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10	30	10 and more years.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Definition of substantive financial or strategic impact is created by the HSE department. "Substantive" is from our point of view an impact that can affect the whole company organization. This impacts includes operational, financial or strategic effects that undermine the entire business of our company. The effects can be driven by many factors, among others also by climate related risks which can influence availability of raw materials, services (i.e. transport services), suppliers and customers behavior. The key indicator of "substantial impact" is a net revenue. A drop of 20% and more in net revenue indicates "substantial" impact.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

- Direct operations
- Upstream
- Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

- Short-term
- Medium-term
- Long-term

Description of process

Risks and opportunities are identified in the HSE department based on relevant publications (e.g. IPCC reports). Identified risks and opportunities are discussed in the Safety, Health, Environment and Quality Committee. The Committee also assesses risks and opportunities from their potential substantive impact point of view. A substantive impact means an impact on the company as a whole covering direct operation, upstream and downstream processes. The key indicator of "substantive impact" is a net revenue. A drop of 20% and more in the net revenue indicates "substantive" impact. The Committee submits a list of risks and opportunities that may have substantive impact to relevant Directors of the Board. The relevant directors after an internal discussion approves the risks and opportunities (all or part of them) and draw up proposals for mitigation, transfer, acceptance or control the identified climate-related risks and to capitalize of opportunities. The proposals are submitted to the Board Chair where they are finally approved and time horizon for realization of proposals is set. There are short-term, medium-term and long-term time horizons. Short term horizon for risks and opportunities is from 0 - 3 years , medium from 3.01-10 years and long term is more than 10 years. Physical risks and opportunities has been identified and assessed by the HSE department according to AR5 Climate Change 2014, Emergent Risks and Key Vulnerabilities, publication of IPCC. For example the risk of heat waves during the summer time has been assessed from point of view of probability, magnitude and irreversible effects. After identification and assessment process the Safety, Health, Environment and Quality Committee has reviewed the risk from their potential substantive impact point of view. Subsequently the committee has submitted the risk to relevant Directors of the Board who has approved the risk and drawn up proposals for mitigation, transfer, acceptance or control the risk. The proposals has been submitted to the Board Chair where they has been finally approved. The same process is set for opportunities. Transitional risks and opportunities has also been identified and assessed by the HSE department according to AR5 Climate Change 2014, Emergent Risks and Key Vulnerabilities, publication of IPCC and has been discussed in the Safety, Health, Environment and Quality Committee. The committee has declared that the risk is transitional (i.e. fire of dry grass or forest). Subsequently the committee has submitted the transitional risk to relevant Directors of the Board who has approved the risk and drawn up transitional proposals for mitigation, transfer, acceptance or control the risk. The transitional proposals has been submitted to the Board Chair where they has been finally approved. The same is for transitional opportunities.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation creates basic frameworks for climate-related risk assessment. It is continuously monitored by the by the Environment, health and safety department. The department is monitoring global situation in the field of current regulation of climate changes. Example of this risk type is climate-related legislation, agreements, protocols currently in force.
Emerging regulation	Relevant, always included	As with the previous point, the new climate-related regulation is carefully and regularly evaluated by the he Environment, health and safety department. The department works out a report "Environmental behavior of our company" annually and it is submitted to the board of directors. In the report risks and opportunities arising from climate changes are evaluated and environmental behavior of our company stated. Example of this risk type is prepared or new legislation, prepared international agreements, protocols etc.
Technology	Relevant, always included	New technologies that can help reduce our dependence on fossil fuels, reduce carbon footprint and reduce costs are being evaluated. If they represent an opportunity to save costs, they are implemented. Example of this risk type is a new technology i.g. electro mobiles, photovoltaics, solar collectors etc.
Legal	Relevant, always included	All kinds of legal risks are included in the yearly risk assessment within the document "Environmental behaviour of our company" as it is mentioned above, the Board of directors entrust the business director to incorporate the identified risks or opportunities into our company's business strategy. Example of this risk type are court judgments, legal accusations etc.
Market	Relevant, always included	The SG is highly committed to markets, especially to its customers. Therefore, our risk assessment evaluates market trends related to climate change and it takes the appropriate measures. Example of this risk type is customers behavior, customers demands etc.
Reputation	Relevant, always included	All kinds of reputation risks related to climate change are included in the yearly risk assessment within the Environmental and climate behavior of our company creation process. Example of this risk type is fulfillment of customers reclaims, achievement all customers requirements, etc.
Acute physical	Relevant, always included	Sudden climate effects (i.g. heat waves) might cause damages to the company infrastructure and operations, therefore, acute physical risks are always considered in the risk assessment. Example of this risk type is incidence of extreme weather events (extreme hailstorms, floods, heat waves, etc.)
Chronic physical	Relevant, always included	Chronic climate effects might cause damages to the company infrastructure and operations and increase costs. However, their overall impact is not yet fully known, so they are not fully evaluated. Example of this risk type is rising mean temperatures, intensifying drought and rising sea levels.

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 & Primary climate-related risk driver

Chronic physical	Rising mean temperatures
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Higher maximum and mean temperatures (increase of average summer temperature by 4 °C) could cause higher operational costs by 35% for air-conditioning and machines cooling during summer time.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

45500

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Higher operational costs for air-conditioning and machines cooling during summer time has been taken into account. We have assumed an increase of energy costs for air conditioning and other energy costs for about 35 %. Cost for electricity and other cost related to air-conditioning are EUR 130,000 per year.

Cost of response to risk

20000

Description of response and explanation of cost calculation

Continuous monitoring of working conditions and temperatures at the workplace and implementation of the appropriate measures. Installation of extra air-conditions systems. The figure in "Cost of response to risk" includes cost of a new cooling machine, investment and operational cost for extra measures, such as air-conditioning and machines cooling. Costs are based on the current price of the corresponding services and materials per year.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate change causes a higher frequency of temperature extremes and extreme weather events (e.g. floods, storms, heat waves). Those extremes may lead to damaged

infrastructure and machinery either in our plant. It can also lead to interruptions of energy supply to our company. Financial impact is related to rectifying these damages and increased insurance claims. Estimated impact is 1-5% lost of production time.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost of managing any shortage and contingency and related investments and cost of monitoring has been taken into account. The number can be divided as follows: Cost of managing short-time shortage of electricity: 45 000 EUR, cost of monitoring: 5000 EUR. Costs are based on the current price of the corresponding services and materials per year.

Cost of response to risk

20000

Description of response and explanation of cost calculation

Monitoring of situation, flexible structure of suppliers, diversification of energy sources and back-up infrastructure installation has been taken into account as a response actions. For example installation of battery storage for electricity during any electricity shortage, monitoring of weather alert, establishment of communication platform with energy suppliers, creation of a "back up" suppliers list. Cost of the stated responses is related to: -the salary of the employees responsible for monitoring of situation, - creation of flexible structure of suppliers -diversification of energy source. The figure stated in "Cost of response to risk" is based on average price of services and material per year.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Change in participation patterns - lack of rainwater - may lead to water supply shortage (up to 30%) to plants of our suppliers. Especially paper industry is very demanding to water consumption and therefore this can impose significant risk. Shortage of paper would turn into higher price of paper on the market. Consequently it would cause higher direct material costs in our company.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

1000000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

Interruption of delivery of our main raw material, paper. Increasing the price of paper due to lack of water. Direct impacts to our operations. The number was calculated as follows: Interruptions of delivery can reduce our net revenue by 1 -13% per year. It corresponds to 1,000,000 - 10,000,000 EUR.

Cost of response to risk

15000

Description of response and explanation of cost calculation

Distribution risks of paper delivery interruption. Introduction of operation and energy savings. Monitoring of situation, flexible structure of suppliers and energy-saving measures will take place. Cost of managing any shortage and contingency and related investments, cost of monitoring. Cost of management is related to part of the salary of the employees responsible for monitoring of situation, flexible structure of suppliers, diversification of energy source.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

When considering higher "green" public awareness it could result to lower purchase of paper printing products. Nowadays, it is a trend of decreasing volumes of printing products all over the world due to an electronic publishing (newspapers, journals). However, rise of "green" public awareness can speed up the trend. We can estimate the annual decrease in demand for paper printing products for the reasons outlined above at 2%, which may lead to a 10% decline in operating profit per year.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Lost of revenues due the above described trends. The number was calculated as follows: 10% decline in operating profit per year. This corresponds to the sum of 100,000 EUR per year.

Cost of response to risk

15000

Description of response and explanation of cost calculation

Monitoring the market situation, consumer behavior surveys, more flexible business model, diversification of products, using "low carbon products" has been taken into account. Introduction of carbon offset projects to produce carbon neutral products. Cost of surveys (5,000 EUR), cost of introduction of new "green" products (10,000 EUR). The figure stated in "Cost of response to risk" is based on average price of services and material per year.

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Climate changes could cause lower demand for printed materials in market and our clients would prefer electronic forms of publishing to reduce their carbon footprint. Although it is unlikely now it would impose a risk for our business in the future. We estimate impact of this risk at 1%-5% of operating profit annually.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

7300

Potential financial impact figure – maximum (currency)

37000

Explanation of financial impact figure

Climate changes could cause lower demand for printed materials in market and our clients would prefer electronic forms of publishing because of lowering their carbon footprint. Although it is unlikely now it would impose a future risk for our business. The number was calculated as follows: minimum impact is 1% of current operating profit, corresponding to 7,300 EUR, maximum impact is 5% of current operating profit, i. e. 37,000 EUR.

Cost of response to risk

15000

Description of response and explanation of cost calculation

Monitoring the market situation, consumer behavior surveys, more flexible business model, diversification of products, using "low carbon products". Cost of surveys (5,000 EUR), cost of introduction of new products (10,000 EUR). The figure stated in "Cost of response to risk" is based on average price of services and material per year.

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
--------	---------------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our paper suppliers can be put under pressure to reduce the environmental impact of their production due to the climate change. The lack of water and timber and other factors could cause increase of the price of paper especially in Europe region. The price of paper from primary raw material may increase by 50% over the long term period.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The necessity of finding new suppliers of raw materials, replacement of paper. Current price of paper supply is about 40 mil. EUR/year. Increase by 50 % - 20 mil. EUR/year.

Cost of response to risk

20000

Description of response and explanation of cost calculation

Monitoring of situation, creation of flexible structure of suppliers of paper. Cost of monitoring the situation 10,000 EUR, finding new paper suppliers - 10,000 EUR. The figure stated in "Cost of response to risk" is based on an average price of services.

Comment

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Enhanced emissions-reporting obligations
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

New regulations may force us to increase capital expenditures into new technologies which produce less emissions. More specifically it will be possible modernization of heat-set offset dryers which produce majority of GHG emissions in our company. Estimated expenditures may represent 150,000 - 500,000 EUR.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

150000

Potential financial impact figure – maximum (currency)

500000

Explanation of financial impact figure

Estimated range covers modernization of heat-set offset dryers, to produce less GHG emissions. It covers cost of new technology, cost of service and cost of measures. Exact sum of expenditures will depend on the rate of emission reductions requested by the regulation.

Cost of response to risk

25000

Description of response and explanation of cost calculation

Monitoring and management of emerging regulations, monitoring of appropriate GHG reduction technologies. Cost of management and monitoring is related to part of the salary of the employees responsible for monitoring of situation.

Comment

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Technology	Substitution of existing products and services with lower emissions options
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

To satisfy expectations of our costumers we will have to search for suppliers producing less GHG emissions. For example we will ask potential suppliers to report their carbon footprint as a criterion in a tender. It is not certain how suppliers would react to our request. It is still not very common to calculate carbon footprint in region of middle east Europe. Suppliers may quit our cooperation and look for another customers. On the other hand suppliers may react positively and they will invest into new "green" technologies (producing less GHG emissions). Consequently they would come with higher prices of their products and services. Thereafter it would cause increased direct costs.

Time horizon

Medium-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)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We can not estimate real or potential impact on our company. It is very hypothetical. We do not know what technology would our suppliers chose and how will they project related costs into their pricing. There are too many possibilities.

Cost of response to risk

15000

Description of response and explanation of cost calculation

Monitoring of situation, flexible structure of suppliers, communication with suppliers, educative meetings with suppliers. For example we could arrange an educative meetings with our suppliers about our projects of lowering GHG emissions and importance of engaging our suppliers to this activity. We would try to motivate them to make common project of lowering GHG emissions. Cost of management and monitoring is related to part of the salary of the employees responsible for communication with suppliers and monitoring of situation.

Comment

Identifier

Risk 9

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
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Primary potential financial impact

Decreased access to capital

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

If too much spending and expenditures were aimed to GHG lowering activities, our stakeholders would loose confidence and refuse to finance them. We are a joint stock company where major stakeholder has more than 80% of shares. His attitude to GHG lowering is very pragmatic.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

It is very difficult to estimate financial impact. It would depend on particular project and its efficiency, payback period etc.

Cost of response to risk

15000

Description of response and explanation of cost calculation

Thorough assessment of GHG lowering projects, clear argumentation and rationale of projects. Cost of a project manager or part of the salary of the employees responsible for communication with project manager.

Comment

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) 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

Products and services

Primary climate-related opportunity driver

Ability to diversify business activities

Primary potential financial impact

Increased diversification of financial assets

Company-specific description

If we manage to reduce GHG emissions by 2,000 tons of CO₂e, we could achieve an additional income by trading excess of CO₂ certificates (voluntary scheme).

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

60000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Additional income by trading excess of CO₂ certificates or guarantees. It is based on the current price of emission allowances (30 EUR/ton), 2,000 tones corresponds to 60,000 EUR.

Cost to realize opportunity**Strategy to realize opportunity and explanation of cost calculation**

Standard method of management through the EU ETS criteria. Integrate into the EU ETS scheme. Cost related to monitoring and verifying the EU ETS emissions - part of salary of a relevant internal expert.

Comment**Identifier**

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

We can receive more clients and purchasers of our products through volunteer reporting of GHG emissions - namely eco-responsible companies. The increase can be estimate at 15 - 30 % by 2025.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

220000

Explanation of financial impact figure

Revenues from new products/low carbon products, revenues from new markets. Lower figure corresponds to 15% of operating profit (cca 100,000 EUR), maximum figure to 30% of operating profit (220,000 EUR).

Cost to realize opportunity

15000

Strategy to realize opportunity and explanation of cost calculation

Investing in a new production capacity to match the expected demand. Expanding our business to meet future demand for eco-printing.

Comment

Cost of a new production capacity - expanding of our business. Cost of the corresponding services and materials.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Climatic changes could cause that consumers will prefer eco friendly products. That could help us to find new business opportunities because we were awarded the EU Ecolabel certificate in 2013. The increase can be estimate at 15 % by 2025.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

200000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

New revenues due a new consumer needs and demands for low-carbon products or "carbon-neutral" printing. The number was calculated as follows: 15% of operating profit per year is circa 200,000 EUR per year.

Cost to realize opportunity

20000

Strategy to realize opportunity and explanation of cost calculation

Investing in a new production capacity to match the expected demand. Expanding our business to meet future demand for eco-printing. Cost of a new production capacity - expanding of our business. Cost of the corresponding services and materials.

Comment**C3. Business Strategy****C3.1****(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, but we intend it to become a scheduled resolution item within the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 6	We use IPCC's RCP 6.0 scenario as a starting-point for our climate-change related-risk strategy. It represents 'intermediate stabilisation pathways', which is likely pathway till the end of century. It also affects other strategies and projects, as described below. The scenario implies that our society will face greater vulnerability due to greater weather extremes. This is described in section 2 (risks). Climate change also brings new market opportunities, as we have seen above. All this has influenced our business strategy. If any relevant risk or opportunity has been identified in our document "Environmental behavior of our company", the Board of directors entrusts the business director to incorporate the identified risks or opportunities into our company's business strategy. The strategy involves all areas of our organization. For example, the more strict regulation in the area of air pollution caused that we have started to offer our clients offset printed products instead of rotogravure printed products (rotogravure technology products much more emissions than offset). Another example is that some clients wanted from us (as a consequence of climate changes) a guarantee that our products are environmentally friendly. So we decided to apply for EU Ecolabel certificate. The certificate was awarded to our company in the year 2013 and it is regularly updated. Moreover, we decided to modernize our heat facility. There were new heat recuperation units installed to utilize waste heat from our technology. As a result, our GHG emissions were lowered by approx. 25% and also operating costs were significantly reduced. We could also offer better prices for our clients. From above, it is clear that climate changes influenced our business strategy in a way of regulatory changes and opportunity to develop green business. Our short-term business strategy (current strategy) has been influenced by the LEGO activity - Engage to reduce program. We decided to purchase "green" electricity, which has zero GHG emissions. Our long-term business strategy has been influenced by the LEGO activity - Engage to reduce program too. Our long-term business strategy is rising production and earnings together with lowering or non-rising Scope 1 and 2 GHG emissions. The strategy gives us an advantage in tenders organized by big global companies with strong "green" policies.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Some of our relevant customers have strong environmental awareness and they require a guarantee that our products do not have a negative effect on the environment and human health. Therefore, we decided to undergo certification of our products according to the EU Ecolabel standard in 2013. Since then, we can offer to our clients environmentally friendly products.
Supply chain and/or value chain	Yes	Supply chain plays an important role in climate change issues. Our supply chain produces about 90% of GHGs expressed in CO ₂ eq. Therefore, we decided to undergo certification of our supply chain (especially paper) according to the FSC standard in 2014. It will guarantee to our customers that the paper used in our operation comes from sustainable managed forests. Since 2014, the FSC standard has been regularly updated.
Investment in R&D	Evaluation in progress	We have already started evaluation of investment in R&D. However, we have not decided yet what project we will support.
Operations	Yes	Still more customers have environmental awareness and they require a guarantee that our operation does not have a negative effect on the environment and human health. Moreover, a strict regulation in this area also forces us to minimize negative environmental impact. Therefore, we decided to undergo certification of our operation according to the ISO 14001 Environmental management in 2011. Since then, this standard indicates to our customers a compliance of our operation with all environmental requirements. Furthermore, in 2012, a rotogravure technology was abolished in our operation because of its high air pollution. Moreover, in 2016, we started to purchase "green" renewable electricity and launched a modernization of heat management. As a consequence, air pollution dropped by 60% and GHG emissions dropped by 25%.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures	Impact of climate-related risks and opportunities on our financial planning can be identified in year 2012 when we decided to abolish rotogravure printing technology due to, among other reasons, its high GHG emission pollution. In 2016, we decided to invest into modernization of a heat recuperation technology. As a result, the amount of GHG emissions dropped by 25%. In 2016, we also decided to purchase electricity from renewable sources (green electricity). Furthermore, in 2018, we decided to invest into modernization of an offset technology. An old machine was replaced by a new one with lower gas consumption. There is GHG emissions saving about 4% annually. Moreover, we plan to invest in an adiabatic cooling machine that will also save some GHG emissions.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Climate-related risks and opportunities have impact on financial planning . We cooperate with LEGO Group which motivate us to plan investments to greener technologies which produce less GHG emissions. We want to continually improve in lowering GHG emissions not only direct but also indirect.

In capital expenditures we always try to combine lower energy consumption with lower GHG production or lower direct operation costs with lower GHG production.

C4. Targets and performance

C4.1

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

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (market-based)

Base year

2015

Covered emissions in base year (metric tons CO₂e)

3265.23

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2022

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO₂e)

1372.04

% of target achieved [auto-calculated]

57.9802954156369

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

In the year 2016 we decided to purchase "green" electricity from renewable sources. We plan to purchase "green" electricity till 2022 but we would like to continue to do so also after the target year. In Scope 2 a change of methodology in calculation of emission occurred. Not only direct emission but also WTT (well-to-tank) losses are calculated in this section. It is related to a change in the standard ISO 14064-1:2018. Thus a sum of Scope 2 emission is not zero as it was last year.

Target reference number

Abs 2

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2015

Covered emissions in base year (metric tons CO2e)

6757.72

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

98

Target year

2022

Targeted reduction from base year (%)

30

Covered emissions in target year (metric tons CO2e) [auto-calculated]

4730.404

Covered emissions in reporting year (metric tons CO2e)

4003.33

% of target achieved [auto-calculated]

135.863871246515

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Only GHG emissions from natural gas consumption are involved in the target (98% of all Scope 1 emissions). Originally the target was 23% reduction against 2015 reference number. As we have already reached this target we considered to change it to 30% reduction.

Target reference number

Abs 3

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Purchased goods & services

Base year

2016

Covered emissions in base year (metric tons CO2e)

33074.6

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

95

Target year

2022

Targeted reduction from base year (%)

15

Covered emissions in target year (metric tons CO2e) [auto-calculated]

28113.41

Covered emissions in reporting year (metric tons CO2e)

37201.76

% of target achieved [auto-calculated]

-83.1889123375642

Target status in reporting year

Revised

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Only paper purchase is considered. It represents majority of Scope 3 emissions (more than 70%). Comparing to the base year 2016 there is a 12% rise of paper consumption in the year 2020. We will review this target to take a rise of paper consumption into account in 2021.

Target reference number

Abs 4

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2020

Covered emissions in base year (metric tons CO2e)

4135.98

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

20

Covered emissions in target year (metric tons CO2e) [auto-calculated]

3308.784

Covered emissions in reporting year (metric tons CO2e)

4135.98

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

This is a new target. A new target was set because the old one (Abs 2) was achieved in 2020.

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

Int 1

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO2e per unit revenue

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

0.11

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2022

Targeted reduction from base year (%)

70

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.033

% change anticipated in absolute Scope 1+2 emissions

-52

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.058

% of target achieved [auto-calculated]

67.5324675324675

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Originally the target was 40% reduction against 2015 reference number. As we have already reached this target we considered to change it to 70% reduction.

Target reference number

Int 2

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO2e per unit FTE employee

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

25.6

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2022

Targeted reduction from base year (%)

70

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

7.68

% change anticipated in absolute Scope 1+2 emissions

-52

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

14.61

% of target achieved [auto-calculated]

61.328125

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Originally the target was 40% reduction against 2015 reference number. As we have already reached this target we considered to change it to 70% reduction.

Target reference number

Int 3

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3 (upstream)

Intensity metric

Other, please specify (Metrics tons of CO2e per metric tons of purchased paper)

Base year

2020

Intensity figure in base year (metric tons CO2e per unit of activity)

0.51

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

92

Target year

2030

Targeted reduction from base year (%)

15

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.4335

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

-13.67

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.51

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Only Scope 3 emissions of purchased paper has been taken into account. They represent 92% of all emissions from purchased material and services.

Target reference number

Int 4

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Intensity metric

Metric tons CO2e per metric ton of product

Base year

2020

Intensity figure in base year (metric tons CO2e per unit of activity)

0.086

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

15

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.0731

% change anticipated in absolute Scope 1+2 emissions

-15

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.086

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify (We are aligned with the LEGO Group initiative to decrease GHG emissions in their value chain.)

Please explain (including target coverage)

Metrics tons of production is calculated as metrics tons of consumed paper minus metrics tons of paper waste. Waste paper generated in cooperation is calculated as 10% of production in cooperation.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers	Other, please specify (Percentage of suppliers of paper and printing ink disclosing of a carbon footprint of their products)
---------------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2019

Figure or percentage in base year

24.2

Target year

2035

Figure or percentage in target year

70

Figure or percentage in reporting year

43.75

% of target achieved [auto-calculated]

42.6855895196507

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes it correlates with Int 3 target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

It is not part of an overarching initiative yet. However we will consider this option in the future.

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	1	
To be implemented*	1	150
Implementation commenced*	3	3150
Implemented*	2	1000
Not to be implemented		

C4.3b

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

Initiative category & Initiative type

Low-carbon energy consumption	Hydropower
-------------------------------	------------

Estimated annual CO2e savings (metric tonnes CO2e)

3000

Scope(s)

Scope 2 (market-based)

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

6-10 years

Comment

After 2022 we plan to continue buying renewable electricity.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

1000

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

56500

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

77549

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Substitution of classical lights with LED lights.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

960

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

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

160000

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

20000

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

We have decommissioned our old printing machine which consumed too much fuel (natural gas) comparing to new machines. Thus the operation of the printing machine was not effective.

C4.3c

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

Method	Comment
Compliance with regulatory requirements/standards	We are always trying to meet all regulatory requirements or standards. It is a must for us. We are regularly monitoring new regulatory requirements in our area of interests. New regulatory requirements are submitted to the Board and necessary process changes and methodology changes are discussed.
Lower return on investment (ROI) specification	Some of investments in a technology equipment have synergistic effect that cause lower return. Especially replacement of old technology with lower energy consumption or heat or waste recovery bring this effect. We always use this point of view by assessment of a new investment.
Dedicated budget for energy efficiency	When a new idea of a energy efficiency is in place it is discussed by competent managers and then it is added to an investment plan. The investment plan is approved by the Board. Then there is a dedicated budget established in a financial plan. We always search for a new energy efficiency ideas.
Dedicated budget for other emissions reduction activities	Similar process like energy efficiency is also emissions reduction activities. It is motivated either our green policy and also lower operational costs which are often a by-product of GHG emission reduction activities.

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?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

Printed products - journals, leaflets, brochures, catalogues,

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Low-Carbon Investment (LCI) Registry Taxonomy

% revenue from low carbon product(s) in the reporting year

98

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

As we are buying 100% electricity from renewable sources (hydro- or solar or wind), all our products printed by our operation can be defined as "low-carbon" according to LCI registry taxonomy. Moreover we also recover waste heat from our operation technology. % revenue from low carbon products in 2019 is 98%, because some products were produced in cooperation with other printing houses.

C5. Emissions methodology

C5.1

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

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

6839

Comment

It involves CO2e emissions from our technology, and vehicles.

Scope 2 (location-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

4529.93

Comment

It involves CO2e emissions from purchased electricity accordig the emission factor provided by the local electricity producer.

Scope 2 (market-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

3265

Comment

It involves CO2e emissions from purchased electricity accordig the emission factor from our electricity trader.

C5.2

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

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

The Greenhouse Gas Protocol: Scope 2 Guidance

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)

4135.98

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

The major source of direct emissions are emissions from burning natural gas in dryers. Dryers are used for drying printing ink on printed paper during printing process.

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

3028.28

Scope 2, market-based (if applicable)

1372.04

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

All amount of electricity was bought as "green" electricity from renewable sources in 2020. Production and distribution losses for electricity and natural gas were accounted for Scope 2 market based emissions according to a new methodology.

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?

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

39834

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

55

Please explain

A carbon footprint of suppliers products data were obtained directly from suppliers.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

No relevant investments in capital goods were carried out in 2020.

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

Evaluation status

Relevant, calculated

Metric tonnes CO2e

568

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

90

Please explain

Energy and distributions losses, WTT for all fuels and energy we consume.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

188

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

80

Please explain

Transporation of materials to our plant.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

411

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

60

Please explain

All waste and waste water generated in our factory.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

22.5

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

60

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

523.7

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

50

Please explain

Data collected by questionnaire for employees. Incl. home office in 2020.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not have any such assets.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1735

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

80

Please explain

Transportation of our products to clients, provided by third party.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Products from Slovenska Grafia are 100% finished products and thus they are not intended for further processing, transformation or inclusion in another product before use
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Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

By using products from Slovenska Grafia, no GHG emissions occur. Printed journals, brochures, catalogues, leaflets need not any additional fuels, electricity or heat for their use.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

33.4

Emissions calculation methodology

Corporate value chain (scope 3) standard.

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

80

Please explain

It is hard to collect comprehensive information about the end of sold products from Slovenska Grafia. Some of our clients report us an amount of unsold products which were submitted to recycling operations. As it is obligatory to separate paper from municipal waste in most European countries we can assume that at least 60% of our products are recycled.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Slovenska Grafia did not provided leasing of any object in the year 2020.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Slovenska Grafia did not granted any franchise in the year 2020.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Slovenska Grafia, a.s. did not accomplish any significant investment activities in 2020.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

No other upstream activities producing scope 3 GHG emissions occurred in the year 2020.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

No other downstream activities producing scope 3 GHG emissions occurred in the year 2020.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic 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

0.058

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

5508.02

Metric denominator

unit total revenue

Metric denominator: Unit total

95059135

Scope 2 figure used

Market-based

% change from previous year

0

Direction of change

No change

Reason for change

Decrease thanks relative decoupling of GHG figures from revenues. Note. Intensity figure in kg CO2e/EUR revenue

Intensity figure

14.61

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

5508.02

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

376.9

Scope 2 figure used

Market-based

% change from previous year

11.5

Direction of change

Increased

Reason for change

Increase thanks decrease of number of employees and increase of Scope 1+2 figure due to a new methodology. Intensity figure in tonnes CO2e/1 employee.

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 CO2e)	GWP Reference
CO2	4084.67	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	112.06	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	37.23	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	50.56	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)
Slovakia	4135.98
Europe	4135.98
EU28	4135.98
Central Europe	4135.98

C7.3

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

By activity

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Heating	4003.33
Personal cars - gasoline	18.57
Personal cars - diesel oil	63.52
Cooling/ climatization	50.56

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Slovakia	3028.28	1372.04	22889.48	22889.48
Europe	3028.28	1372.04	22889.48	22889.48
EU28	3028.28	1372.04	22889.48	22889.48
Central Europe	3028.28	1372.04	22889.48	22889.48

C7.6

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

By facility

C7.6b

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

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
warehouse, maintenance and operation buildings including technology	2992.85	1355.99
administration building	35.43	16.05

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 CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	1385.55	Increased	27.15	We have calculated Emission value (%) in column 4 as follows: Change in Scope 1+2 emissions attributed to the reason described in column 1/Previous year Scope 1+2 emissions x 100. The reason of growth of Scope 1+2 emissions in 2020 was change in the way of inclusion of different categories in Scope 1 + 2 emissions , i.e. electricity and Natural gas WTT and distribution losses in Scope 2 emissions or fuel consumptions in leased cars in Scope 1 emissions. It is caused by a new norm ISO 14064-1:2018 which changed distribution of particular GHG emissions to different categories. Instead of Scope 1-3 there are new 6 categories.
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

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?

Market-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 undertook this energy-related activity in the reporting year
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 (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	21947.24	21947.24
Consumption of purchased or acquired electricity	<Not Applicable>	22889.48	0	22889.48
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	22889.48	21947.24	44836.72

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	No
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

LHV (lower heating value)

Total fuel MWh consumed by the organization

21649.38

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00191

Unit

metric tons CO2e per m3

Emissions factor source

NIR Slovakia 2020

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

230.47

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00269

Unit

metric tons CO2e per liter

Emissions factor source

NIR Slovakia 2020

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

67.39

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00236

Unit

metric tons CO2e per liter

Emissions factor source

NIR Slovakia 2020

Comment

C8.2e

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

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Slovakia

MWh consumed accounted for at a zero emission factor

22889.48

Comment

100% of electricity purchased for the year 2020 was attributed for green electricity with 0 emission factor.

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	Third-party verification or assurance process in place

C10.1a

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

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/ section reference

1-4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

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

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/ section reference

1-4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

1-4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Downstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Verifikačný certifikát US 2020.pdf

Page/section reference

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Relevant standard

ISO14064-3

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?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	ISO 14064-3	It is important for us to be sure that our GHG emissions reduction activities are functional. Also it is important for us to have correct calculation of year on year change in emissions to publish it. We undergo the verification annually and over a whole company.
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISO 14064-3	Year on year emission performance is an important indicator for our business strategy and planning.
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISO 14064-3	Emission breakdown is an important indicator for our business strategy and planning.
C8. Energy	Year on year change in emissions (Scope 1 and 2)	ISO 14064-3	Energy consumption is an important indicator for our business strategy and planning.
C6. Emissions data	Year on year change in emissions (Scope 3)	ISO 14064-3	It is important for us to be sure that our GHG emissions reduction activities are functional. Also it is important for us to have correct calculation of year on year change in emissions to publish it. We undergo the verification annually and over a whole company.
C7. Emissions breakdown	Year on year change in emissions (Scope 3)	ISO 14064-3	Emission breakdown is an important indicator for our business strategy and planning.

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)?

No, and we do not anticipate being regulated in the next three years

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

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

1

% total procurement spend (direct and indirect)

51

% of supplier-related Scope 3 emissions as reported in C6.5

90

Rationale for the coverage of your engagement

Only suppliers of paper and printing inks are involved in the engagement recently. They are responsible for 90 % of Scope 3 emissions and 77% of overall GHG emissions. These suppliers represent major producers of our indirect GHG emissions. From the suppliers we are gathering information about GHG emissions and carbon footprint of their products. We plan to cooperate with the suppliers in lowering their carbon footprint in the next few years.

Impact of engagement, including measures of success

An engagement of paper and printing inks suppliers in lowering their carbon footprint will have significant impact on our overall GHG emissions. Our GHG emissions could significantly drop because the GHG emissions from paper and printing inks suppliers represent 77% of our overall GHG emissions. We calculate our direct and indirect GHG emissions annually and monitor their year on year progress. Our emissions data are verified by independent auditors. We are especially monitoring data about GHG emissions from our paper and printing inks suppliers.

Comment

C12.1b

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

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify ((Engagement in customers activity))

% of customers by number

0.05

% of customer - related Scope 3 emissions as reported in C6.5

6

Portfolio coverage (total or outstanding)

<Not Applicable>

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

We have decided to join Lego - Engage to reduce activity. We participate in this activity to show our effort in reducing our overall GHG emissions. The Lego Group is our major customer with approx. 20% of our annual revenues. This is our first engagement in our value chain although we have reduced GHG emissions via EU ETS before.

Impact of engagement, including measures of success

Based on this engagement all climate related issues are generally accepted very seriously especially by company management. A recovery of waste heat from our operation has been approved by our company management. This decision led to decrease of natural gas consumption and subsequently our Scope 1 emissions dropped by 28%. Another significant decision of our management has been a purchase of electricity from renewable sources. It decreased our Scope 2 emissions by 100% (market based). Recently, an old dryer with thermal burner has been decommissioned which led to another 19% dropping of our Scope 1 emissions.

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?

Direct engagement with policy makers

Trade associations

Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Cap and trade	Support with minor exceptions	We engaged with Slovak ministry of environment to discuss the amount of allocated CO2e allowances.	We have communicated our support with proposed allocation of CO2e allowances, we proposed to decrease the amount of allocated allowances by 5% for those companies who use fossil fuels (especially coal)
Clean energy generation	Support	We engaged with Slovak Regulatory Office for network Industries to support a proposal for a lower tax on electricity from renewable sources.	We supported an idea of a lower excise tax on electricity from renewable sources to make this kind of electricity more attractive.
Other, please specify (Proposal of new decision of paper and cardboard products (EU Ecolabel))	Support	Notation of new decision proposal of paper and cardboard products regarding to EU Ecolabel	We have supported new decision proposal which integrate paper and cardboard products to one common decision.

C12.3b

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

No

C12.3e

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

A member of the board regularly take part on relevant conferences/ congresses where policy makers always take part and discuss with them about our business strategy also from the point of view of climate changes.

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?

Activities are approved by the board of directors on the proposal of one of the board directors. Activities are annually monitored and evaluated by the board based on our climate change strategy.

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 communications

Status

Complete

Attach the document

US_Slovenská_Grafia_2020_final.pdf

Page/Section reference

1 - 18

Content elements

Emissions figures

Comment

C15. 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.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Managing director	Chief Executive Officer (CEO)

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	95059135

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

The LEGO Group

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

571.59

Uncertainty (±%)

5

Major sources of emissions

Natural gas consumption.

Verified

Yes

Allocation method

Other, please specify (Allocation based on mass of paper consumed)

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

Identification of GHG source has been carried out according to GHG Protocol Corporate Standard. Our company has a full operation control over every emission source. No exclusions were taken into account.

Requesting member

The LEGO Group

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

189.61

Uncertainty (±%)

5

Major sources of emissions

WTT (well-to-Tank) electricity and natural gas.

Verified

Yes

Allocation method

Other, please specify (Allocation based on mass of paper consumed)

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

Identification of GHG source has been carried out according to GHG protocol, The only source - WTT of electricity and natural gas has been taken into account.

SC1.2

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

There is no published information in place.

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
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Making standard per gram of single product line would help us to calculate emissions.
Customer base is too large and diverse to accurately track emissions to the customer level	Engage customers to cooperate in tracking emissions would help us to overcome this challenge.
Other, please specify (Lack of relevant input data from some of our paper and ink suppliers regarding to carbon footprint.)	Communication with our paper and ink suppliers about a carbon footprint data as a condition of purchase.

SC1.4

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

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

There is not any request from our customers (except of the Lego Group) regarding to a carbon footprint of their products yet. We try to discuss this topic with other customers regularly.

SC2.1

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

Requesting member

The LEGO Group

Group type of project

Other, please specify (Green logistics)

Type of project

Other, please specify (Use of trucks with electro or hydrogen propulsion)

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

Other, please specify (10-15)

Estimated lifetime CO2e savings

200

Estimated payback

Other, please specify (it is difficult to estimate payback period because of unknown price of green logistics (trucks with electro or hydrogen propulsion))

Details of proposal

We would like to use transport of LEGO products by green sources - trucks with both electro or hydrogen propulsion. There is not such a kind of transport available now. But if so, we would like to use it. It is unknown price of such transport. It also depends on origin of electricity and hydrogen, while they can not be green anyway.

SC2.2

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

Yes

SC2.2a

(SC2.2a) Specify the requesting member(s) that have driven organizational-level emissions reduction initiatives, and provide information on the initiatives.

Requesting member

The LEGO Group

Initiative ID

Please select

Group type of project

New product or service

Type of project

New product or service that has a lower upstream emissions foot print

Description of the reduction initiative

Substitution of paper printing layout with a digital one. Our customer used to send us a paper printing layout of a product which we were intended to print. The customer used a mail courier to sent it to us. However a transportation during delivery of a paper printing layout produced GHG emissions.

Emissions reduction for the reporting year in metric tons of CO2e

Did you identify this opportunity as part of the CDP supply chain Action Exchange?

No

Would you be happy for CDP supply chain members to highlight this work in their external communication?

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

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Customers	Public	<Not Applicable>

Please confirm below

I have read and accept the applicable Terms