Module: Introduction

Page: W0. Introduction

W0.1

Introduction

Please give a general description and introduction to your organization.

Incitec Pivot is a leading global chemicals company with nitrogen-based manufacturing at its core providing commercial explosives, fertiliser products and related services. Incitec Pivot has extensive operations throughout Australia, United States, Canada, Mexico, Turkey and Indonesia, including over 30 manufacturing plants, scores of distribution centres and well-established channels to market. The Company employs over 5,000 staff worldwide, including 1,800 staff in Australia. Incitec Pivot manufactures a range of fertiliser inputs and products including ammonium phosphates, ammonia, urea, sulphuric acid and superphosphates at five manufacturing sites across eastern Australia. Incitec Pivot is the only domestic manufacturer of ammonium phosphates and urea. Incitec Pivot's fertiliser business, Incitec Pivot Fertilisers (IPF) is Australia's largest supplier of fertilisers, dispatching approximately two million tonnes each year for use in the grain, cotton, pasture, dairy, sugar and horticulture industries. It operates through a comprehensive network of distributors who supply the product to Australian farmers. With a long-term commitment to investment into soil nutrition research, IPF is a leading provider of nutrient advice for farmers and customers and is industry accredited, promoting sustainable use of fertilisers and safe handling to customers and farmers. Incitec Pivot's explosives business Dyno Nobel is a market leader in North America and the second largest supplier in Australia. Dyno Nobel has a complete range of commercial explosives including ammonium nitrate, bulk explosives, packaged emulsions and dynamite as well as a range of initiating systems. The business includes provision of expert technical consulting services to customers that include mining companies and their suppliers, quarries and companies supporting the construction industry. In addition, Incitec Pivot manufactures various industrial chemical products used in water treatment, process manufacturing and other industrial applications. Incitec Pivot's sustainability agenda is driven by the Vision and seven Values which guide all attitudes, decisions and actions. Incitec Pivot recognises that sustainable growth requires the balancing of economic performance with environmental and social responsibilities. Those responsibilities include being a good corporate citizen and operating ethically. They include ensuring good governance in our day-to-day business activities and behaving with honesty and integrity in our interactions with communities, employees, customers, and the environment. Incitec Pivot's approach to sustainability includes the areas of: workplace health and safety, environmental impacts and resource efficiency, community impact and engagement, labour practices and product and services.

W0.2

Reporting Year

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

Period for which data is reported
Mon 01 Oct 2012 - Mon 30 Sep 2013

W0.3

Reporting Boundary

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which operational control is exercised

W0.4

Exclusions

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

W0.4a

List of Exclusions

Please report the exclusions in the following table

Exclusion	Please explain why you have made the exclusion
Small distribution and emulsion manufacturing sites across North America	Data is not presently available for water use at these sites, and it is expected that withdrawals are not material (each emulsion manufacturing site in Australia currently uses less than 0.5% of IPLs total water withdrawal).
Offices and administration buildings that are not situated at manufacturing sites	Data is not presently available for water use at these sites, and amounts are not expected to be material.

Further Information

Module: Current State

Page: W1. Context

W1.1

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

Water quality and quantity	Importance rating	Please explain
Direct use: sufficient amounts of good quality freshwater available for use across your own operations	Vital for operations	IPL's manufacturing operations require high quality water for various uses (e.g. cooling systems and boilers requiring low calcium and silica). IPL typically has access to regulated municipal water supply. Where this is not the case, long-term supply agreements are put in place.
Direct use: sufficient amounts of recycled, brackish and/or produced water available for use across your own operations	Neutral	IPL typically has access to regulated municipal water supply. Where this is not the case, long-term supply agreements are put in place.
Indirect use: sufficient amounts of good quality freshwater available for use across your value chain	Have not evaluated	
Indirect use: sufficient amounts of recycled,	Have not	

Water quality and quantity	Importance rating	Please explain
brackish and/or produced water available for use across your value chain	evaluated	

W1.2

Have you evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy?

Not evaluated

W1.2a

Please explain how your organization evaluated the effects of water quality and water quantity on the success (viability, constraints) of your organization's growth strategy?

W1.2b

What is the main reason for not having evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?

Main reason	Current plans	Timeframe until evaluation	Comment

Main reason	Current plans	Timeframe until evaluation	Comment
Other: The impacts of water quality and quantity on growth and expansion are evaluated on a site by site basis while assessing the viability of expansion into new areas	No	Other: With new projects and/or as the need arises	Risks vary across existing and potential manufacturing sites and therefore continue to be evaluated on a site by site basis.

W1.3

Has your organization experienced any detrimental impacts related to water in the reporting period?

No

W1.3a

Please describe the detrimental impacts experienced by your organization related to water in the reporting period

Country	River basin	Impact indicator	Impact	Description of impact	Overall financial impact	Response strategy	Description of response strategy

W1.3b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting period and any plans you have to investigate this in the future

Primary reason	Future plans

Further Information

Module: Risk Assessment

Page: W2. Procedures and Requirements

W2.1

Please select the option that best describes your procedures with regard to assessing water risks and provide an explanation as to why this option is suitable for your organization

Water is integrated into a comprehensive, company-wide risk assessment process incorporating both direct operations and supply chain

W2.1a

You may provide additional information about your approach to assessing water risks here

Incitec Pivot has a formalised process in place to identify risks in the supply chain, including water supply. As per the Company's Group Risk Policy, the oversight and management of material business risk is managed within a comprehensive risk management process, overseen by the Board Audit and Risk Management Committee. Risks are typically categorised as follows: health & safety, environment; finance; customer service / business interruption; and community, reputation & image. Incitec Pivot has also developed a detailed contingency planning process within its businesses. The process systematically identifies product supply exposure in relation to IPL's operations, including water, and determines the next best alternative supply point or the risk mitigation measures that might need to be taken to mitigate shortages in supply.

W2.2

Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider

Frequency	Geographic scale	Timeframe
For new projects	Facility	Once only, ensuring long term supply and discharge in water stressed areas are regulated by authorities with responsibility for long term water management in the region in which the facility is located. Water treatment plants and holding tanks are installed to secure supply where necessary.
Annually	Facility	Using IPL's comprehensive Annual Risk Assessment, risk is assessed each year for the following three years. In addition, the WBCSD Water Tool identifies areas of water stress to 2025.

W2.3

Please state the methods used to assess water risks

Method
WBCSD Global Water Tool
Internal company knowledge

W2.4

Which of the following contextual issues are always factored into your organization's water risk assessments?

Issues	Choose option	Please explain
Current water availability and quality parameters at a local level	Relevant, included	Water is a key raw material for manufacturing. IPL typically has access to regulated municipal water supply. Where this is not the case long-term supply agreements are put in place. Withdrawal and discharge are usually made under licence with local regulatory authorities who have responsibility for long term water management plans.
Current water regulatory frameworks and tariffs at a local level	Relevant, included	Water is a key raw material for manufacturing. IPL typically has access to regulated municipal water supply. Where this is not the case long-term supply agreements are put in place. Withdrawal and discharge are usually made under licence with local regulatory aurhorities who have responsibility for long term water management plans. Decisions on water treatment / recycling / reduction are normally driven by a cost/benefit assessment, regulatory demands and/or securing quality supply.
Current stakeholder conflicts concerning water resources at a local level	Relevant, included for some facilities/suppliers	At sites where water resource management involves multiple stakeholders, IPL engages with local authorities and water bodies in order to consider all stakeholder views. For example, IPL engages with the State Engineers Office In Wyoming to ensure all local stakeholders are included in water availability and quality issues in Cheyenne, USA, where the local community depends upon a groundwater resource.
Current implications of water on your key commodities/raw materials	Relevant, included	Water is a key raw material for manufacturing. IPL typically has access to regulated municipal water supply. Where this is not the case long-term supply agreements are put in place. Withdrawal and discharge are usually made under licence with local regulatory aurhorities who have responsibility for long term water management plans. Decisions on water treatment / recycling / reduction are normally driven by a cost/benefit assessment, regulatory demands and/or securing quality supply.
Current status of ecosystems and habitats at a local level	Relevant, included	The WBCSD Water tool has identified one IPL site located close to a biodiversity hotspot. However, our plant is positioned in a desert area at some distance from the identified Madrean Pine-Oak Woodlands.
Estimates of future changes in water availability at a local level	Relevant, included	The WBCSD Water tool estimates water availability to 2015 for each facility.
Estimates of future potential regulatory changes at a local level	Relevant, not yet included	
Estimates of future potential stakeholder conflicts at a local level	Relevant, not yet included	
Estimates of future implications of water on your key commodities/raw materials	Relevant, not yet included	
Estimates of future potential changes in the status of ecosystems and habitats at a local level	Relevant, not yet included	

Issues	Choose option	Please explain
Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level	Relevant, not yet included	
Scenario analysis of regulatory and/or tariff changes at a local level	Relevant, not yet included	
Scenario analysis of stakeholder conflicts concerning water resources at a local level	Relevant, not yet included	
Scenario analysis of implications of water on your key commodities/raw materials	Relevant, not yet included	
Scenario analysis of potential changes in the status of ecosystems and habitats at a local level	Relevant, not yet included	
Other		

W2.4a

Which of the following stakeholders are always factored into your organization's water risk assessments?

Stakeholder	Choose option	Please explain
Customers	Not evaluated	
Employees	Not evaluated	
Investors	Not evaluated	
Local communities	Relevant, included for some facilities/suppliers	At sites where water resources are of particular concern and management involves multiple stakeholders, IPL engages with local authorities and water bodies in order to consider all stakeholder views. For example, management staff engage with the Wyoming State Engineer’s Office which manages stakeholder access to the local groundwater aquifer at Cheyenne, Wyoming, USA.

Stakeholder	Choose option	Please explain
NGOs	Not evaluated	
Other water users at a local level	Relevant, included for some facilities/suppliers	At sites where water resources are of particular concern and management involves multiple stakeholders, IPL engages with local authorities and water bodies in order to consider all stakeholder views. For example, management staff engage with the Wyoming State Engineer's Office which manages stakeholder access to the local groundwater aquifer at Cheyenne, Wyoming, USA.
Regulators at a local level	Relevant, included	All IPL sites are in regions where regulators manage water supply and discharge through licensing.
Statutory special interest groups at a local level	Not evaluated	
Suppliers	Relevant, not yet included	
Water utilities/suppliers at a local level	Relevant, included	
Other		

W2.5

Do you require your key suppliers to report on their water use, risks and management?

No

W2.5a

Please provide the proportion of key suppliers you require to report on their water use, risks and management and the proportion of your procurement spend this represents

Proportion of key suppliers %	Total procurement spend %	Rationale for this coverage

W2.5b

Please choose the option that best explains why you do not require your key suppliers to report on their water use, risks and management

Primary reason	Please explain
Other: Supplier Questionnaire includes water and environmental management questions	Procurement managers assess and measure supplier performance using a questionnaire that covers governance, social aspects and environmental management including water. Water usage and water discharge information are asked for in the sustainability section of our supplier questionnaire.

Further Information

Module: Implications

Page: W3. Water Risks

W3.1

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?

No

W3.2

Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk

Incitec Pivot defines ‘substantiative change’ in relation to the outcome of unmitigated material risks: that is, 'changes which would occur where business risks were not managed'. IPL manages these using a Group Risk Policy for the oversight and management of material business risks and manages risk within a comprehensive risk management process which is consistent with the Australian/New Zealand Standard for Risk Management (AS/NZS 4360:2004). A key element of this risk management process is the Board's assessment on risk, which is based on the level of risk Incitec Pivot is able to sustain in achieving its corporate objective of delivering value to shareholders. Risks are identified, analysed and prioritised using common methodologies and risk controls are designed and implemented having regard to the overall corporate strategy. The risk controls adopted by Incitec Pivot are administered via a Group-wide framework.

W3.2a

Please complete the table below providing information as to the number of facilities in your direct operations exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure. Please also provide either the proportion of cost of goods sold, global revenue or global production capacity that could be affected across your entire organization at the river basin level

Country	River basin	Number of facilities within the river basin exposed to water risk	Reporting metric	Proportion of chosen metric that could be affected within the river basin

W3.2b

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs

W3.2c

Please list the inherent risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs

W3.2d

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	The WBCSD Water Tool identifies six Australian IPL facilities as located in areas of "Mean Annual Relative Water Stress". However, five of these sites are supplied by municipal water bodies with long term water management plans and one is in a remote region with very low population and access to abundant regulated groundwater supplies. A seventh identified site at Cheyenne, Wyoming, USA, has an "Annual Renewable Water Supply per Person (Projections for 2025)" of greater than 4000 m3.

W3.2e

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	As a global manufacturer and distributor we have flexibility over the markets we supply and source from.

W3.2f

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

Primary reason	Future plans

Further Information

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

No

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain

W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
Other: Nature of products and services	The nature of our products, services and customers does not provide water related opportunities

W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain

Further Information

Module: Accounting

Page: W5. Water Accounting (I)

W5.1

Please report the total withdrawal, discharge, consumption and recycled water volumes across your operations for the reporting period

Water use	Quantity (megaliters)
Total volume of water withdrawn	43198
Total volume of water discharged	32745
Total volume of water consumed	10453
Total volume of recycled water used	392

W5.2

For those facilities exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure, the number of which was reported in W3.2a, please detail which of the following water aspects are regularly measured and monitored and an explanation as to why or why not

Water aspect	% of facilities	Please explain
Water withdrawals- total volumes		NA
Water withdrawals- volume by sources		NA
Water discharges- total volumes		NA
Water discharges- volume by destination		NA
Water discharges- volume by treatment method		NA
Water discharge quality data- quality by standard effluent parameters		NA
Water consumption- total volume		NA
Water recycling/reuse-total volume		NA

W5.3

Water withdrawals: for the reporting period, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting period?	Please explain the change if substantial

Further Information

Page: W5. Water Accounting (II)

W5.3a

Water withdrawals: for the reporting period, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.3

Facility reference number	Surface water	Groundwater (renewable)	Groundwater (non-renewable)	Municipal water	Recycled water	Produced/process water	Wastewater	Brackish/salt water

W5.4

Water discharge: for the reporting period, please provide the water accounting data for all facilities reported in W5.3

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting period?	Please explain the change if substantive

W5.4a

Water discharge: for the reporting period, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.3

Facility reference number	Surface water	Municipal Treatment Plant	Saltwater	Injection for production/disposal	Aquifer recharge	Storage/waste lagoon

Facility reference number	Surface water	Municipal Treatment Plant	Saltwater	Injection for production/disposal	Aquifer recharge	Storage/waste lagoon

W5.5

Water consumption: for the reporting period, please provide water consumption data for all facilities reported in W5.3

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive

W5.6

For the reporting period, please provide any available water intensity values for your organization's products or services across its operation

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Australia	Burdekin	Ammonia	Other: Metric tonne	Liters	41	Withdrawals	This includes groundwater released directly to surface waters that is removed to access and mine phosphate ore.

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Australia	Other: North East Coast	Ammonia	Other: Metric tonne	Liters	7	Water use in operations	Municipal water
Australia	Fitzroy East	Ammonia	Other: Metric tonne	Liters	0.03	Water use in operations	Municipal water
Australia	Other: GHAAS Basin 2137	Single Super Phosphate Fertiliser	Other: Metric tonne	Liters	0.16	Water use in operations	Municipal water
Australia	Other: GHAAS Basin 1460	Single Super Phosphate Fertiliser	Other: Metric tonne	Liters	0.17	Water use in operations	Municipal water
Australia	Leichhardt	Sulphuric acid	Other: Metric tonne	Liters	2	Water use in operations	Water supplied by mining customer
United States of America	Mississippi	Ammonia	Other: Metric tonne	Liters	11	Withdrawals	Groundwater
United States of America	Mississippi	Ammonium Nitrate (prill)	Other: Metric tonne	Liters	0.32	Withdrawals	Surface water
United States of America	Mississippi	Ammonium Nitrate (prill)	Other: Metric tonne	Liters	3	Withdrawals	Surface water
United States of America	Columbia	Ammonia	Other: Metric tonne	Liters	1	Withdrawals	Surface water

W5.7

For all facilities reported in W3.2a what proportion of their accounting data has been externally verified?

Water aspect	% verification	What standard was used?
Water withdrawals- total volumes		
Water withdrawals- volume by sources		
Water discharges- total volumes		
Water discharges- volume by destination		
Water discharges- volume by treatment method		
Water discharge quality data- quality by standard effluent parameters		
Water consumption- total volume		
Water recycling/reuse-total volume		

Further Information

Module: Response

Page: W6. Governance and Strategy

W6.1

Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
No individual or committee with overall responsibility for water	Sporadic-as important matters arise	Site Managers report to the President of Global Manufacturing and/or the relevant Business President who report to the Board.

W6.2

Is water management integrated into your business strategy?

Yes

W6.2a

Please choose the option(s) below that best explain how water has positively influenced your business strategy

Influence of water on business strategy	Please explain
Establishment of sustainability goals	Keystone Project One involves the setting and implementation of reduction targets for energy, CO2e, water and waste-to-landfill at our manufacturing sites in Australia. As a result of this project, performance against set targets is being measured, and actions to create efficiencies are being supported. At IPL's Phosphate Hill site, water recovery from waste phosphogypsum stacks has recovered 184.5 ML of water during 2012/13. This equates to a 3 percent reduction in water per tonne at the site.
Water resource considerations are factored into location planning for new operations	Primarily, IPL manages water risks by ensuring that new manufacturing facilities are located close to abundant sources of freshwater. For example, the Waggaman, Louisiana plant is being constructed close to the Mississippi River in Louisiana, USA. Where such location is not possible (for example, where many of IPL’s mining customers operate in Australia), a long term supply contract is secured, usually with the governing body who manages long term water supply in the relevant basin.
Water is factored into procurement directives	For IPL, water is a key raw material for manufacturing. A CSR Policy for Procurement is being developed which aims to ensure sustainable, commercially acceptable supply strategies are implemented for all key products and services.

W6.2b

Please choose the option(s) below that best explains how water has negatively influenced your business strategy

Influence of water on business strategy	Please explain

W6.2c

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

Primary reason	Please explain

W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?

Other: Water management forms part of the environmental management system and is included in IPL's HSEC global standards

W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting period compare to the previous reporting period?

Water-related spending: % of total CAPEX during this reporting period compared to last reporting period	Water-related spending: % of total OPEX during this reporting period compared to last reporting period	Motivation for these changes

Further Information

Page: W7. Compliance

W7.1

Was your organization subject to any penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting period?

No

W7.1a

Please describe the penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them

Facility name	Incident description	Financial penalty or fine	Currency	Incident resolution

W7.1b

Please indicate the total of all penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations as a percentage of total operating expenditure (OPEX) compared to last year

Further Information

Page: W8. Targets and Initiatives

W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?

No

W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value

W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress

W8.1c

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

Targets for water use reduction are set on a site by site basis. Across our Australian manufacturing sites, reduction targets have been implemented to reduce the consumption of energy, CO2e, water and waste-to-landfill. For example, at IPL's Phosphate Hill fertiliser manufacturing site, water recovery from waste phosphogypsum stacks has recovered 184.5 ML of water during 2012/13. This equates to a 3 percent reduction in water per tonne at the site.

Further Information

Module: Sign Off

Page: Sign Off

W9.1

Please provide the following information for the person that has signed off (approved) your CDP water response

Name	Job title	Corresponding job category
Clare Luehman	General Manager Global Sustainability & Carbon	Environment/Sustainability manager

Further Information

CDP