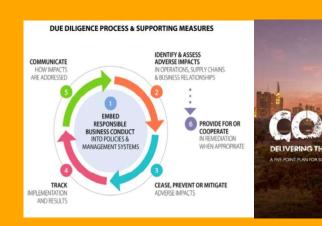
Use Case CO2/ESS Motivation.







Enabling better Due-Diligence through understanding supply chain risks

Reducing Carbon Emissions ¹ through understanding scope 3 emissions

Credibility and Compliance through transparency and world-class reporting



¹ Regensburger Nachrichten

² www.mneguidelines.oecd.org

The CO2-Applications need three separate workstreams to be successful

Software

- BOM Explosion: Connectors to BOM-Systems in Supply chain
- Cascading requests
- BOM-Aggregation to precise aggregation level ('exactly 4 wheels')
- Checking certificates with 3rd-party
- Reporting values and KPIs over timelines
- Managing requests/ incidents

CO2-APPs

Acceptance and Credibility

- Stakeholder process with relevant NGOs, regulatory and other relevant bodies
- Acceptance and credibility for methods and tools with critical stakeholders
- Compatibilty with planned regulation on EU-level (1st priority) or internationally

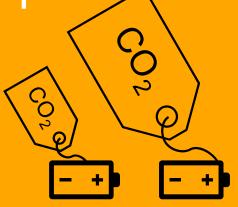
Creation of 'common Rulebook'

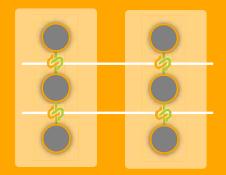
- Agreeing rules and interpretation guidelines of ISO norm among Catena-X Members
- Writing a revised 'norm' or similar document in norm-language (interpretation-free)
- Creating manuals/WBTs and training concept for 'rulebook'
 - Concept for Certification of 'Rulebook' with audit companies



The Goal of the rulebook is to make CO2 Reporting

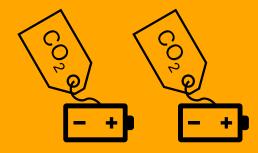
comparable

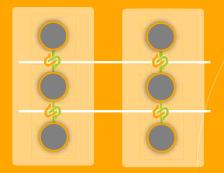




FROM

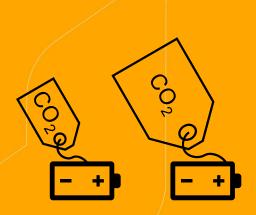
- Identical products
- Identical supply chains
- Different product carbon footprint

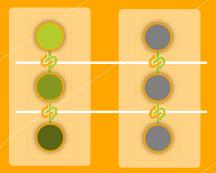




TO

- Identical products
- Identical supply chains
- Identical product carbon footprint



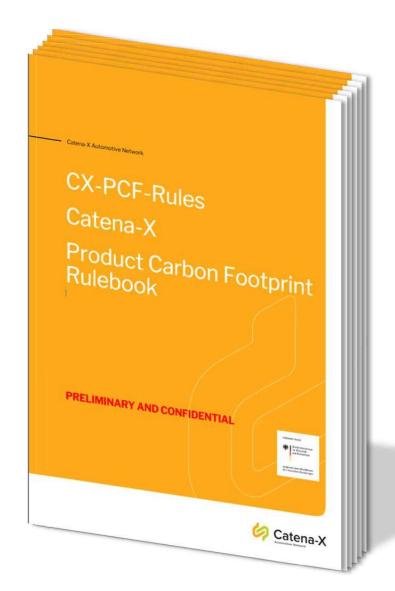


SO THAT

Different carbon footprints of different supply chains are trustworthy



Goal of the Catena-X PCF rulebook



- Moving away from using industry average measurements towards using real emission data of the real supply chain.
- Standardising measurement and reporting along the supply chain to make CO₂ emission data comparable
- Definition of standardized & WBCSD/Stakeholderapproved CO₂ calculation schemes and methodologies



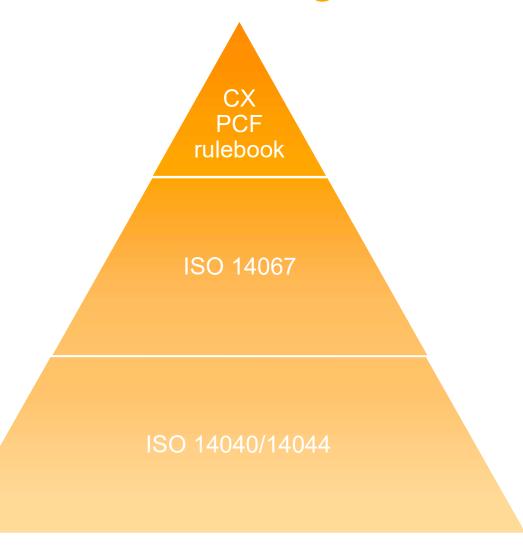
The Catena-X PCF rulebook is based on existing norm

Foundation of CX-PCF rulebook:

- LCA standards ISO 14040/14044, and
- the carbon footprint standard ISO 14067

Hierarchy of application:

- 1. The CX PFC shall be compliant to ISO 14067.
- 2. Automotive supply chain specific requirements shall be applied as defined in this document.
- 3. Sectoral-specific and product-specific rules if prescribed within the CX-PCF rulebook.



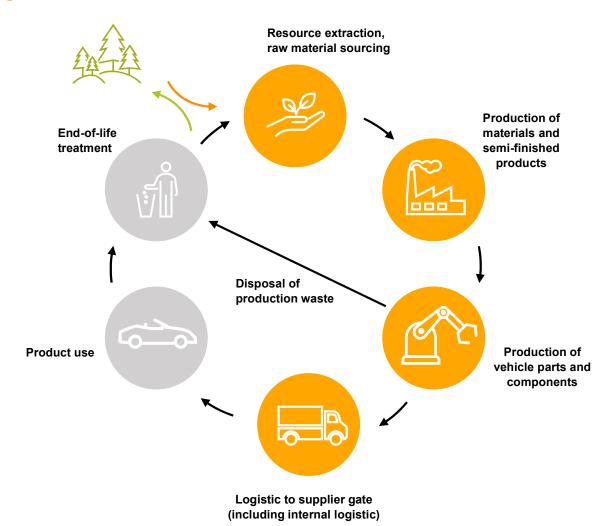


Example of Topics covered: System Boundaries

Cradle-to-supplier gate PCF:

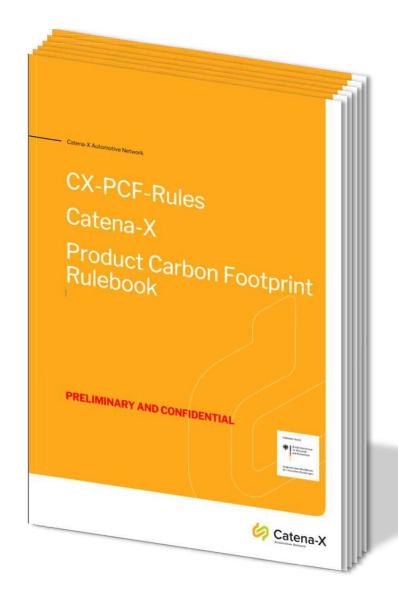
- including all upstream transportation activities.
- excluding any downstream emissions, e.g.,

the product use and end-of-life treatment stages





Goal of this document



- Basic rules ('80%') are agreed between member companies
- Formal Document is being written
- Stakeholder process started
- Stakeholder consultation: NGOs, regulatory bodies, industry organisations

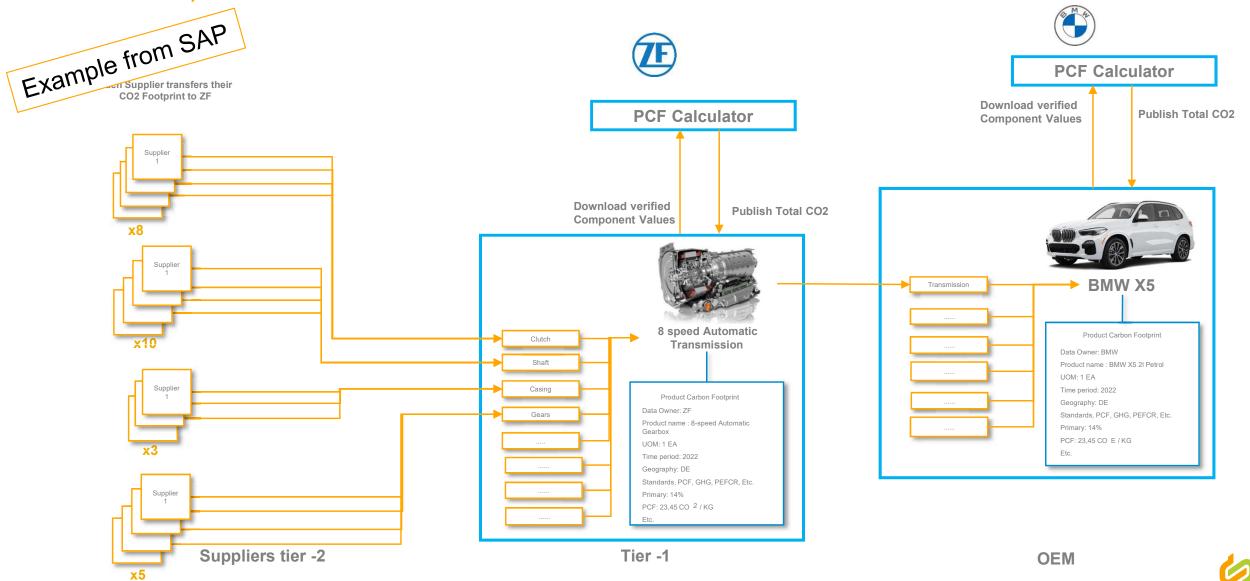


Further topics

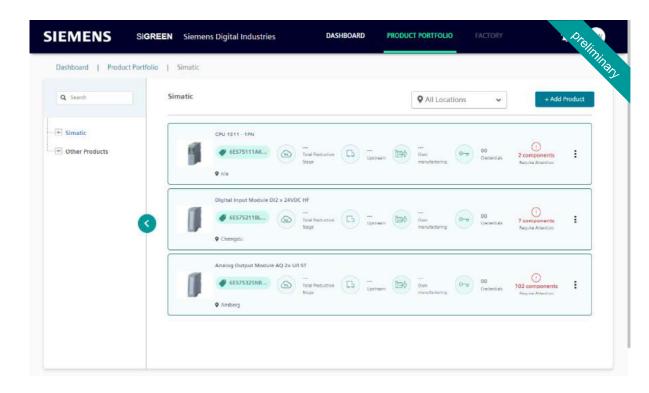
- Certificates of energy suppliers
- → Rules of custody: Segregation, Book & Claim, Mass-Balance
- Sensitivity analysis and its documentation
- → Data quality data indicator
- → Accounting for transport emissions
- \rightarrow Material origin: Recycled content, bio-based content, CO₂-based content)
- → Specific components of PCF (total/fossil/bio/land-use/aircraft)
- Compensation and Off-Setting



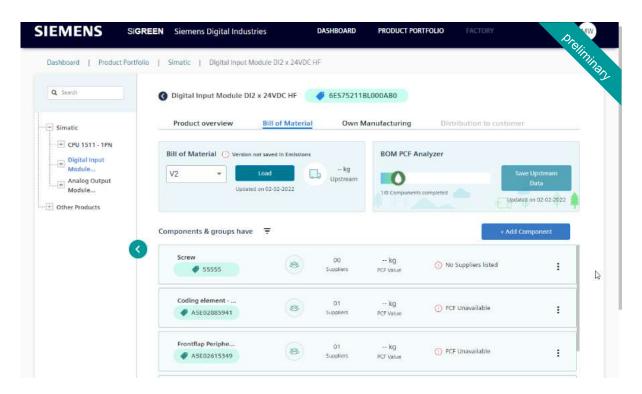
WORK ON SOFTWARE APPS BASED ON SPECIFICATIONS HAS STARTED, FIRST WORKING MVP PLANNED FOR MAY



Preview for CO2-App: Siemens SiGREEN PCF management and data sharing along the supply chain



Product portfolio overview shows main PCF info and need for action



Bill of Material allows to manage multiple suppliers per product and shows data source (from LCA estimation to certified primary data)



Use Case Sustainability/CO2

Next steps

Done



First Draft of basic Cx PCF Rulebook



Specifications: Customer journeys and further specs



First version of applications based on Sigreen and SAP Technology

Planned (PI-3)



Consolidating and finishing basic Cx PCF rulebook -> publishingh draft document



Systematic stakeholder engagement process (with WBCSD)



Developing the MVP according to specs with SAP and Siemens



Defining future features and specs for later releases

