

Supplier Climate Reporting and Target Setting

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How to use this guide

A navigation resource for suppliers and an overview of our program approach.

Use this guide to:

- Understand Elevance Health's sustainability approach
- Review supplier expectations and assessment process
- Assess your organization's current greenhouse gas (GHG) reporting and target-setting maturity
- Identify practical next steps for GHG measurement, disclosure, and target-setting
- Connect to external guidance and support resources

The guide is designed to be practical and right-sized. Detailed supplier-specific engagement requests are shared directly when applicable.



Included in this document:

SUPPLIER EXPECTATIONS

- Why Supplier GHG Reporting and Target Setting Matters – [Page 3](#)
- Climate Assessment and Engagement Cycle – [Page 4](#)
- Sustainability Assessment Methodology – [Page 5](#)
- Supplier Reporting and Target Setting – [Page 6](#)

RECOMMENDED PRACTICES

- Measure GHG Emissions – [Page 7](#)
- Disclose through CDP – [Page 8](#)
- Set a Science-based Target – [Page 9](#)

SUPPORT AND FAQs

- Example Roadmap and Timeline – [Page 10](#)
- Elevance Health Provided Webinars – [Page 11](#)
- Frequently Asked Questions – [Page 12](#)

Why Supplier GHG Reporting and Target Setting Matters

As part of our whole health approach, Elevance Health recognizes the relationship between environmental conditions and the physical, behavioral, and social drivers of health. We are working to reduce greenhouse gas emissions and energy-related waste across our operations and value chain.

Why it matters

- Healthcare is resource- and energy-intensive, accounting for approximately 8.5% of U.S. GHG emissions¹. This makes GHG emissions a useful indicator of **operational efficiency**.
- Reducing energy use and emissions can lower costs, strengthen resilience, and support efforts to manage the **overall cost of care**.
- Supplier emissions are part of the healthcare value chain and influence progress toward **whole health and resilient healthcare delivery**.
- Better data improves GHG accounting, risk visibility, and **emissions-reduction planning**.
- A repeatable **GHG management process** can improve efficiency, transparency, business continuity, and readiness for evolving customer and disclosure expectations.

Elevance Health commitments

Scope 1

46.2%

Reduce absolute Scope 1 GHG emissions by 2030 from a 2019 base year.

Renewable electricity

100%

Continue annual sourcing of 100% renewable electricity through 2030.

Supplier target

75%

Suppliers by spend, covering purchased goods and services, will have science-based targets by 2028.

Additional Elevance Health Information

[Elevance Health 2025 Impact Report](#)

[Elevance Health Supply Chain Sustainability Policy](#)

[Task Force on Climate Related Financial Disclosures \(TCFD\)](#)



¹Eckelman, M. J., et al. "Health Care Pollution and Public Health Damage in the United States: An Update." Health Affairs, December 2020.

²As of July 2026, suppliers representing 46% of applicable spend have science-based targets.

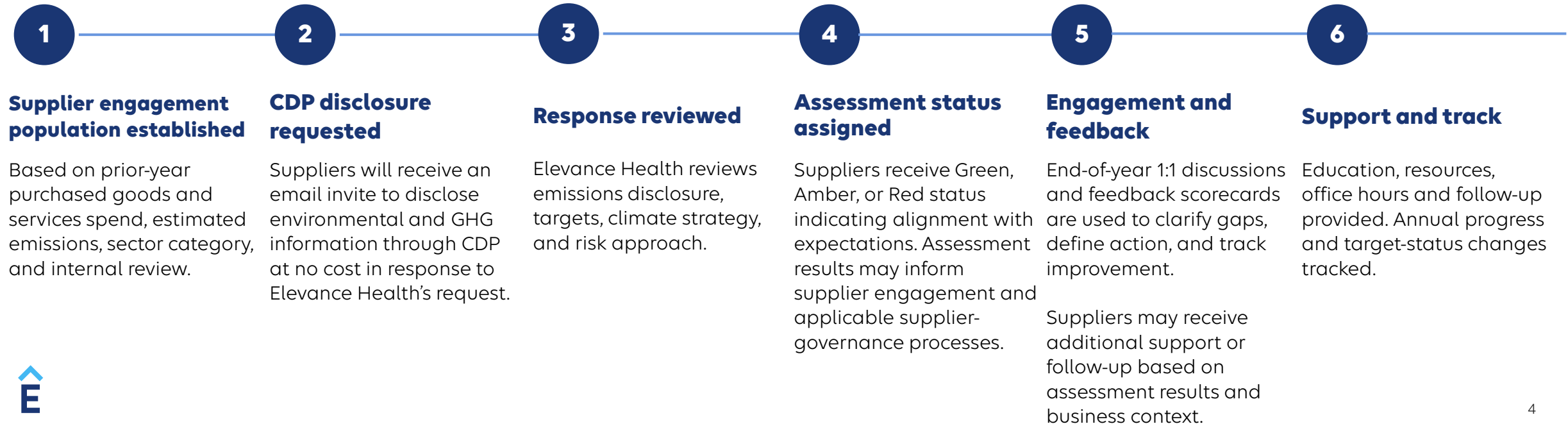
Supplier Climate Assessment and Engagement Cycle

The annual CDP cycle gives Elevance Health a consistent view of supplier sustainability maturity.

- Is there clear internal ownership and governance?
- Are Scope 1 and 2 emissions calculated?
- Are relevant Scope 3 emissions screened or disclosed?
- Is there a credible climate strategy or reduction plan?
- Is there a target, SBTi commitment, or validation timeline?

Evidence reviewed may include

- CDP responses
- Emissions inventories
- Target documentation
- Public disclosures
- Supplier-provided supporting materials



Supplier Sustainability Assessment Methodology

Overall supplier status is determined using rule-based criteria, with emphasis on GHG reporting, target-setting, risk assessment and environmental sustainability strategy. These categories are used to guide supplier engagement, education, and progress tracking.

Assessment categories

GHG reporting

- Scope 1 and Scope 2 emissions.
- Relevant Scope 3 information.
- Boundaries, methodology, data quality, documentation, and assurance status.

Target-setting

- Target type and status.
- Scope coverage, base year, and target year.
- SBTi commitment, validation, or target-development plan.
- Annual progress.

Climate-risk assessment

- Risk-identification process.
- Accountable owner.
- Risks, opportunities, resilience, or scenario analysis.
- Business and financial implications.

Climate strategy

- Governance and ownership.
- Climate policies and reduction actions.
- Transition planning and value-chain engagement.
- Evidence of implementation.

Status Criteria

GREEN: Advanced maturity

Strong supplier sustainability and GHG management maturity with credible reporting, strategy, and target-setting practices.

AMBER: Progress underway

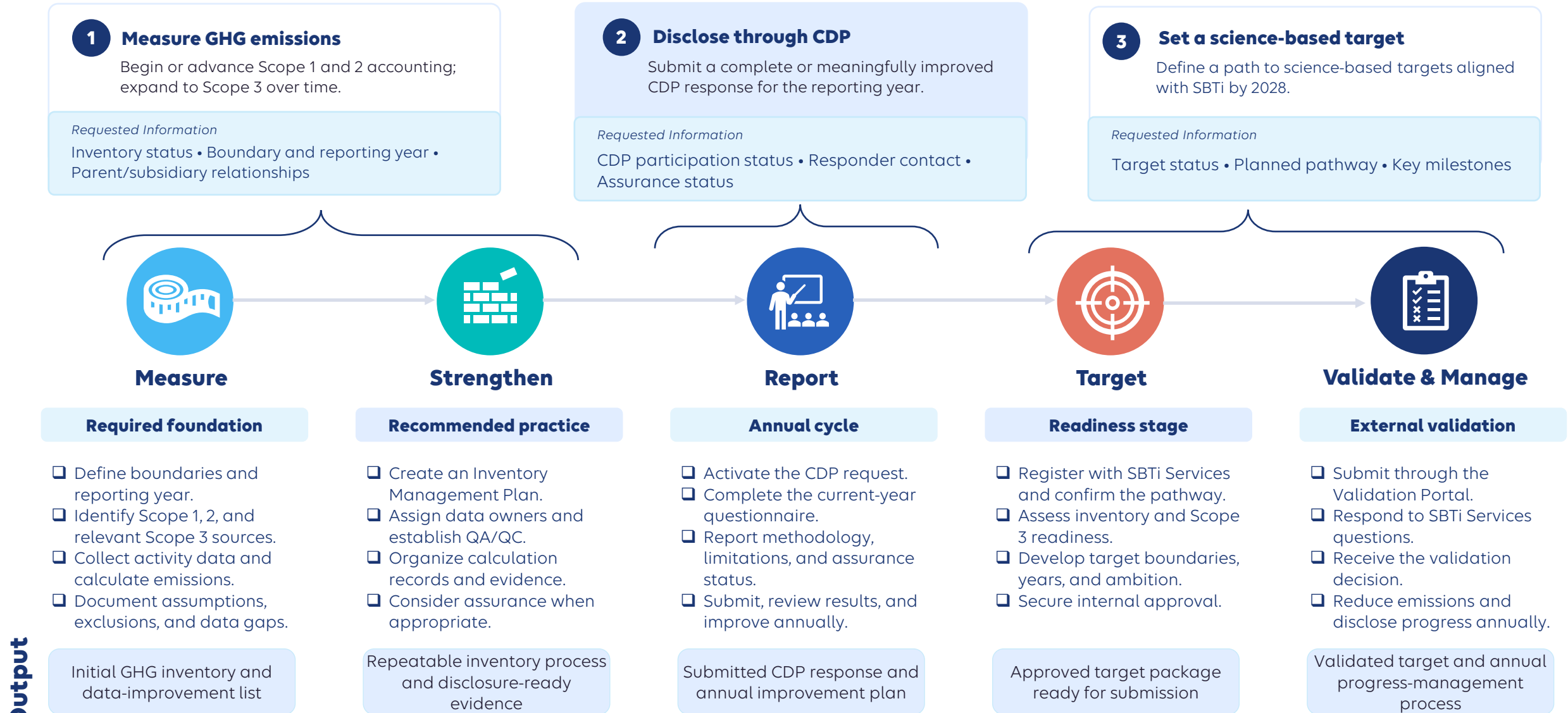
Progress is underway, but gaps remain in disclosure, planning, targets, or implementation.

RED: Foundational support needed

Foundational gaps or limited evidence of GHG reporting, target-setting, or climate strategy.

Supplier Climate Reporting and Target Setting Expectations

Minimum expectation for the current cycle: confirm an internal owner, report current GHG inventory status, complete or meaningfully improve the CDP response, and identify the next milestone toward a science-based target.



*Suppliers may disclose while improving documentation and preparing for target-setting; the stages may overlap.

Measure GHG Emissions

Build a credible, documented emissions baseline before disclosure or target-setting.

PROCESS

Activity data × emissions factor = estimated emissions

Assign owner

Name an inventory lead, data owners, and reporting year.

Define boundaries

Define the organizational and operational boundaries included in the inventory.

Identify sources

Map electricity, fuels, fleet, refrigerants, and relevant Scope 3.

Collect data

Gather bills, fuel records, mileage, refrigerant and travel data.

Calculate

Use activity data, emissions factors and clear units.

Document & improve

Check data quality and create an Inventory Management Plan (IMP).

Scope 1: Direct emissions

- Company-owned vehicles
- Natural gas in facilities
- Backup generators
- Refrigerant leakage

Scope 2: Purchased energy

- Purchased electricity
- Steam, heat or cooling
- Location- and market-based reporting

Scope 3: Value chain

- Purchased goods/services
- Business travel
- Waste, transport, commuting

Why it matters:

- Identifies energy and emissions hotspots
- Supports reduction planning and efficiency
- Improves customer and disclosure responses
- Provides the foundation for science-based targets

Greenhouse gas accounting is the process of identifying, calculating, and documenting the emissions associated with an organization's operations and value chain.

Resources

[GHG Protocol Corporate Standard](#)

Corporate-level requirements and guidance for preparing a GHG inventory.

[GHG Protocol Scope 2 Guidance](#)

Purchased electricity, steam, heat, and cooling accounting guidance.

[GHG Protocol Tools & Resources](#)

FAQs, calculation tools, and emissions-factor resource links.

[EPA Simplified GHG Emissions Calculator](#)

Free tool for estimating annual Scope 1, 2, and selected Scope 3 emissions.

[EPA Inventory Management Plan Guidance](#)

How to institutionalize GHG data collection, calculation, and maintenance.

[EPA Simplified Guide to GHG Management](#)

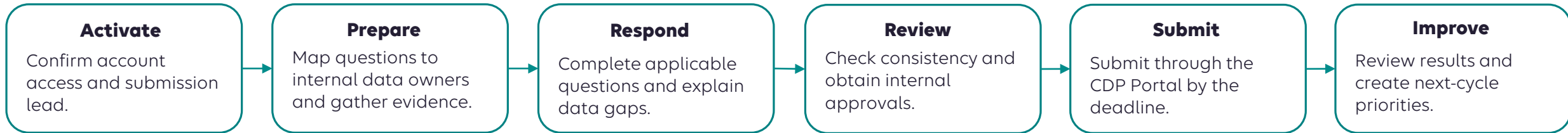
Beginner-friendly guidance for lower-emitting organizations.

Disclose through CDP

Translate climate data into a structured customer and stakeholder disclosure.

CDP is a global environmental disclosure system used by organizations to report information on climate and other environmental topics.

PROCESS



Prepare information on:

Governance & climate strategy

Who owns climate topics and how they are considered in business planning.

Climate risks & opportunities

How the company identifies, assesses, and manages climate-related impacts.

Target setting, assurance

Reduction targets, science-based target status, and annual progress. Whether reported emissions have been independently assured and which scopes are covered.

GHG emissions reporting

Scope 1, Scope 2, and relevant Scope 3 emissions, methodology, and data quality.

Why it matters:

- Respond to customer requests
- Organize information consistently
- Identify data and governance gaps
- Support Scope 3 reporting
- Track progress over time

Resources

[CDP 2026 Disclosure Hub](#)

Current disclosure-cycle dates, guidance, resources, and scoring materials.

[CDP How to Disclose](#)

Step-by-step disclosure process and portal-access support.

[CDP Question Bank](#)

Current questionnaire topics and structure.

[CDP Help Center](#)

Knowledge articles and support for disclosers.

[Global In-Depth Trainings and Group Support Trainings](#)

Sessions that provide practical guidance, clarity and insight to navigate CDP requirements

Set a Science-based Target

Use a credible inventory to develop, submit, validate, and track a target.

PROCESS

Target status distinctions

Validated • Committed • Aligned • In development • No target/plan

Confirm pathway

Register through the applicable SBTi Services process and review sector criteria.

Build base year

Confirm boundaries, check Scope 1 and 2 completeness and screen Scope 3.

Develop target

Select base and target years, model reductions and identify levers.

Approve

Engage Finance, Operations, Procurement, Legal and leadership as needed.

Submit

Complete forms, provide supporting information and respond to technical questions.

Track progress

Communicate accurately, implement actions and disclose progress annually.

General reduction goal

"We want to reduce emissions."



Science-based target

"We will reduce Scope 1 and 2 emissions by a defined amount by a defined year from a defined base year."

A science-based target defines...

- **How much** emissions should be reduced
- **Which scopes** are covered by the target
- **How quickly** reductions should occur
- **How progress** will be measured and disclosed

The Science Based Targets initiative develops standards, tools, and guidance to help companies set greenhouse gas reduction targets aligned with recognized science-based criteria and emissions-reduction pathways.

Resources

[SBTi: How to Set Science-Based Targets](#)

Introductory process guidance and pathway overview.

[SBTi Getting Started Guide](#)

Readiness, inventory needs, and target-development guidance.

[SBTi Standards and Guidance](#)

Current standards, criteria, sector guidance, and tools.

[SBTi Validation Services](#)

How companies and SMEs submit targets for validation.

[SBTi Target Dashboard](#)

Check company commitments and validated target status.

[SBTi Academy: SME Route](#)

Free learning modules, including introduction to the small-medium enterprise (SME) target setting route.

Example Roadmap

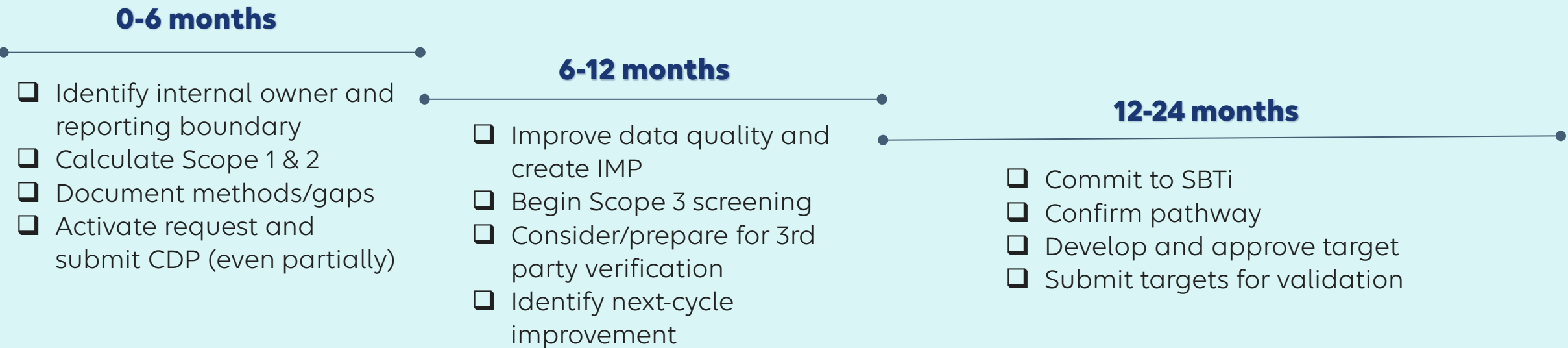
Supplier maturity	Next steps
Just starting	Identify owner; gather 12 months of utility and fuel data
Some data collected	Calculate Scope 1 and Scope 2; document methods
Inventory completed	Prepare CDP response; improve data quality
CDP response completed	Consider assurance readiness and SBTi preparation
Already advanced	Prepare for target-setting and validation discussion



Start Here:

1. Gather 12 months of utility bills for purchased energy (e.g., electricity, steam, chilled water)
2. Use a simple GHG calculator (EPA or Persefoni Pro)
3. Calculate Scope 1 & 2 emissions
4. Document your approach via Inventory Management Plan (IMP)

Example Timeline



Elevance Health Provided Webinars

Annual learning series to help suppliers measure emissions, strengthen reporting, and prepare science-based targets.

GHG 101

Measure Your Footprint

- Learn Scope 1, Scope 2, and Scope 3 basics
- Define organizational and operational boundaries
- Identify emission sources and collect activity data
- Calculate a first-year baseline and document assumptions

Primary output: Initial GHG inventory

- ☐ Assign a GHG inventory owner
- ☐ Choose the reporting year
- ☐ Define organizational boundary
- ☐ Identify Scope 1 and 2 sources
- ☐ Identify priority Scope 3 sources
- ☐ Collect available activity data
- ☐ Calculate emissions by scope
- ☐ Document assumptions and exclusions

GHG 102

Strengthen, Document, and Report

- Create an Inventory Management Plan
- Improve data quality and internal controls
- Prepare for limited or reasonable assurance
- Organize for CDP or similar disclosure requests

Primary output: IMP and disclosure-ready evidence

- ☐ Create an Inventory Management Plan
- ☐ Map data owners and source systems
- ☐ Add QA/QC checks
- ☐ Organize bills, records, and evidence
- ☐ Consider limited assurance readiness
- ☐ Prepare and submit CDP or customer disclosure inputs
- ☐ Create annual data improvement plan

GHG 103

Set a Science-Based Target

- Confirm readiness for target-setting
- Select base year, target year, and scope coverage
- Draft target language and secure internal approval
- Prepare target-development, submission, validation and progress tracking materials

Primary output: Target-development package and submission tracker

- ☐ Confirm SBTi route and eligibility
- ☐ Select base year and target year
- ☐ Confirm scope coverage and material Scope 3 categories
- ☐ Draft target language
- ☐ Secure leadership approval
- ☐ Prepare SBTi alignment / submission package
- ☐ Track and disclose progress annually



*Training recordings and presentation materials are available upon request.

FAQs

Why was our company selected for engagement?

Elevance Health engages suppliers based on spend, estimated emissions, service-type and internal review.

What exactly is Elevance Health asking us to do?

Identify an internal owner, measure and/or improve Scope 1 and Scope 2 emissions accounting, disclose through CDP, and develop a credible path toward setting a science-based target.

Do we need to set a science-based target?

Elevance Health has committed that 75% of its suppliers by spend covering purchased goods and services, will have science-based targets by 2028. We are looking for suppliers to set targets utilizing the science-based approach of limiting planetary warming to 1.5C°. SBTi-validated targets provide external confirmation that a company's target meets applicable SBTi criteria at the time of validation.

What if we do not have a sustainability team?

Start by identifying the person or team closest to the relevant data. This is often Facilities, Operations, Finance, Procurement, Risk, or ESG. The first milestone is not a full sustainability program; it is clear ownership and a practical data-gathering plan.

What if we already report emissions through our parent company?

Share the parent company name, whether your operations are included in its inventory, and its CDP and science-based target status.

What if I believe my company doesn't have a greenhouse gas footprint?

We expect suppliers to participate in CDP to provide climate disclosure, share relevant emissions information, and demonstrate their approach to corporate sustainability. Even where operational emissions are limited, value-chain emissions may still be relevant. Suppliers should document how they evaluated Scope 1, 2, and applicable Scope 3 sources. The questionnaire has standardized questions that go beyond GHG emissions.

What if our real estate is leased?

Collect available utility information from bills, landlords, or property managers. Classification of emissions from leased facilities depends on the lease arrangement and the organizational-boundary approach used, such as operational control, financial control, or equity share. Consult the GHG Protocol leased-assets guidance to determine the appropriate Scope 1, 2, or 3 treatment.

What if we do not have complete emissions data?

Start with the best available data, document assumptions and gaps, and improve the inventory over time.

Do we need third-party assurance?

Third-party assurance is not generally expected as a first step. Suppliers beginning GHG accounting should first establish a complete, documented inventory.

Do we need to report Scope 3 emissions?

Scope 1 and Scope 2 are the recommended starting point. Over time, suppliers should screen relevant Scope 3 categories and improve reporting where material. Scope 3 is especially important for companies preparing for science-based targets.