

**Diversified Biotech, Inc.**  
**Simplified Inventory Management Plan Form**

This Inventory Management Plan (IMP) documents Diversified Biotech’s greenhouse gas (GHG) emissions inventory process. This IMP is an internal process to institutionalize the completion of a high-quality inventory. The IMP will be updated periodically to reflect the most up-to-date information.

This simplified IMP is provided by Diversified Biotech, Inc. as an accompanying document to [U.S. EPA’s Simplified GHG Emissions Calculator \(SGEC\)](#), covering all recommended IMP components. It is presented in a simplified format, and some items have been pre-populated with default responses consistent with the use of the SGEC.

**Version Information:**

Item	Description	
A.	Version Number of IMP:	1.0
B.	Date IMP Completed:	

**Organization Information:**

Item	Description	
1.	Organization Name:	Diversified Biotech, Inc.
2.	Address:	65 Commerce Way, Dedham MA 02026
3.	Inventory Contact Name:	Gregory Kwak
4.	Contact Information:	gkwak@divbio.com

**Boundary Conditions:**

Item	Description	Selection (Check one)	Boundary Selection Approach
5.	Organizational Boundary: <i>(Select the organizational boundary approach used for GHG inventory.)</i>	<input checked="" type="checkbox"/>	Equity Approach
		<input type="checkbox"/>	Control Approach (Financial Control)
		<input type="checkbox"/>	Control Approach (Operational Control)

Item	Description	Boundary Selection Process
5A.	Organizational Boundary Selection Process: <i>(Describe how the organizational boundary selection approach was chosen.)</i>	The Equity Approach of organizational boundary was selected as it reflects the most accurate interpretation of organizational structure. Diversified Biotech is a corporation with 100% ownership being retained by the President and CEO. This approach will encompass all business operations.

Item	Description	Organization Facilities
6.	List of Facilities Included Under Selected Organizational Boundary: <i>(List all of the organization-wide facilities included under the selected organizational boundary and include the ownership status (owned or leased) for each facility.)</i>	65 Commerce Way, Dedham MA 02026 75 Commerce Way, Dedham MA 02026

Item	Description	GHG	Organization Operations
7.	List of Operations or Source Categories for each GHG: <i>(For each GHG, list the operation or source category that contributes to those emissions. For example: Natural gas boilers or stationary combustion would be listed for CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.)</i>	Carbon Dioxide (CO <sub>2</sub> ):	Stationary combustion, electricity, business travel, commuting, upstream trans. & dist., waste
		Methane (CH <sub>4</sub> ):	Stationary combustion, electricity, business travel, commuting, upstream trans. & dist.
		Nitrous Oxide (N <sub>2</sub> O):	Stationary combustion, electricity, business travel, commuting, upstream trans. & dist.
		Hydrofluorocarbons (HFCs):	AC equipment use
		Perfluorocarbons (PFCs):	AC equipment use
		Sulfur Hexafluoride (SF <sub>6</sub> ):	AC equipment use
		Nitrogen Trifluoride (NF <sub>3</sub> ):	AC equipment use

Item	Description	Procedure
8.	Emission Source Identification Procedure: <i>(Describe the procedure used to identify each source of GHG emissions for the organization.)</i>	Preparer is on-site at the joint 65-75 Commerce Way locations. Site supervisors and account personnel were interviewed to determine activities affecting specific emissions areas. Additionally, visual inspections were utilized to determine and confirm data source information.

Item	Description	Emission Sources
9.	Organization-wide Scope 1 Direct Sources of GHG Emissions: <i>(List the organization Scope 1 direct sources of GHG emissions.)</i>	Stationary Combustion AC Equipment Use

Item	Description	Emission Sources
10.	Organization-wide Scope 2 Indirect Sources of GHG Emissions: <i>(List the organization Scope 2 indirect sources of GHG emissions.)</i>	Purchased and Consumed Electricity

Item	Description	Emission Sources
11.	Organization-wide Scope 3 Indirect Sources of GHG Emissions: <i>(List the organization Scope 3 indirect sources of GHG emissions.)</i>	Business Travel Employee Commuting Upstream Transportation and Distribution Waste

Item	Description	Emission Sources
12.	Use of RECs to reduce GHG emissions. <i>(State whether the organization will use green power to reduce its Scope 2 indirect electricity emissions.)</i>	Where and when available, Diversified Biotech will use green power generated by sustainable sources.

Item	Description	Emission Sources
13.	Use of Offset Projects to reduce GHG emissions. <i>(State whether the organization will use offsets to help achieve its GHG reduction goal.)</i>	At present, Diversified Biotech will not use offsets to reduction GHG emissions. This will be reviewed in the future.

Emissions Quantification:

Item	Description	Method
14.	Quantification Method: <i>(List the quantification method used to determine the organization GHG inventory. Default methods are provided. If other methods are used, list the methods.)</i>	Stationary Sources: <i>U.S. EPA. Greenhouse Gas Inventory Guidance. Direct Emissions from Stationary Combustion Sources. January 2016.</i>  Mobile Sources: <i>U.S. EPA. Greenhouse Gas Inventory Guidance. Direct Emissions from Mobile Combustion Sources. January 2016.</i>  Refrigeration/AC Use: <i>U.S. EPA. Greenhouse Gas Inventory Guidance. Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases. November 2014.</i>  Indirect Electricity/Steam Purchases: <i>U.S. EPA. Greenhouse Gas Inventory Guidance. Indirect Emissions from Purchased Electricity. January 2016.</i>

Item	Description	Method
15.	Emission Factors and Other Constants: <i>(List the source of emission factors and other constants used to develop the organization GHG inventory. Default methods are provided. If other methods are used, list the methods.)</i>	<i>U.S. EPA. GHG Emission Factors Hub.</i>

Data Management:

Item	Description	Method
16.	Activity Data: <i>(List the source of data used to determine the organization-wide GHG emissions for each category.)</i>	Stationary Sources: Utility bills  Refrigeration/AC Use: Service call reports and unit specifications  Indirect Electricity/Steam Purchases: Utility Bills  Scope 3 Sources (list each source category): Vendor invoices indicating material/product transportation between sites.

Item	Description	Method
17.	Data Management: <i>(Describe the general process in place to gather data for the development of the GHG inventory.)</i>	The process involves identifying relevant sources of emissions. This entails a 6-month facility review with the General Manager who understands the requirements and process of emission monitoring. Once identified, a means of quantifying emissions is determined through discussion with the Controller as, typically, all activity related to identified sources has an invoice or usage information maintained for accounting purposes. Once established, the emission inventory contact reviews this information and enters data into the GHG Calculator and subsequently the GHG Inventory Summary and Target Tracking Form. Prior to finalization, a review meeting takes place to determine any additional sources that may have been added during the prior 12-month period.

Item	Description	Method
18.	Data Collection Process – Quality Assurance: <i>(Describe the general process in place to assure the quality of the data gathered for the development of the GHG inventory.)</i>	Whenever possible, primary data is gathered and utilized to perform a GHG inventory. This includes, but is not limited to: invoices, service reports, usage reports, internal measurements and inspections. When circumstances exist to prevent the utilization of primary data, assumptions will be made based on EPA approved conditions.

Item	Description	Method
19.	Data Collection System Security: <i>(Describe the general process in place to assure the security of the data gathered for the development of the GHG inventory.)</i>	Data collection system security is maintained using internally developed controls to minimize instances of assumption and maintain reporting accuracy.

Item	Description	Method
20.	Integrated Tools: <i>(Describe how the GHG inventory procedures are integrated into existing organization tools or procedures.)</i>	Integrating GHG inventory procedures is currently under development. Diversified Biotech currently employs Microsoft’s Business Central enterprise software. The capability of associating emission factors directly with business activities exists and will be implemented over time.

Item	Description	Method
21.	Frequency: <i>(Describe the frequency for data to be reported to the organization designated point of contact for the development of the GHG inventory.)</i>	Data will be collected every six months and formal reports will be available on a yearly basis.

**Base Year:**

Item	Description	Method
22.	Adjustment – Structural Changes: <i>(List the structural changes that will lead to an adjustment of the organization base year emissions. Default adjustments are provided. If other methods are also used, include the methods.)</i>	<p>Base year emissions will be adjusted only under the following conditions:</p> <ul style="list-style-type: none"> <li>• The acquisition of operations or facilities which existed prior to the organization base year.</li> <li>• The divestiture of operations or facilities.</li> <li>• If applicable, normalization factor for goal-tracking will also be adjusted.</li> </ul>

Item	Description	Method
23.	Adjustment – Methodology Changes: <i>(List the methodology changes that will lead to an adjustment of the organization base year emissions. Default adjustments are provided. If other methods are also used, include the methods.)</i>	<p>Base year emissions will be adjusted only under the following conditions:</p> <ul style="list-style-type: none"> <li>• Significant change (greater than 0.5% difference in total base year emissions) in emission factors, constants, or methodologies.</li> <li>• Errors are discovered in previously submitted data that significantly change (greater than 0.5% difference in total base year emissions) the base year emissions.</li> </ul>

Management Tools:

Item	Description	Method
24.	Roles and Responsibilities: <i>(List roles and responsibilities of organization personnel involved with GHG inventory development.)</i>	Inventory Contact – Based on a pre-determined approach, the Inventory Contact will gather, record and present relevant data. General Manager – GM is responsible for understanding any facility, personnel or business factors relating to emission reporting; and communicate these to the Inventory Contact. Controller – The Controller will help determine relevant accounting-based methods to acquire data relevant to emission reporting.

Item	Description	Method
25.	Training: <i>(List any training of organization personnel specific to the development of the organization-wide GHG inventory.)</i>	As of Version 1.0, personnel have not received any formal GHG inventory training.

Item	Description	Method
26.	Document Retention and Control Policy: <i>(List the organization retention and control policy for any documents related to the development of the GHG inventory.)</i>	The control policy will be updated as needed based on procedural changes. Version changes of policy will be held in perpetuity. Supporting documentation for reporting will be retained for five years.

Auditing and Verification:

Item	Description	Method
27.	Internal Auditing: <i>(Internal procedures used to verify accuracy of GHG inventory.)</i>	Information and data used to prepare yearly reports will be audited once a year prior to the release of finalized reports. Internal audits will be performed by personnel independent of the GHG inventory process. This would include the use manager-level employees to ensure that all data have been gathered and accurately reported.

Item	Description	Method
28.	External Validation and/or Verification: <i>(External procedures (i.e., 3<sup>rd</sup> party verifiers) used to verify accuracy of GHG inventory.)</i>	None conducted.

Item	Description	Method
29.	Management Review: <i>(Management review process used to verify accuracy of GHG inventory.)</i>	Final reports will be prepared by Inventory Contact and independently reviewed by at least two additional internal personnel including at least one officer. Once approved, reports will be finalized and made available.

Item	Description	Method
30.	Corrective Action: <i>(Description of how corrective actions from reviews are implemented.)</i>	When necessary, corrective action to improve reporting based on internal/external feedback will be taken. Where applicable, the cause, corrective measures and reasoning will be recorded and attached to a appropriate updated IMP versions as an appendix.