



OFFICE OF THE GENERAL COUNSEL  
300 PHILLIPI ROAD  
COLUMBUS, OHIO 43228-5311  
PHONE: 614-278-6672  
FAX: 614-278-7127

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May 31, 2012

Mr. Paul Dickinson  
Chief Executive  
Carbon Disclosure Project  
40 Bowling Green Lane  
London, EC1R 0NE  
United Kingdom

Re: Response to Investor CDP 2012 Information Request

Dear Mr. Dickinson:

Big Lots, Inc. (together with its subsidiaries referred to collectively herein as "we," "us," and "our") is the largest broadline closeout retailer in North America. We currently operate over 1,450 stores in 48 U.S. states. We also acquired retail operations in Canada in July 2011, and currently operate over 70 stores in seven Canadian provinces. Our responses do not include our Canadian operations. More information about us is available on our website located at [www.biglots.com](http://www.biglots.com).

Closeout merchandise generally results from production overruns, packaging changes, discontinued goods or liquidations. In addition to closeout merchandise, we stock many goods on a consistent basis. This merchandise may not always be the same brand or may be off-brand, because we attempt to provide our customers with merchandise at a price that represents a great value.

In addition to our continuous improvement in managing our impact on our environment and our other philanthropic efforts, we are particularly honored to have received the 2012 Environmental Corporate Caring Award for large business. This award was given by Columbus Business First in recognition of our commitment to the Furniture Bank of Central Ohio. Beyond our donations of furniture, talent and money to this tremendous charity (including spearheading the \$1 million raised to date in 2012), the furniture bank diverts thousands of pounds of material from landfills and provides families with the furniture they need to full their homes. It is estimated that all of the furniture collected by the Furniture Bank in a single year would cover one acre of land at 25 feet in height.

As you requested, we are providing responses to questions posed by the Investor CDP 2012 Information Request. Our responses to the request are provided based on the information we have available – which we do not believe encompasses all sources of our GHG emissions and does not allow us to respond to each question posed by the request. We have indicated "no response," "not applicable," "unknown" or omitted questions when we have no response. We make no representations or warranties as to the accuracy or completeness of the information we have provided in response to the request, and we do not undertake any obligation to update our response to or omission of any question.

Please note that only this letter, in its entirety, shall be considered our official response to the Investor CDP 2012 Information Request. Any alteration, abstraction or abbreviation of our complete response shall not be considered our official response and the same is not endorsed by us and may not represent our views.

*Any forward-looking statements we make in response to the request involve risks and uncertainties and are subject to the safe harbor provisions as stated in our filings with the U.S. Securities and Exchange Commission. Actual results may differ materially from those described in our forward-looking statements.*

## Management

### 1. Governance

#### Group and Individual Responsibility:

#### 1.1. Where is the highest level of direct responsibility for climate change within your company?

Our Public Policy and Environmental Affairs Committee ("PPEAC") was formed in 2008 for the purpose of taking a leadership role in shaping our policies and practices as they relate to current and emerging public policy, environmental and social issues that may impact us. The PPEAC is a management committee that reports to the Nominating / Corporate Governance Committee of our Board of Directors.

#### 1.1a If an individual or committee is identified, please identify the position of the individual or name of the committee with this responsibility.

See our response to question 1.1 above.

#### Individual Performance

#### 1.2. Do you provide incentives for the management of climate change issues, including attainment of targets?

No.

#### 1.2a If yes, please complete the table:

Not applicable.

Who is entitled to benefit from these incentives	The type of incentives	Incentivized performance indicator

## 2. Strategy

### Risk Management Approach

- 2.1. Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities.

A process that forms part of the Company's overall approach to governance/compliance.

- 2.1a If "integrated into company-wide risk management process", "a specific climate change risk management process" or "a process that forms part of the company's overall approach to governance/compliance" are selected, please provide further details.

The PPEAC oversees management of risks associated with public policy, environmental and social matters that may affect our operations, performance or public image. Individual departments within our company may identify risk and opportunities from climate change and, if significant risks or opportunities exist which may affect our business, raise such matters to the PPEAC and/or management for further analysis.

### Business Strategy

- 2.2 Is climate change integrated into your business strategy?

Yes.

- 2.2a If yes, please describe the process and outcomes.

The PPEAC oversees management of risks associated with public policy, environmental and social matters that may affect our operations, performance or public image. Individual departments within our company may identify risk and opportunities from climate change and, if significant risks or opportunities exist which may affect our business, raise such matters to the PPEAC and/or management for further analysis. Among the responsibilities of the PPEAC are the duties to: (a) identify and review current and emerging environmental issues relating to emissions, greenhouse gases, climate change, energy consumption and conservation programs; (b) review and assess our policies, practices, performance and compliance with respect to those environmental issues, as well as the impact such issues had on us; (c) discuss our strategies for addressing the future impact of those environmental issues on our operations and performance; (d) report its activities, findings and recommendations to our Board of Directors; and (e) report to management such matters within the PPEAC's purview that it believes have, or are reasonably likely to have, a material effect on our operations or financial statements or would otherwise be required to be publicly disclosed by us under applicable laws, rules or regulations.

- 2.2b If no, please explain why not.

Not applicable.

### Engagement with Policy Makers

**2.2 Do you engage with policy makers to encourage further action on mitigation and/or adaptation?**

No response.

**2.3a If yes, please explain (i) the engagement process and (ii) actions you are advocating.**

No response.

### 3. Targets and Initiatives

#### Targets

**3.1. Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?**

While we continue to analyze our GHG emissions, we remain committed to using energy in an efficient manner and helping to reduce GHG emissions. We expect to continue advancing this objective by continuing the efforts described herein, as well as exploring additional opportunities to reduce GHG emissions and energy costs. In terms of developing formal, public targets, our position is that we do not make public projections but prefer to maintain a philosophy of continuous improvement. The proof of success in this strategy is that even without formal, public targets – we are reducing our GHG emissions. If we do develop formal targets, we expect that those targets will be internally communicated only.

**3.1a If you have an absolute target, please provide details of your absolute target.**

Not applicable.

**3.1b If it is an intensity target, please provide details of your intensity target.**

Not applicable.

**3.1c Please also indicate what change in absolute emissions this intensity target reflects.**

Not applicable.

Directions of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment

**3.1d For both types of target, also please provide details on your progress against this target made in the reporting year.**

Not applicable.

% complete (time)	% complete (emissions)	Comment

**3.1e If you do not have a target, please explain: (i) why not; and (ii) forecast how your emissions will change over the next five years.**

See our response to question 3.1 above.

**Emissions Reduction Initiatives**

**3.2 Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?**

Generally, no, but we specialize in acquiring and selling closeout merchandise that generally results from production overruns, packaging changes, discontinued goods and factory reconditioning. In a sense, we function to find useful outlets for merchandise that manufacturers may otherwise choose to deposit in the world's landfills.

**3.2a If yes, please provide details.**

See our response to question 3.2 above.

**3.3 Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases).**

Yes.

If yes, complete questions 3.3a, 3.3b and 3.3c:

**3.3a Please identify the total number of projects at each stage of development, and for those in the implementation stages, estimated CO2e savings.**

Stage of development	Number of projects	Total estimated annual CO2e savings (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

**3.3b For those initiatives implemented in the reporting year, please provide details in the table below:**

Our environmental strategy has been to focus on reducing our indirect GHG emissions through waste reduction and recycling, reducing our energy consumption through energy efficiency projects and through reducing the consumption of fossil fuels by improving our transportation methods. We have launched several initiatives in recent years to mitigate the impact of our operations on the environment, including:

Activity type	Description of activity
Closeout Retailing	We specialize in acquiring and selling closeout merchandise that generally results from production overruns, packaging changes, discontinued goods, factory reconditioning and returns. In a sense, we function to find useful outlets for merchandise that manufacturers may otherwise choose to deposit in the world's landfills.
Furniture Bank of Central Ohio	In April 2012, we were honored to receive the Environmental Corporate Caring Award for large business. This award was given by Columbus Business First in recognition of our commitment to the Furniture Bank of Central Ohio. Beyond our donations of furniture, talent and money to this tremendous charity (including spearheading the \$1 million raised to date in 2012), the furniture bank diverts thousands of pounds of material from landfills and provides families with the furniture they need to full their homes. It is estimated that all of the furniture collected by the Furniture Bank in a single year would cover one acre of land at 25 feet in height.
Lighting Retrofits and Group Relamps – Stores	Since 1999, we have undertaken a store lighting retrofit program in approximately 93% of our U.S. stores. The program consists of removing T12 lighting with magnetic ballast (approximately 160 watts per fixture) and installing T8 lighting with electronic ballast (approximately 111 watts per fixture). On average, a store contains 375 lighting fixtures. As a result of this program, we reduced energy usage by 6,078,814 kWh in 2007, by an additional 5,107,944 kWh in 2008, and by an additional 4,320,289 kWh in 2009. Included in the 2009 kWh energy reduction are group relamps, where stores that have reached a 4 year lamp life expectancy are group relamped. This process reduces the lamp wattage from 32 per lamp to 30, provides for lamp warranty coverage and allows for proper recycling of the old lamps complete with certification. In 2010, we reduced energy consumption by 8,037,783 kWh by group relamping 155 stores (annual energy reduction of 2,102,711 kWh) and retrofitting lighting at 50 additional stores (annual energy reduction of 5,935,072 kWh). In 2011, we reduced energy consumption by 9,150,637 kWh by group relamping 117 stores (annual energy reduction of 1,553,744 kWh) and retrofitting lighting at 64 additional stores (annual energy reduction of 7,596,893 kWh). According to the U.S. Environmental Protection Agency calculation last updated on February 11, 2008 (which uses an eGRID non-baseload national average emissions rate to calculate kilowatt-hours of electricity to carbon dioxide equivalent), the resulting

	<p>reduction in carbon dioxide produced equates to 4,725 metric tons of carbon dioxide for 2007, 3,267 metric tons of carbon dioxide for 2008, 2,763 metric tons of carbon dioxide for 2009, 5,542 metric tons of carbon dioxide for 2010, and 6,310 metric tons of carbon dioxide for 2011. As an example, the 2007 reduction translates to the annual greenhouse gas emissions from 865 passenger vehicles or the electricity use of 625 homes for one year, the 2008 reduction translates to the annual greenhouse gas emissions from 686 passenger vehicles or the electricity use of 479 homes for one year, the 2009 reduction translates to the annual greenhouse gas emissions from 580 passenger vehicles or the electricity use of 405 homes for one year, the 2010 reduction translates to the annual greenhouse gas emissions from 1,079 passenger vehicles or the electricity use of 782 homes for one year, and the 2011 reduction translates to the annual greenhouse gas emissions from 1,237 passenger vehicles or the electricity use of 787 homes for one year. Additionally, motion sensors are installed during the retrofit process in order to reduce lighting usage in areas that are less frequently used (e.g., restrooms, break rooms, etc.). As a significant number of lights fail, third party maintenance companies are engaged to replace lights and recycle all old lights so as to avoid disposal into general trash receptacles.</p>
<p>Lighting Retrofits and Group Relamps – Distribution Centers</p>	<p>Since 2006, we have undertaken a lighting retrofit program in five of our six distribution center facilities. The program consists of removing 1000W HID metal halide lighting with magnetic ballast and installing T8 lighting with electronic ballast, motion sensors and ambient light sensors. On average, a distribution center contains 2,600 lighting fixtures with an average of 248 watts per fixture. As a result of this program, we reduced energy usage by 24,493,193 kWh. Beginning in 2010, we have added occupancy sensors in offices and restrooms at four distribution centers, in which we have reduced energy usage by 494,028 kWh per year. Combined, these programs above equate to a reduction in carbon dioxide of 16,291 tons per year. It also translates into 4,624 trees planted, a reduction of airborne pollutants (including CO<sub>2</sub>, SO<sub>2</sub>, NO<sub>x</sub>) by 16,373 tons per year, and a reduction in 2,080,133 gallons of gas per year. In 2012, we expect to retrofit the exterior lighting at four distribution centers, which would conserve another 2,465,793 kWh each year.</p>
<p>Energy Management Systems / HVAC – Stores</p>	<p>Much of our current carbon footprint is tied to the energy (electricity and natural gas) consumed in our stores. To effectively manage this consumption, we are taking steps to more actively integrate, monitor and control the energy-efficient technologies that exist in our stores. Beginning in 2006, we began testing EMS technologies in certain of our stores. The EMS controls and monitors lighting use and HVAC systems by automating the times during which lights are on/off and the temperature in the store. Web-based monitoring allows our home office to reduce HVAC maintenance and determine if controls are unnecessarily overridden by store management. Approximately 1,209 stores currently have EMS (an increase of approximately 789 stores during 2010), with the largest concentration of EMS stores in California where a program exists to compensate users who reduce energy consumption. On average, an EMS store recognized a 16% reduction in energy consumption in each of 2007, 2008, 2009 and 2010, and 2011 achieved approximately an 18% reduction. Additionally, EMS systems</p>

	<p>will be installed in each new store opened for the foreseeable future. Where cost justified, we have installed economical, high efficiency HVAC equipment and we emphasize proper, thorough and comprehensive maintenance of HVAC equipment, which has provided further consumption benefits and emission reductions. In fiscal 2011, as a complement to our EMS equipment and strategy, we installed demand controlled ventilation (DCV), in 1,290 stores which we expect to drive down our energy usage an additional 5%. We currently expect to deploy psychometric technology in all sites with EMS. Psychometrics is expected to achieve an additional 3% savings by monitoring the humidity levels and reducing the need to operate HVAC systems.</p>
<p>Energy Management Systems / HVAC – Distribution Centers</p>	<p>A significant portion of our carbon footprint is also tied to the energy (electricity and natural gas) consumed in our distribution centers (DCs). To effectively manage this consumption, we are taking steps to more actively integrate, monitor and control the energy-efficient technologies that exist in our DCs. We installed an EMS when our Oklahoma distribution center was built in 2003. The EMS controls and monitors HVAC systems by automating the temperature in the warehouse based on a heating and a cooling setback temperature setting. In 2012, we expect to complete the installation of an EMS at our Ohio distribution center, where we expect to realize a 17% reduction in energy consumption. We also plan to replace our heaters with more efficient units, which will reduce our natural gas consumption. In our Pennsylvania distribution center, we plan to implement an EMS in 2012, where we likewise expect to see a 17% reduction in energy consumption.</p>
<p>Paper Advertising Reduction / Buzz Club</p>	<p>During 2009, we reduced the number of printed advertisements we contracted to have printed and distributed by approximately three million pieces per advertisement. This significant reduction decreased the amount of paper, ink and energy and GHG emissions associated with the production and distribution of our advertisements. We are also rapidly expanding our customer rewards membership programs through which we are able to communicate with our customers via e-mail. These programs have grown from just over 1.0 million members in 2006 to approximately 11.5 million members at the end of 2011. During this same timeframe, we have reduced the number of pieces per advertisement significantly (less than 32 million pieces per advertisement in 2011 versus 2006 approximately 36 million pieces per advertisement in 2006). We hope to continue to reduce the number of printed advertisements that we need to effectively promote our business by using e-mail and other technology and leveraging our growing customer rewards membership base.</p>
<p>SmartWay Transportation Partnership</p>	<p>Though we do not own or operate the trucks that haul our goods, we are actively encouraging our carriers to participate in the SmartWay Transportation Partnership, a collaborative effort between the freight industry and the U.S. Environmental Protection Agency to increase energy efficiency while significantly reducing greenhouse gases and air pollution. We look to retain carriers that have proven track records with improving fuel efficiency and their carbon footprint, and we have modified our carrier scorecard to award added points, and therefore show preference to, carriers who are (or will become) partners in the SmartWay program. Thus, we will be encouraging any shipping partners who</p>

	are not participating in SmartWay to do so in order to assure continued preference as a shipping service provider. Additionally, we became a SmartWay Transportation Partnership shipper in 2008.
VICS Empty Miles Partnership	During 2009, we participated in a new program that many shippers joined that enables us to post our empty backhaul lanes on a website to identify matches. Once a match is identified, the shippers work collaboratively to fill each other's empty backhaul lanes, thus reducing carbon footprint and filling empty miles.
One-Way Carriers / Loading Efficiently	During 2007, 2008 and 2009, we increased our use of third party one-way carriers in order to decrease overall transportation cost as a result of fewer miles traveled. This initiative has the effect of reducing fuel consumption and emissions. In addition, we are actively managing our backhaul opportunities to minimize empty miles on return trips back from store deliveries. We have also worked to maximize the space we use inside each trailer, thereby reducing the miles needed to ship our goods.
Carrier Idling	For several years, we have allowed third party carriers' drivers to take rest breaks inside of our stores while goods are being unloaded. This allows the drivers to turn off their trucks to avoid unnecessary idling. Considering the average unloading process spans three hours and we may have approximately 85,000 total store deliveries per year, that equates to a significant reduction in fuel consumption, costs and emissions over idling trucks.
Pallet Recycling	Our distribution centers handle over 1.5 million wood pallets per year with approximately 15% recycled and 10% in a pallet lease program. In 2008, we began a new initiative whereby a third party recycling company collects pallets from stores being serviced by one-way carriers for their reuse or recycling. Because these stores are not regularly serviced by a roundtrip or backhaul carrier, this changes the practice of such stores to placing pallets in the garbage or giving the pallets away. Stores serviced by roundtrip carriers will continue to send pallets back to our distribution centers for their reuse or recycling.
Cardboard and Shrink-wrap Recycling	Our stores and distribution centers participate in cardboard recycling programs, and our distribution centers also participate in shrink-wrap recycling programs.
Disaster Recovery	We have a disaster recovery program for corporate services and for stores exposed to severe weather conditions. The program includes communication procedures for human safety and building protection measures, including but not limited to hurricane panels, to be put in place based when we receive adequate advance warning.
Active Participation	On the supply side, we have participated in position letters and intervened in regulatory filings and rate cases. This action is in an effort to provide an equal, balanced result between utility provider and affected retail customers, with the hopes of reducing the requested rate increase to a more reasonable amount. We also procure energy in direct access and deregulated markets. Although there is presently no specified amount of energy purchased in the renewable category, we do benefit from activity in certain markets where alternate suppliers are providing supply to retail customers. In such instances, there is generally approximately 2% designated as renewable in the supply portfolio. Not only do our present procurement activities lower our energy expenses, they also

	contribute towards driving technology for more reliable sources of energy through competitive markets. EMS technologies used on the demand side have also allowed us to participate in demand response program with utilities that have furthered our supply side cost cutting initiatives.
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The columns entitled "Estimated annual CO2e savings," "Annual monetary savings (unit currency)," "Investment required (unit currency)" and "Payback period" have been deleted as we have no response.

**3.3c What methods do you use to drive investment in emissions reduction activities?**

See our response to question 3.3b above.

Method	Comment

**3.3d If you do not have any emissions reduction initiatives, please explain why not.**

Not applicable.

**4. Communications**

**4.1. Have you published information about your company'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 publications(s).**

We believe our response to the CDP information requests provides adequate information on these topics, thus we do not generally make additional disclosures. Of course, we will make such disclosures as may be required of us under applicable laws, rules or regulations. While we continue to analyze our GHG emissions, we remain committed to using energy in an efficient manner and helping to reduce GHG emissions. We expect to continue advancing this objective by continuing the efforts described in response to question 3.3b above, as well as exploring additional opportunities to reduce GHG emissions and energy costs. In terms of developing formal, public targets, our position is that we do not make public projections but prefer to maintain a philosophy of continuous improvement. The proof of success in this strategy is that even without formal targets – we are reducing our GHG emissions. If we do develop targets, we expect that those targets will be internally communicated only.

## Risks & Opportunities

### 5. Climate Change Risk

#### 5.1. Have you identified any climate change risks (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure?

We are not currently subject to GHG regulations or emissions caps in the U.S. As a corporation that is primarily an indirect emitter of GHG emissions, it is unlikely that we will be materially affected directly by climate change legislation that is proposed or pending at this time; however, we cannot predict the likelihood or impact of future regulations. Our strategy is to focus on energy efficiency as a means to reduce GHG emissions.

The potential business implications of climate change regulations include increased costs for fossil-based electricity and fuels. We may incur increased product and operational costs as a result of legislation that targets utility companies. If electric utility cap and trade legislation is passed, utility companies may be forced to pass along to their customers the increased costs required in order for them to comply with the requirements of these bills. Also, regulations governing disclosure of the carbon footprint of operations and goods will require an investment in human resource time as well as product tracking databases.

The regulations that emerge to address potential climate change may also impact our supply chain and customers. For example, passage of fuel-related legislation could potentially increase transportation costs for us as our distribution and transportation providers may incur increased expenses in order to comply with such legislation. Consequently, we may incur increased costs to acquire and sell the goods offered in our stores.

As raw material costs increase, so too would our cost of goods sold, which reduces margin and/or forces us to increase prices, which creates increased price sensitivity. As customers pay more for their energy needs, they would likely reduce expenditures in other areas, particularly non-core expenditures, and this may hurt us and many other corporations. We have not attempted to quantify the financial implications of climate change risks or existing or upcoming regulations.

Climate change presents us with some physical risks and challenges that may result from extreme weather events. Extreme weather events could increase the risk of damage to real and personal property, business interruption, and increased energy and insurance costs. For example, an increase in average temperatures would likely result in increased costs to control the temperatures in our retail stores, home office and distribution centers.

Increases in the frequency and intensity of severe weather events (particularly hurricanes, tornadoes and flooding events) could potentially result in business interruption, the destruction of buildings and the loss of merchandise. Hurricanes will likely pose the greatest risk to our retail stores in coastal states, but it is possible that storms of greater severity and flooding may also affect other operations across the country.

Additionally, severe weather events could affect our supply chain. Hurricanes in areas of heavy oil production can disrupt oil supplies, reduce production and cause oil prices to increase dramatically. This is a cost that would most likely be passed to us by our distribution and transportation providers. Damage to infrastructure such as interstates and bridges could also potentially disrupt delivery of goods to impacted regions.

Another aspect of potential climate change which poses possible physical risks to us is the rise of global sea level caused by the melting polar icecaps. Rising sea level could result in the increased flooding of retail stores in coastal areas as the result of storm surges which will reach farther inland than they did previously. If sea level rise and associated flooding related to climate change becomes a reality, the proximity of many of our stores to coastal areas may affect our ability to operate efficiently and result in operational costs.

As a responsible corporate citizen, we recognize that climate change may have a future impact on our environment and economy. Presently, however, it is not anticipated that climate change (or the possibility of climate change) will cause a significant shift in consumer attitudes such that a material risk will be created for us. We believe it is more likely that any shift in consumer attitudes will be around environmental concerns such as recycling, energy conservation, packaging reduction, natural/organic goods and increased online shopping due to increases in fuel costs. We are constantly evaluating these potential risks and the opportunities that may be incorporated in our business strategies.

As discussed above, an actual change in climate could adversely impact us by: (a) producing higher energy costs at our facilities (energy represents a substantial percentage of the operating cost at our stores, distribution centers and home office) and for our logistics (rising fuel costs, which may be partly triggered by climate change, will challenge us to contain costs passed on to us by our distribution and transportation providers); (b) increasing our operational expenses (to track and manage climate change issues); and (c) requiring incremental capital investment (for GHG reporting and reduction-related projects). Our objective is to be aware of the implications of our energy decisions and to be a responsible energy consumer in running our business.

Our environmental strategy has been to focus on reducing our indirect GHG emissions through waste reduction and recycling, reducing our energy consumption through energy efficiency projects and through reducing the consumption of fossil fuels by improving our transportation methods. We have launched several initiatives in recent years to mitigate the impact of our operations on the environment, including those discussed in our response to question 3.3b above.

We assess the effects of potential climate change risks on a case-by-case basis. We generally do not publicly disclose our assessments or the potential impact such risks may have on our financial condition or operating results, unless required to do so by applicable laws or regulations.

Projects we undertake to mitigate potential climate change risks are weighted based various factors, including return on investment. Generally, we conduct pilot programs to measure the impact of the project, with adjustments being made as deemed necessary. Upon completion of the pilot, we will consider a more comprehensive rollout, making changes to the project scope or discontinuing the project. We also track the actual cost of projects and expense item against budgeted amounts to ensure we appropriately account for such liabilities. Through that process, lessons learned are evaluated and prioritized for future opportunities.

## 6. Climate Change Opportunities:

### 6.1. Have you identified any climate change opportunities (current or future) that have the potential to generate a substantial change in your business operations, revenue or expenditure?

As a retailer, we do not expect to realize significant increases in business opportunities as a result of regulatory requirements related to climate change issues. We have chosen to focus on reducing our carbon footprint by reducing and preventing waste, reducing our energy consumption, and improving the efficiency of our distribution and transportation processes. By incorporating these strategies into our operations, we hope to reduce our impact on the environment while growing and improving our financial outlook.

We do not expect to realize significant increases in business opportunities as a result of potential physical changes resulting from climate change. However, stores in areas impacted by hurricanes may experience an increase in sales of certain goods before and after hurricanes, including flashlights, water, hygiene products and batteries. Additionally, if we began to experience longer growing seasons, we may have an opportunity to sell more lawn and garden goods. Of course, such a change may also result in a corresponding decline in sales of goods generally purchased during periods of cold weather (e.g., snow shovels, winter clothing, etc.).

The potential financial effects of opportunities are assessed in much the same way we assess potential climate change risks – on a case-by-case basis. Also, see our response to question 5 above.

## Emissions

### 7. Emissions Methodology:

#### Base Year

#### 7.1. Please provide your base year and base year emissions (Scopes 1 and 2)

Use the table in the ORS to provide the following details for Scopes 1 and 2:

- Base year
- Base year emissions
- Base year status

No response.

#### Methodology

#### 7.2 Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Calculations of GHG emissions are based on formulas provided by the Indirect CO<sub>2</sub> Emissions from Purchased Electricity, Version 3.0, March 2008 (as developed by World Resources Institute).

If you have selected "other":

#### 7.2a Please provide further details.

See our response to question 7.2 above.

#### 7.3 Please give the source for the global warming potentials you have used.

No response.

Gas	Reference

#### 7.4 Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data.

No response.

Fuel/Material/Energy	Emission Factor	Unit	Reference

## 8. Emissions Data

### Boundary

8.1. Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Select from

- Financial control
- Operational control
- Equity share
- Climate Change Reporting Framework (CCRF)
- Other

Subject to our response to question 8.2, we are reporting for all companies over which financial control is exercised – per consolidated audited financial statements.

### Scope 1 and 2 Emissions Data

8.2 Please provide your gross global Scope 1 emissions figures in metric tonnes CO<sub>2</sub>e

We are primarily an indirect emitter of GHG emissions. We have not established a formal enterprise-wide program to track and account for GHG emissions. Accordingly, our responses to this questionnaire are provided based on the information we have available – which we do not believe encompasses all sources of our GHG emissions. Our responses do not include our Canadian operations. We make no representations or warranties as to the accuracy or completeness of the information we have provided in response to this questionnaire.

8.3 Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e

We estimate the indirect CO<sub>2</sub> emissions as a result of our electricity usage at our U.S. facilities (excluding less than 30 stores for which we pay to landlords a fee for utility usage) in 2011 to have been 424,901 metric tons.

8.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

Yes, see our response to question 8.2 above.

8.4a If yes, please complete the table.

No response.

Reporting entity	Source	Scope	Explain why the source is excluded

**Data Accuracy**

**8.5** Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations.

We do not believe the information we have gathered encompasses all sources of our GHG emissions. The effect of this uncertainty is unknown to us.

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
1			
2			

**External Verification or Assurance**

**8.6** Please indicate the verification/assurance status that applies to your Scope 1 emissions

Not applicable.

If Scope 1 emissions have been verified or assured (complete or underway), answer questions 8.6a and 8.6b:

**8.6a** Please indicated the proportion of your Scope 1 emissions that are verified/assured.

Not applicable.

**8.6b** Please provide further details of the verification undertaken, and attach the relevant statements.

Not applicable.

Type of verification or assurance	Relevant standard	Relevant statement attached?

**8.7** Please indicate the verification/assurance status that applies to your Scope 2 emissions

Not applicable.



If Scope 2 emissions have been verified or assured (complete or underway) answer question 8.7a and 8.7b.

8.7a Please indicate the proportion of your Scope 2 emissions that are verified/assured

Not applicable.

8.7b Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Not applicable.

Type of verification or assurance	Relevant standard	Relevant statement attached?

**Carbon Dioxide Emissions from Biologically Sequestered Carbon**

8.8 Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

Not applicable.

8.8a If yes, please provide the emissions in metric tonnes CO<sub>2</sub>e.

Not applicable.

**9. Scope 1 Emissions Breakdown**

9.1 Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)

No.

9.1a If yes, please complete the table below.

Not applicable.

Country/Region	Scope 1 metric tonnes CO <sub>2</sub> e

**9.2 Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply).**

Not applicable.

- By business division     By facility     By GHG type     By activity

**10. Scope 2 Emissions Breakdown**

**10.1 Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?**

Our responses do not include our Canadian operations. All Scope 2 GHG emissions disclosed herein are within the U.S.

**10.1a If yes, please complete the table below.**

Not applicable.

Country/Region	Scope 2 metric tonnes CO2e

**10.2 Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply).**

Not applicable.

- By business division     By facility     By activity

**11. Scope 2 Contractual Emissions**

**11.1 Do you consider that the grid average factors used to report Scope 2 emissions in question 8.3 reflect the contractual arrangements you have with electricity suppliers?**

We do not employ a tracking mechanism for verifying the source of electricity purchases through suppliers and, therefore, cannot respond to this question.

**11.1a If no to 11.1, you may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2e.**

Not applicable.

**11.1b** If no to 11.1, explain the basis of the alternative figure.

Not applicable.

**11.2** Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

See our response to question 11.1 above.

**11.2a** If yes, please provide details including the number and type of certificates.

Not applicable.

Type of certificates	Number of certificates	Comments

**12. Energy**

**12.1** What percentage of your total operational spend in the reporting year was on energy?

No response.

**12.2** Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year.

Energy Type	MWh
Electricity	616,195
Heat	132,994
Steam	-
Cooling	-

**12.3** Please complete the table by breaking down the total "Fuel" figure entered above by fuel type.

Unknown.

Fuel	MWh

### 13. Emissions Performance

#### Emissions History

13.1 How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Periods prior to 2007 were not tracked. In comparing 2010 to 2009, emissions did not vary significantly. The comparison between 2011 and 2010 was considerable, with a decline of 10.2%.

If emissions have increased, decreased or remained the same overall:

13.1a Please complete the table.

Reason	Emissions value (percentage)	Direction of change	Comment
Emission reduction activities	10.2	Decrease	

#### Emissions Intensity

13.2 Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO<sub>2</sub>e per unit currency total revenue.

No response.

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
	mtCO <sub>2</sub> e	Unit total revenue			

13.3 Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO<sub>2</sub>e per full time equivalent (FTE) employee.

No response.

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
	mtCO <sub>2</sub> e	FTE employee			

**13.4 Please provide an additional intensity (normalized) metric that is appropriate to your business operations.**

No response.

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
	mtCO2e				

**14. Emissions Trading**

**14.1 Do you participate in any emissions trading schemes?**

No.

**14.1a If yes, please complete the following table for each of the emissions trading schemes in which you participate.**

Not applicable.

Scheme Name	Period for which data is supplied	Allowances allocated	Allowance purchased	Verified emissions in metric tonnes CO2e	Details of ownership

*And if "yes" or "we don't currently, but we anticipate doing so within the next 2 years":*

**14.1b What is your strategy for complying with the schemes in which you participate or anticipate participating?**

Not applicable.

**14.2 Has your company originated any project-based carbon credits or purchased any within the reporting period?**

No.

**14.2a** If yes, please complete the following table.

Not applicable.

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO <sub>2</sub> e_	Number of credits (metric tonnes CO <sub>2</sub> e): Risk adjusted volume	Credits retired	Purpose, e.g. compliance

**15. Scope 3 Emissions**

**15.1** Please provide data on sources of Scope 3 emissions that are relevant to your organization.

We do not track Scope 3 emissions.

Sources of Scope 3 emissions	Emissions (in metric tonnes CO <sub>2</sub> -e)	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.

**15.2** Please indicate the verification/assurance status that applies to your Scope 3 emissions.

We do not track Scope 3 emissions.

If Scope 3 emissions have been verified or assured (complete or underway), answer questions 15.2a and 15.2b:

**15.2a** Please indicate the proportion of your Scope 3 emissions that are verified/assured.

Not applicable.

**15.2b Please provide further details of the verification/assurance undertaken, and attached the relevant statements.**

Not applicable.

Type of verification or assurance	Relevant standard	Relevant statement attached?

**15.3 Are you able to compare your Scope 3 emissions for the reporting year for those for the previous year for any sources?**

We do not track Scope 3 emissions.

**If yes: 15.3a Please complete the table.**

We do not track Scope 3 emissions.

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment

\* \* \* \* \*

Thank you for your interest in Big Lots and allowing us to contribute to the Carbon Disclosure Project. We appreciate the opportunity share with you the important steps we have taken to mitigate the impact of our operations on the environment, while seeking to grow and improve our financial outlook.

Sincerely,

Big Lots, Inc.

