

## Disclosing Company Guidance for Applying the GEC EPEAT Ecolabel to the CDP Climate Change Questionnaire

*“Global standards are essential to tackle global issues; no one entity is powerful enough to bend the curve on global greenhouse gas emissions but every organization has the power to influence the transition to a low-carbon economy. CDP (formerly the Carbon Disclosure Project) pioneered the only global system for companies, cities, states and regions to measure, manage and share vital environmental information. CDP works with over 800 institutional investors with assets of US\$100 trillion to motivate companies to disclose their impacts on the environment and take action to reduce them.*”

*Companies are increasingly looking to their supply chains to realize significant emissions reduction opportunities; the 100 corporate and government members of CDP’s Supply Chain program collectively spend over \$3 trillion USD each year and all of them are focused on collaborating with key suppliers to identify thousands of opportunities to reduce risk, drive down emissions and save money. As organizations increasingly consider the Total Cost of Ownership of the goods and services they purchase, producers must be ready to innovate and reduce the hidden environmental costs in the manufacture, operations, support and disposal of their portfolio of products. Everyone benefits from innovation based on sustainability: companies increase the competitiveness of their product portfolio, their customers save money on energy, effective suppliers gain willing buyers for their new technologies, and environmental impacts are reduced throughout the value chain.*

*For most companies, IT spend is an annual line item in the budget, but not necessarily the most material category of spend or impact. Luckily, companies and governments can reference consensus-based, international ecolabels like EPEAT to ensure that their IT spend is aligned with their corporate sustainability strategy. CDP responders already look to ecolabels such as EPEAT to simplify the search for the most efficient IT products that can reduce both upstream and downstream emissions; we hope this guidance will be useful to help companies quantify and report those benefits in their annual CDP disclosures.”*

- Lance Pierce, Former President, CDP North America

## Introduction

CDP (formerly the Carbon Disclosure Project) is an international not-for-profit organization which aims to increase transparency on how the world's companies and cities are addressing climate change. Since 2003, CDP has conducted an annual information request on behalf of hundreds of investor signatories to collect information on greenhouse gas (GHG) emissions and climate risk management by companies. In 2010, CDP expanded its scope and now conducts an annual survey on corporate water management by companies, and since 2013 has conducted a third on corporate impact on deforestation. CDP continues to evolve its methodologies and scoring to promote further engagement and transparency across a range of environmental issues for companies, cities and regions, both within their direction operations and throughout their supply chains.

An important and growing portion of environmental and social impacts result from the Information and Communications Technology (ICT) sector and its supply chains. This guidance document explains to disclosing companies how utilizing the Green Electronics Council's (GEC) global ecolabel, EPEAT, can be referenced on the CDP climate change questionnaire, whether a company is responding to investors, requesting customers, or both.

The environmental benefits of EPEAT-Registered ICT products can be quantified in lifecycle terms and include reductions in energy use, GHG emissions, water consumption, material waste, and toxic materials. The GEC [Benefits Calculator](#) allows EPEAT users to credibly report on these key outcomes. Organizations often require the procurement of EPEAT-Registered ICT products via a sustainable procurement preference, policy or directive. Sustainable procurement is seen by many organizations as a key element of supplier risk mitigation or climate change business strategies. This document isolates questions in the CDP Climate Change Questionnaire where EPEAT can be referenced directly or used to help gather and justify data to submit in a CDP response. Please note, while this guidance can help strengthen an organization's disclosure, it does not guarantee an improved score.

## *C2 – Risks and Opportunities*

### *C2.2d – Describe your process(es) for managing climate related risks and opportunities*

Organizations should consider including the purchase and use of ICT products as a contributing factor toward identifying, managing an assessing climate-related risks and opportunities. ICT products are typically purchased in large volumes and have a material impact on risk as well as a wide range of strategic and financial business operations. Use of ICT products impact organizational compliance with regulations, downstream costs associated with energy consumption and end-of-life disposal, and protection and strengthening of brand. Use of EPEAT can help an organization to minimize environmental impacts that result from use of ICT products. Accordingly, the GEC Benefits Calculator, is a useful tool capable of helping an organization identify and quantify risks and opportunities associated with the purchase and use of ICT products.

Disclosing organizations can reference utilization of the EPEAT Benefits Calculator in direct response to C2.2d, and in support of answers to questions C2.3, C2.3a, C2.4, C2.4a, and C2.5. As stated in the “Requested Content” section of the CDP Guidance for C2.2d, disclosing organizations are asked to explain how it “makes decisions to mitigate, transfer, accept or control climate-related risks and to capitalize on opportunities.” Organizations that utilize EPEAT and/or the EPEAT Benefits Calculator, can use the calculator as part of its internal risk and opportunities assessment. The calculator quantifies reductions in GHG emissions and energy consumption that result from use of EPEAT-rated products, as well as possible cost savings that will occur.

For more information about [EPEAT](#) and the [EPEAT Benefits Calculator](#) please click on the designated links.

## C.3 Business Strategy

### C.3.1c Explain how climate-related issues are integrated into your business objectives and strategies.

In response to question C.3.1c CDP Reporting Guidance instructs disclosing organizations to highlight enterprise-wide or divisional unit business strategy influencers and outcomes. Responses are expected to cover a wide variety of subject-matter including reference to the most “substantial business decisions made during the reporting year that have been influenced by the climate driven aspects of the strategy (e.g. investment, location, procurement, mergers...research and development.”) Climate focused ICT procurement policies and contracting actions influence large portions of organizational spend and can have substantial upstream and downstream climate and cost-related impacts on business operations and objectives.

Organizational climate change business strategies can take many forms, some of which include efforts to embed sustainable considerations into procurement processes, procedures, and guidance. Referencing use of EPEAT either as a standalone policy, as part of a wider sustainable purchasing program guidance, or as standard language in ICT solicitation requirements language can strengthen a disclosing organization’s response to question C3.1c.

The use of EPEAT in ICT purchases, company directives, jurisdictional law and policy, or procurement regulations effectively reduces environmental impact and demonstrates sustainable leadership. Making EPEAT part of an organization’s purchasing guidance supports general climate change efforts in a material way and use of the EPEAT Benefits Calculator allows an organization to translate strategic efforts into tactical and quantifiable proof of climate change leadership. The EPEAT Benefits Calculator outputs the difference between the environmental attributes of ICT products that meet the environmental criteria measured by EPEAT to those that do not meet EPEAT criteria. Included are the lifetime environmental impact reductions for energy usage, primary materials, greenhouse gas emissions, air emissions, water emissions, toxic materials, municipal solid waste, hazardous waste, and overall cost savings.

For more information about [EPEAT](#) and the [EPEAT Benefits Calculator](#) please click on the designated links.

## *C4 Targets and Performance*

C4.3 Do you have emissions reductions initiatives that were active within the reporting year? Note that this can include those in the planning or implementation phases.

Answers to Questions C.4.3a and C4.3b can be answered only if the disclosing organization answers “Yes” to question C4.3.

C4.3a Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.

### Column 2

### Column 3

Stage of development	Number of projects	Total estimated annual CO <sub>2</sub> e savings in metric tons CO <sub>2</sub> e (only for rows marked *)
Under investigation	Numerical field [enter a number from 0-999,999,999 using a maximum of 2 decimal places and no commas]	Numerical field [enter a number from 0-999,999,999 using a maximum of 2 decimal places and no commas]
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

In response to Climate Question 4.3a, disclosing companies can enumerate planned or implemented ICT policies or contracting actions that promote or require the purchase of EPEAT-rated ICT products as part of the total “Number of Projects,” requested under column 2.

Use of EPEAT-rated products reduces CO<sub>2</sub> emissions. Accordingly, emission reductions that result from the planned or completed purchases of EPEAT-registered products can be quantified through use of the EPEAT Benefits Calculator, as needed. CO<sub>2</sub>e savings realized through use of EPEAT can be aggregated into annual CO<sub>2</sub> savings requested in column 3, “Total estimated annual CO<sub>2</sub>e savings in metric tons CO<sub>2</sub>e.”

C4.3b Provide details on the initiatives implemented in the reporting year in the table below.

**Column 1**

**Column 2**

**Column 3**

Activity type	Description of activity	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/ Mandatory
Select from: <ul style="list-style-type: none"> <li>● Energy efficiency: Building fabric</li> <li>● Energy efficiency: Building services</li> <li>● Energy efficiency: Processes</li> <li>● Fugitive emissions reductions</li> <li>● Low-carbon energy purchase</li> <li>● Low-carbon energy installation</li> <li>● Process emissions reductions</li> <li>● Other, please specify</li> </ul>	Select from drop-down options below	Numerical field [enter a number from 0-999,999,999,999 using a maximum of 2 decimal places and no commas]	Select from: <ul style="list-style-type: none"> <li>● Scope 1</li> <li>● Scope 2 (location-based)</li> <li>● Scope 2 (market-based)</li> <li>● Scope 3</li> </ul>	Select from: <ul style="list-style-type: none"> <li>● Voluntary</li> <li>● Mandatory</li> </ul>

### Column - Drop Down Menu

<ul style="list-style-type: none"> <li>Energy efficiency:Building fabric               <ul style="list-style-type: none"> <li>● Insulation</li> <li>● Maintenance program</li> <li>● Other, please specify</li> </ul> </li> <li>Energy efficiency:Building services               <ul style="list-style-type: none"> <li>● Building controls</li> <li>● HVAC</li> <li>● Lighting</li> <li>● Motors and drives</li> <li>● Combined heat and power</li> <li>● Other, please specify</li> </ul> </li> <li>Energy efficiency:Processes               <ul style="list-style-type: none"> <li>● Heat recovery</li> <li>● Cooling technology</li> <li>● Refrigeration</li> <li>● Process optimization</li> <li>● Fuel switch</li> <li>● Compressed air</li> <li>● Combined heat and power</li> <li>● Waste water treatment</li> <li>● Water reuse</li> <li>● Reuse of steam</li> <li>● Machine replacement</li> <li>● Other, please specify</li> </ul> </li> <li>Fugitive emissions reductions               <ul style="list-style-type: none"> <li>● Agriculture methane capture</li> <li>● Agriculture N2O reductions,</li> <li>● Landfill methane capture,</li> <li>● Oil/natural gas methane leak capture/prevention</li> <li>● Refrigerant leakage reduction</li> <li>● Other, please specify</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Low-carbon energy purchase               <ul style="list-style-type: none"> <li>● Biomass</li> <li>● Biogas</li> <li>● Fuel Cells</li> <li>● Geothermal</li> <li>● Hydro</li> <li>● Solar Hot Water</li> <li>● Solar PV</li> <li>● Solar CPV</li> <li>● Natural Gas</li> <li>● Nuclear</li> <li>● Carbon Capture &amp; Storage</li> <li>● Other, please specify</li> </ul> </li> <li>Low-carbon energy installation               <ul style="list-style-type: none"> <li>● Biomass</li> <li>● Biogas</li> <li>● Fuel Cells</li> <li>● Geothermal</li> <li>● Hydro</li> <li>● Solar Hot Water</li> <li>● Solar PV</li> <li>● Solar CPV</li> <li>● Natural Gas</li> <li>● Carbon Capture &amp; Storage</li> <li>● Other, please specify</li> </ul> </li> <li>Process emissions reductions               <ul style="list-style-type: none"> <li>● New equipment</li> <li>● Changes in operations</li> <li>● Process materials selection</li> <li>● Process water</li> <li>● Other, please specify</li> </ul> </li> </ul>
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In response to Climate Question 4.3b disclosing companies can select “Energy efficiency Processes” or “Other” from the “Activity Type” drop down menu displayed above in column 1. In the “Description of activity” drop-down menu indicated as column 2, disclosing organizations are encouraged to note either “Machine replacement” or “Other” when completing this field. In column 3, “Estimated annual CO2e savings,” disclosing organizations can use the EPEAT Benefits Calculator to quantify emissions reductions tied to a specific initiative.

**Column 6**

Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
Numerical field [enter a number from 0-999,999,999,999,999 using no decimal places, and no commas]	Numerical field [enter a number from 0-999,999,999,999,999 using no decimal places, and no commas]	Select from: <ul style="list-style-type: none"> <li>• &lt;1 year</li> <li>• 1-3 years</li> <li>• 4-10 years</li> <li>• 11-15 years</li> <li>• 16-20 years</li> <li>• 21-25 years</li> <li>• &gt;25 years</li> </ul>	Select from: <ul style="list-style-type: none"> <li>• &lt;1 year</li> <li>• 1-2 years</li> <li>• 3-5 years</li> <li>• 6-10 years</li> <li>• 11-15 years</li> <li>• 16-20 years</li> <li>• 21-30 years</li> <li>• &gt;30 years</li> <li>• Ongoing</li> </ul>	Text field [maximum 1,500 characters]

In response to Climate Question 4.3b, column 6 “Annual monetary savings” depicted above, disclosing organizations can use the calculator to note cost savings that result from the purchase of EPEAT-rated ICT products. Additional information relevant to question C4.3b should be answered as appropriate by the organization. The EPEAT Benefits Calculator can quantify emission reductions across the full product life cycle. These metrics can be calculated if the total number of units of EPEAT-rated products purchased or expected to be purchased is known.

For more information about [EPEAT](#) and the [EPEAT Benefits Calculator](#) please click on the designated links.

C4.5 Do you classify any of your existing goods and services as low-carbon products or do they enable a third party to avoid GHG emissions.

Answers to Questions C.4.5a need only be answered if the disclosing organization answers “Yes” to question C4.5.

C4.5a Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

EPEAT Products are defined, in part, by their lower carbon footprint across the full product lifecycle. Reduced energy consumption in the production and use phase of the product lifecycle translate into direct carbon reductions. The EPEAT Benefits Calculator quantifies these environmental benefits on a per unit basis, thus allowing an organization to demonstrate lower carbon emissions. The Benefits Calculator was developed by Eastern Research Group (ERG) based upon rigorous methodology and with the input of a Technical Review Panel.

Column 1	Column 2	Column 3	Column 4		
Level of aggregation	Description of product/ Group of products	Are these low-carbon product(s) or do they enable avoided emissions?	Taxonomy, project, or methodology used to classify product(s) as low-carbon or to calculate avoided emissions	% revenue from low-carbon product(s) in the reporting year	Comment
Select from: <ul style="list-style-type: none"> <li>• Product</li> <li>• Group of products</li> <li>• Company-wide</li> </ul>	Text field [maximum 2,400 characters]	Select from: <ul style="list-style-type: none"> <li>• Low-carbon product</li> <li>• Avoided emissions</li> <li>• Low-carbon product and avoided emissions</li> </ul>	Select from: <ul style="list-style-type: none"> <li>• Low-Carbon Investment (LCI) Registry Taxonomy</li> <li>• Climate Bonds Taxonomy</li> <li>• Addressing the Avoided Emissions Challenge- Chemicals sector</li> <li>• Evaluating the carbon reducing impacts of ICT</li> <li>• Other, please specify</li> </ul>	Numerical field [enter a number from 0-100 using a maximum of 2 decimal places and no commas]	Text field [maximum 2,400 characters]

ICT Manufacturers who produce EPEAT-registered products enable third parties to avoid or reduce GHG emissions through use of those products. Disclosing companies that produce and sell EPEAT-registered products can reference the production and sale of EPEAT-rated ICT products when completing the table above.

Disclosing organizations may choose to describe low-carbon EPEAT-rated products either as specific products or as a group of products as indicated in column 1, “Level of aggregation.” In column 2, “Description of product/group of Products” respondents should note the ICT product being sold and its classification as an EPEAT-registered model. In column 3, “Are these low-carbon product(s) or do they enable avoided emissions,” respondents should indicate that EPEAT-rated products enable “Avoided emissions.” When describing the “Taxonomy, project, or methodology used to classify products as low-carbon or to calculate avoided emissions” in column 4, disclosing organizations should indicate “Other” and specify use of the Benefits Calculator as the methodology used to quantify emission reductions that result from the use of sold EPEAT-rated products. Other organization-specific information, should be provided as requested.

For more information about [EPEAT](#) and the [EPEAT Benefits Calculator](#) please click on the designated links.

## C12. Engagement

C12.1 Do you engage with your value chain on climate related issues?

C12.1a Provide details of your climate-related supplier engagement strategy.

C12.1b Provide details of your climate-related customer engagement strategy.

C12.1c Give details of your climate-related engagement strategy with other partners in the value chain.

### Yes, our suppliers

When responding to C12.1 and C12.1a disclosing organizations can reference efforts to promote the use of EPEAT across that organization's value chain. Disclosing organizations can create an incentive to pursue emission reductions amongst its suppliers by creating a requirement or preference for supplying organizations that pursue sustainable purchasing initiatives such as EPEAT. This effort can create a ripple effect that exponentially increases avoided environmental impacts. This focus on indirect spend creates an opportunity for CDP stakeholders to magnify their impact across the supply chain. Efforts to track and quantify avoided emissions that result from interaction with partners across the supply chain can be aided through use of the EPEAT Benefits Calculator. If the number of EPEAT units purchased by supply chain partners is known, the calculator can demonstrate avoided GHG emissions, energy savings, water usage, material waste, toxic materials, and costs.

### Yes, our customers

When responding to C12.1 and C12.1b manufacturer disclosing companies can note participation in the EPEAT Program, and the presence of products on the EPEAT Registry. Manufacturers that sell EPEAT-registered products encourage and influence customer behavior, which results in emission reductions during the use phase of their product.

### Other Partners in our value chain

When responding to C12.1 and C12.1c organizations that utilize EPEAT can reference any recognition received from the Green Electronics Council, including the signing of the EPEAT Purchaser Pledge, being a recipient of the EPEAT Purchaser Awards, or being featured in a GEC Case Study about EPEAT usage.

For more information about [EPEAT](#) and the [EPEAT Benefits Calculator](#) please click on the designated links.