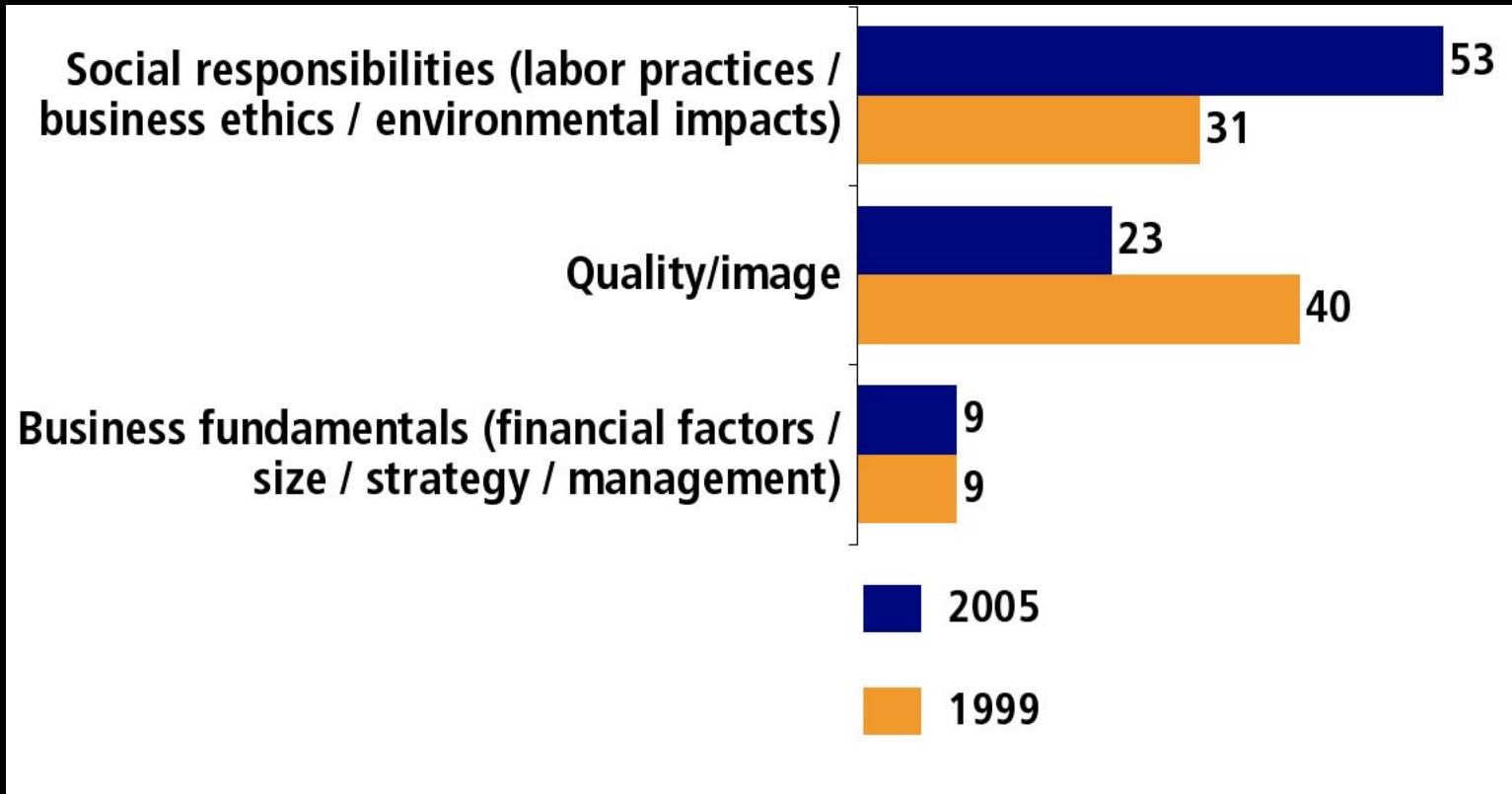


# CLIMATE ACTION: A LIFECYCLE APPROACH TO SUPPLY CHAIN LEADERSHIP

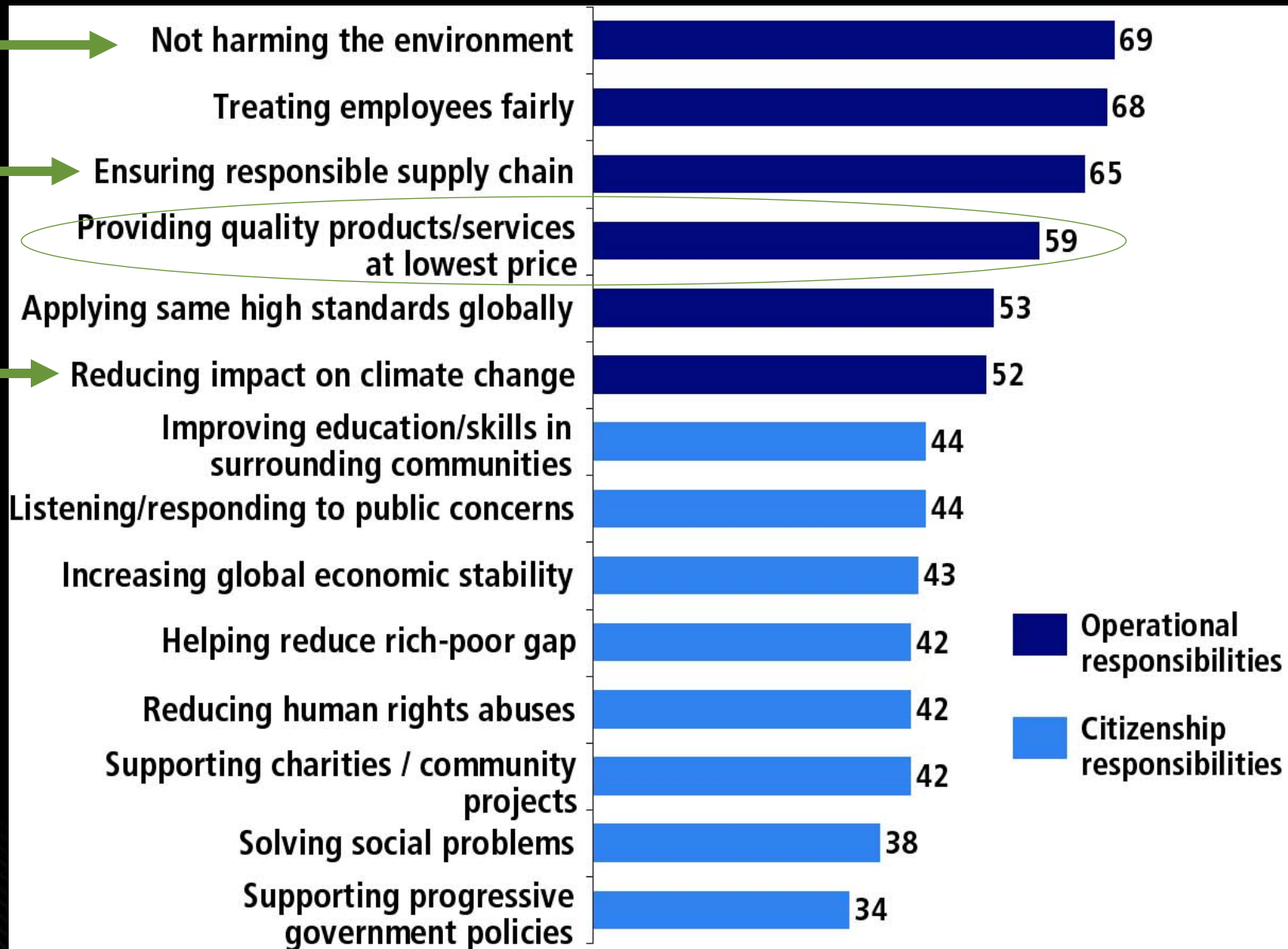


December 5<sup>th</sup> 2007

# GLOBE SCAN: most important factors in forming impressions of companies



# LOBESCAN: 'Companies held completely responsible'



'WE WILL BE THE  
GREENEST TECHNOLOGY  
COMPANY ON THE PLANET'

*Michael Dell*

*June 5, 2007*

*World Environment Day*



# INTEGRATED CLIMATE STRATEGY

Extends beyond direct operations



**Maximize Product  
Energy Efficiency**

**Carbon Neutral  
Operations**

**Supply Chain  
Accountability**



# SCOPE OF DELL'S CLIMATE COMMITMENT



# SUPPLY CHAIN CARBON INITIATIVE

- Dell has requested that its primary suppliers begin managing and reporting greenhouse gas (GHG) emissions data.
- Suppliers risk having their overall scores reduced during Dell quarterly business reviews for not identifying and publicly reporting GHG emissions.
- A supplier's volume of Dell business can be affected by the scores earned on reviews.
- Dell will work with suppliers on emissions reduction strategies once data is collected.



# GHG ACCOUNTING & REPORTING PRINCIPLES: THE GHG PROTOCOL

## Relevance

- Ensure GHG inventory accurately reflects the GHG emissions.

## Completeness

- Account for all GHG emissions within the inventory boundary.

## Consistency

- Use consistent methodologies to measure emissions.

## Transparency

- Disclose all relevant issues, based on a clear audit trail.
- Make appropriate references to the accounting and calculation methodologies and data sources used.

## Accuracy

- Ensure reported GHG Emissions are neither over nor under actual emissions





# QBR ENVIRONMENTAL CRITERIA: *governance and control*

A) Supplier shall identify greenhouse gas emissions as an environmental impact within their ISO 14K or EMAS plan.

*Actions that show supplier have considered greenhouse gas as an environmental impact in their ISO 14001 or EMAS plan could include:*

- Facilities Electricity Use reduction programs
- Renewable Energy purchases
- Greenhouse Gas reduction/elimination programs (CO<sub>2</sub>, HFC, SF<sub>6</sub>)
- Onsite power generation using renewable sources, fleet emissions reduction programs, etc.



# QBR ENVIRONMENTAL CRITERIA: *disclosure*

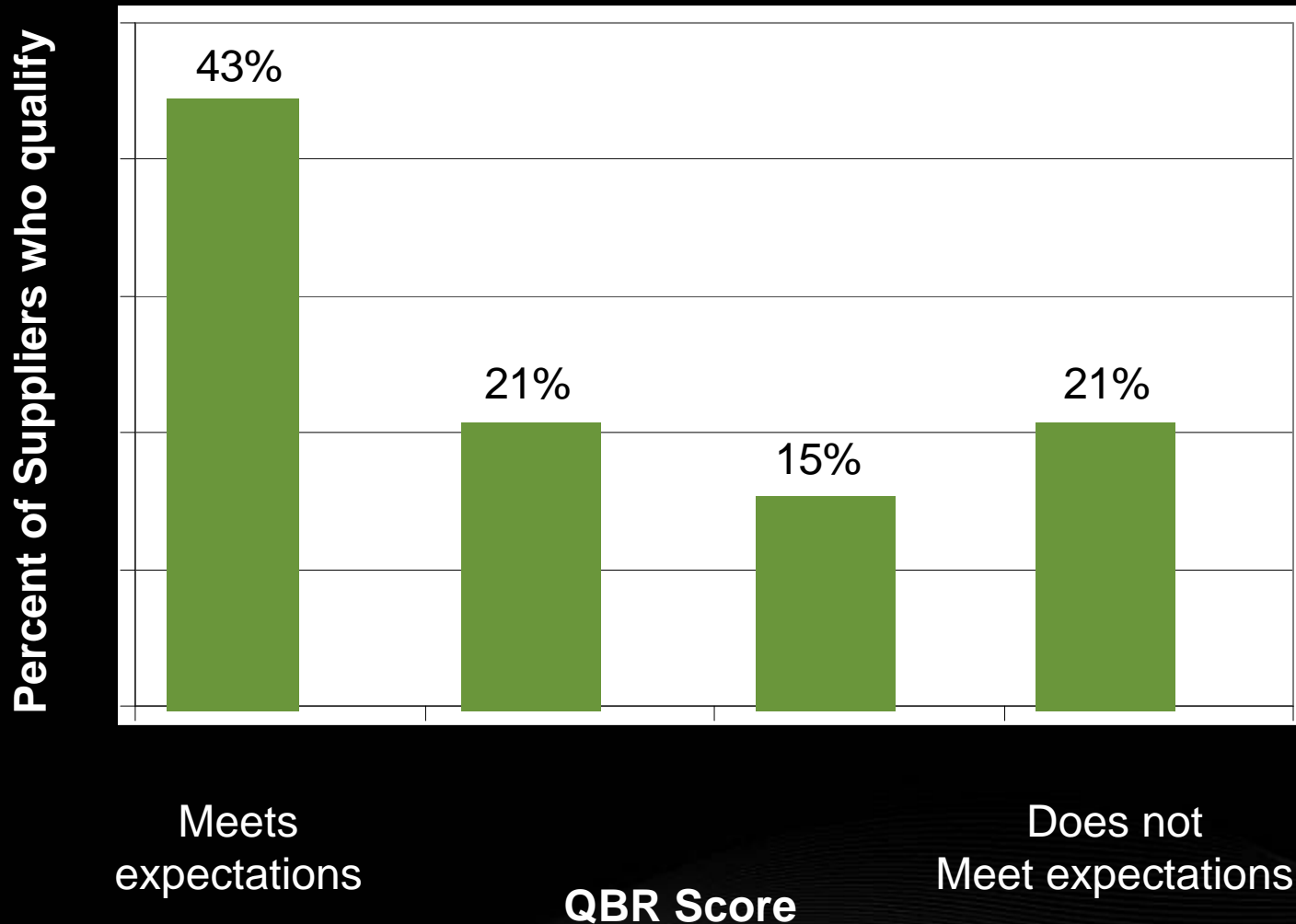
B) Supplier shall publicly report or disclose their annual greenhouse gas emissions with auditor proof of disclosure.

*Examples of disclosure could include one of the following:*

- Website, Annual Sustainability Report,
- Carbon Disclosure Project (CDP <http://cdproject.net/>),
- Regulatory Agency (EPA, etc.) or other reporting organization



# SUPPLIER Q3 QBR SCORE: Climate



# CDP SUPPLY CHAIN PILOT

## Objectives

Provide resources and guidance for suppliers

Develop standardized Scope 3 Reporting Protocol

## Expectations

All Dell primary suppliers are invited to participate

Supplier to complete online questionnaire for Scope 1, 2 & 3

Only Scope 1 & 2 results made public as part of CDP6

## Timing

Nov 2007: Inform suppliers of initiative

Dec 2007 Kick-off Questionnaire [www.cdproject.net/sc1c1](http://www.cdproject.net/sc1c1)

Feb 28, 2008: Questionnaire completed

April 2008: Study results released

2009 Learnings adopted into CDP7



THANK YOU

