

# **GHG** Emissions

**Basis of Reporting** 

March 24, 2024

#### Version History

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1.0	March 2024

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### 1 Introduction

This Basis of Reporting document sets out the principles, methodologies and assumptions used by Teradata Corporation in the preparation and reporting of its Greenhouse Gas (GHG) emissions data. This data is publicly reported to demonstrate progress against our reduction targets and for validation purposes.

#### 2 Organizational Boundary

The GHG Protocol provides two distinct approaches for consolidating GHG emissions: the equity share and the control approaches. Teradata selected the **Operational Control Approach** to establish its organizational boundary. Under this approach, Teradata will include all scope 1 and scope 2 emissions from its owned and leased facilities and mobile assets where it has operational control and all relevant scope 3 categories.

#### Scope 1 & 2

The corporate real estate team at Teradata maintains a list of all owned and leased facilities, and mobile assets, which is used as the source database for all scope 1 and scope 2 emissions at the facilities. The list also includes region and location of the facility, square footage, leased or owned status, facility location ID, and the duration the facility was owned or leased during the reporting period.

See Teradata's Inventory Management Plan <u>11.1 Facilities active in 2023</u> and <u>11.2 Mobile assets in 2023</u> for a list of facilities and mobile assets for the current year.

#### Scope 3

Teradata included all relevant scope 3 categories as seen in Teradata's Inventory Management Plan 11.4 Appendix: Emission factors and other constants.

#### 3 Operational Boundary

Four of the six major GHGs are included in the Teradata inventory: carbon dioxide  $(CO_2)$ , methane  $(CH_4)$ , nitrous oxide  $(N_2O)$ , and hydrofluorocarbons (HFCs). Teradata is not a manufacturer and does not oversee chemicals, therefore Perfluorocarbons (PFCs), and Sulphur hexafluoride  $(SF_6)$  are not emitted from any Teradata operations and are not applicable to the inventory.

To ensure that we account for and report on all the GHG emission sources and activities, Teradata identified activities and sources of emissions in scope 1, 2 and 3 categories as shown in Teradata's Inventory Management Plan <u>Table 1, Table 2</u>, and <u>Table 3</u>.

Scope 2 emissions can be reported using the location-based method and/or the market-based method. Teradata uses renewable energy agreements to reduce its scope 2 emissions reported under the market-based method. See Teradata's Inventory Management Plan <u>11.3 Renewable energy agreements</u> for more details on which renewable energy contractual instruments Teradata uses. Teradata does not purchase carbon credits to offset any of its greenhouse gas emissions.



### 4 Emissions Quantification Method & Emission Factors

Whenever available, primary activity data such as purchased quantities or metered data are used for emissions calculations. Where primary activity data is unavailable, estimates are used to compute emissions. Teradata strives to use the most updated emissions factors available. The activity data is converted into CO<sub>2</sub>e using an emission factor. Most emission factors calculate the data in CO<sub>2</sub>e, meaning the GHG is multiplied by the associated Global Warming Potential (GWP). Most emission factor databases use the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report or the Fifth Assessment Report. See Teradata's Inventory Management Plan <u>11.4 Emission factors and other constants</u> to reference Teradata's approach.

Scope 1 GHG emissions are calculated using purchased quantities of commercial fuels (such as natural gas). When metered data is not available, Teradata estimates consumption by using intensity factors from the U.S. Energy Information Administration *Commercial Building Energy Consumption Survey* (CBECS). If Teradata cannot identify the type of fuel used for heating, then it assumes fuel oil is used as the heating source. See Teradata's Inventory Management Plan Table 1 for a list of emission factor databases used for scope 1.

Scope 2 GHG emissions are calculated using metered electricity consumption. When metered data is not available, Teradata estimates electricity consumption using electricity consumption intensity factors. See Teradata's Inventory Management Plan <u>Table 2</u> for a list of emission factor databases used for scope 2.

Scope 3 Teradata collects detailed data for each scope 3 category as shown in Teradata's Inventory Management Plan <u>Table 3</u>. Where appropriate, the category is divided into subcategories so specific emission factors can be applied to spend-based data. Where available, supplier-specific emission factors are our first preference, followed by the hybrid method, and lastly if no data is available from the supplier, Teradata uses secondary data like purchased quantities or spend, and uses industry standard emission factors appropriate for the specific category to calculate emissions.

#### 5 Data Management

Teradata uses SharePoint with access controls limited to the required personnel to collect and store data. See Teradata's Inventory Management Plan <u>11.5 Roles and responsibilities</u> for a description of roles and responsibilities for all organization representatives involved in developing and maintaining the organization's GHG inventory.

GHG emissions data are collected and reported annually. See Teradata's Inventory Management Plan <u>Figure 1</u> scope 1 and 2, and <u>Figure 2</u> scope 3 activity and emissions data management and <u>Figure 3</u> for scope 1 and 2 GHG emissions quality controls.

Teradata selected 2021 as the base year for GHG emissions and has developed a recalculation procedure that articulates the basis and context for any recalculations if the difference is greater than 10% change.



## 6 Auditing & Verification

Auditing and verification procedures can be provided through Teradata's Enterprise Risk & Assurance Services (ERAS) function who are independent of the GHG accounting and reporting process or verified by an independent third-party to further increase the credibility of the data. This may be undertaken as part of the wider corporate sustainability report verification and auditing efforts or as a separate engagement.

The third-party independent assurance is performed according to appropriate standards including the International Standard for Assurance Engagements ISAE 3000 (Revised) and/or specific reporting requirements of regulatory programs under which Teradata operates.

#### 7 Revision History & Version Control

Amendment History			
Date	Version	Amendment number	Reason for Amendment
March 24, 2024	1.0		First Basis of Reporting published, reflecting Teradata's Inventory Management Plan v.3.0

