

CLIMATE LEADERS

SETTING THE STANDARD IN GREENHOUSE GAS MANAGEMENT



Program Overview

Addressing climate risk is a key objective for many leading companies. Investors, customers, and suppliers are increasingly seeking information on corporate climate strategies that benefit the bottom line, reduce uncertainty, and create market opportunities.

Why Take Action ON CLIMATE?

- Reduce impact on the global environment
- Better manage greenhouse gas emissions (GHG) and associated risks
- Realize cost savings through energy efficiency
- Receive EPA technical assistance on inventories
- Participate in national public recognition campaigns
- Encourage employee commitment with a corporate-wide GHG reduction goal
- Improve understanding of critical policy discussions
- Engage with other partner companies demonstrating climate leadership
- Access the latest GHG tools, technologies, and protocols
- Integrate climate change strategies with state, regional, and international GHG accounting schemes

Climate Leaders is an EPA industry-government partnership that provides guidance and recognition to companies developing long-term climate change strategies. Through program participation, companies create a credible record of their accomplishments, reduce their impact on the global environment, and identify themselves as corporate climate leaders.

How Climate Leaders Are REDUCING CLIMATE CHANGE EMISSIONS

Steps to Achieve Emissions Reductions

Participating companies commit to significantly reduce their impact on the global environment by setting and achieving a long-term greenhouse gas (GHG) reduction goal, which includes the following steps:

Join

Companies are welcome to join the program at any stage in developing their climate change strategy. Large companies join as Partners and smaller companies join as Members of the program's Small Business Network.

Inventory

Develop a corporate-wide inventory of the six major greenhouse gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆) using the Climate Leaders GHG Inventory Guidance. Partners report their direct emissions from:

- Onsite energy use
- Purchased electricity
- Mobile sources
- Industrial processes
- Onsite waste disposal
- HVAC/refrigerator

Companies have the option of increasing their reductions by including the following optional sources:

- International operations
- Business travel
- Employee commuting
- Product transport
- Renewable energy
- Offsets

Manage

Create and maintain an Inventory Management Plan to institutionalize the process of collecting, calculating, and maintaining a high-quality, corporate-wide inventory.

Reduce

Set an aggressive corporate-wide GHG emissions reduction goal to be achieved over 5 to 10 years. Partners have flexibility in setting reduction goals and work individually with EPA to assess their unique emissions sources and reduction opportunities. Goals must meet the following criteria:

- Corporate-wide
- Based on most recent base year
- Achieved over 5 to 10 years
- Aggressive compared to sector performance

Report

Gain credibility by reporting inventory data annually and documenting progress toward emissions reduction goal.

Publicize

EPA provides national partner recognition opportunities and Climate Leaders partner meetings to highlight program participation.

Achieve

Attain your long-term GHG reduction goal.

Consider setting a second goal to continue your environmental leadership.

Fast Facts

There are **193** Climate Leaders Partner companies and **91** Small Business Network Members.

148 participating companies have publicly announced greenhouse gas (GHG) reduction goals.

27 Partners have achieved their goals.

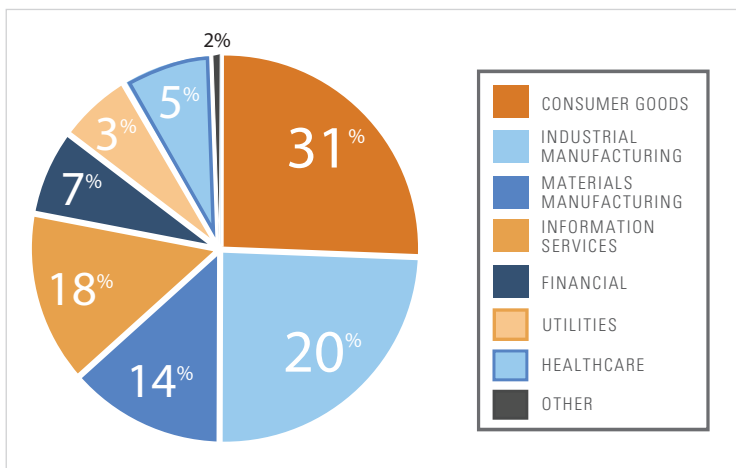
EPA estimates that the GHG reductions by Climate Leaders Partners will prevent more than **50 million** metric tons of carbon dioxide equivalents per year. These reductions are equivalent to the annual emissions of **9 million** cars.

The combined U.S. annual GHG emissions of Climate Leaders Partners represent more than **8%** of total annual U.S. GHG emissions.

Total annual revenue of Climate Leaders Partners represents **12%** of the U.S. gross domestic product. Nearly **50%** of the organizations that partner with EPA in Climate Leaders are members of the Fortune 1000.

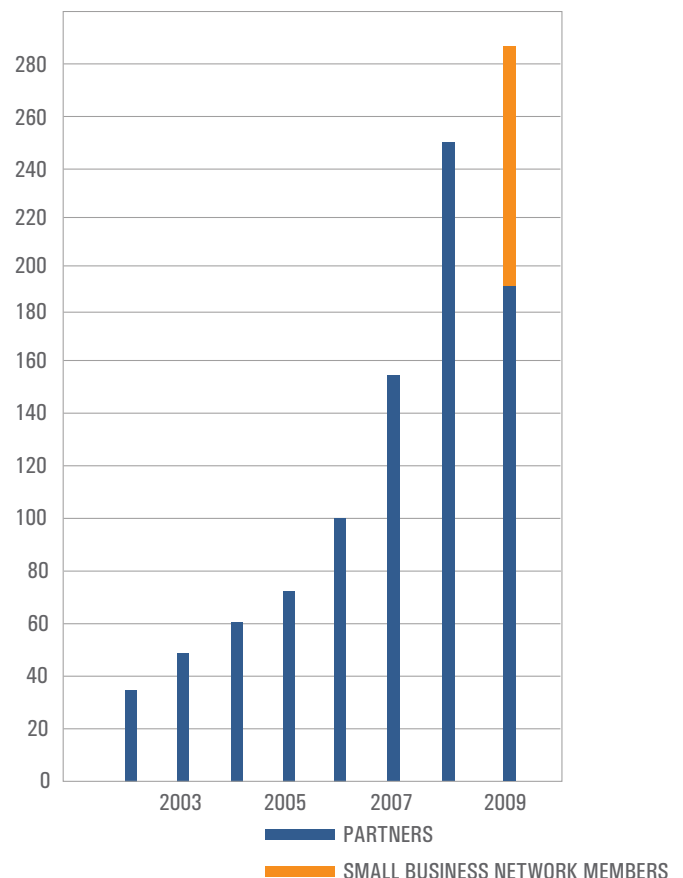
Climate Leaders Partners have operations in all **50** states and provide more than **8 million** jobs throughout the world.

Climate Leaders Partner Companies By Sector (%)



Partner Growth

December 2009



REDUCING COSTS AND PROTECTING THE ENVIRONMENT



Posting Energy Savings

3M | 3M's commitment to energy efficiency is one important component of 3M's greenhouse gas reduction strategy. In the past four years, 3M has implemented more than 1,400 employee-inspired energy efficiency projects which have **increased energy efficiency by 19% and saved \$37 million**. In 2007, 3M exceeded its Climate Leaders goal by reducing absolute GHG emissions in the U.S. by 60% since 2002. Going forward, the company is driving additional reductions beyond its operations by developing products that help 3M customers reduce energy use and GHG emissions.



Picturing Climate Goals

Eastman Kodak Company | As Eastman Kodak Company transformed itself into a digitally oriented company during the 2004-2007 period, it pursued a new set of sustainability goals, reflecting its commitment to continually strengthen protection of the environment. Since joining Climate Leaders in 2002, Kodak avoided more than 1.1 million metric tons of CO₂ emissions and achieved an estimated 40% reduction in total greenhouse gas emissions. Numerous energy conservation measures and site transformation activities together enabled Kodak's largest manufacturing operation in Rochester, N.Y. to close one of its two power plants, **saving Kodak an estimated \$27 million each year**.

"SUPERIOR ENERGY MANAGEMENT IS A PILLAR OF OUR SUSTAINABILITY COMMITMENT AND BEING ABLE TO SAVE MORE THAN \$27 MILLION A YEAR WHILE REDUCING GHG EMISSIONS CONFIRMS ITS BUSINESS VALUE."

Antonio Perez, Eastman Kodak Company
Chairman and CEO



Advancing a Healthy Environment

Pfizer | Pfizer is working hard to decrease its greenhouse gas emissions. Since joining Climate Leaders in 2002, the company's annual greenhouse gas footprint has decreased by 18% more than 750,000 metric tons of emissions through the end of 2008, representing **a cumulative cost savings of \$125 million**. Pfizer reduced its carbon footprint through global conservation and energy efficiency efforts involving a full range of projects such as equipment retrofits, combined heat and power systems, and renewable energy installations. After achieving its first Climate Leaders goal, Pfizer is currently undertaking a second goal to reduce absolute global greenhouse gas emissions by 20% from 2008 to 2012.

SETTING THE STANDARD IN GREENHOUSE GAS MANAGEMENT

To become a partner or to learn more, contact climateleaders@epa.gov or go to www.epa.gov/climateleaders