

Greenhouse Gas Emissions

Cisco's total global GHG emissions over the last four fiscal years are shown in the following table. Cisco reports emissions by fiscal year and uses fiscal-year emissions for initiative planning.

Indicators	FY06	FY07	FY08	FY09
GHG EMISSIONS				
Total gross* GHG emissions: Scope 1 (metric tonne CO ₂ e)	27,586***	52,498	52,084	53,216
Total gross* GHG emissions: Scope 2 (metric tonne CO ₂ e)	317,666***	467,478	550,312	579,183
Total contractual* GHG emissions: Scope 2 (metric tonne CO ₂ e)	316,893***	403,188	310,961	226,733
Total air travel GHG emissions: Scope 3 (metric tonne CO ₂ e)	190,940	205,797	197,872	115,995
Change in air travel GHG emissions from FY06 (CGI global goal: 10% absolute reduction against FY06 baseline)		+8%	+4%	-39% (goal met)
Total contractual* GHG emissions: Scope 1, 2, and 3 metric tonne CO ₂ e	535,419***	661,483	560,917	395,944
Change in Scope 1, 2, and 3 from FY07 EPA global goal: 25% absolute reduction against CY07 baseline**			-15%	-40% (goal year is 2012)

* Gross and contractual are used consistent with Carbon Disclosure Project 7 survey terminology. Gross GHG emissions figures do not include reductions from Cisco's renewable energy purchases. Contractual GHG emissions figures include the impact of buying low-carbon electricity.

** Cisco's EPA Climate Leaders 25 percent reduction goal is measured against a calendar-year baseline per EPA requirements, but all public Cisco reporting is on a fiscal-year basis. We are reporting progress against the EPA goal using fiscal-year emissions, although officially 2009 progress will be reported to EPA based on emissions tallied by calendar year. Cisco does not publically report calendar-year emissions to avoid confusion with previously reported fiscal-year data.

*** In our FY06 CSR report, we only reported Scope 1 and 2 emissions data actually collected from Cisco sites and separately noted the estimated completeness of the data. We now collect actual emissions data for over 90 percent of our real estate portfolio and estimate the balance based on building square footage and type of usage. We do not believe the Scope 1 and 2 data collected for FY06 is sufficient to support extrapolation to 100 percent. Therefore, FY06 Scope 1 and 2 data in the table should not be trended against FY07 or later data.

"We're very pleased with the 40 percent reduction in GHG emissions compared to the base years of our CGI and EPA reduction commitments. Going forward, we'll be increasing our focus on reducing energy consumption. After all, the cleanest and cheapest energy is the energy you do not use."

— Rob Rolfsen
Cisco Director of
Workplace
Solutions, Cisco

All prior-year Scope 1, 2, and 3 emissions data vary to some extent from previously reported values, either in CDP7 or our *2008 CSR Report*, because of updates to emissions factors, methodology, and correction of minor errors found upon repeated review. (No significant error has been found.) Cisco continues to invest in improving the accuracy of our GHG emission calculations. To support standardization and benchmarking across companies, Cisco uses the [Greenhouse Gas Protocol Corporate Accounting Standard](#) as the basis for our Scope 1, 2, and 3 (business air travel) emissions calculations. The EPA Climate Leaders program provides additional [program guidance](#).

All emissions calculations and data are reviewed in June of each year by a representative of U.S. EPA as part of the EPA Climate Leaders Partnership. Cisco has also received technical assistance from EPA in determining organizational and operational boundaries, in identifying the most appropriate emission factors for Cisco's business, and in documenting these decisions in an Inventory Management Plan (IMP) that is designed for consistency and transparency in the inventory over time. EPA performs desktop reviews of both the inventory data and IMP to verify that EPA quality standards are met. EPA also conducts a risk-based on-site IMP review to test that the IMP is being implemented at the facility level.