

# Akamai Carbon Accounting

Greenhouse gas (GHG) protocol establishes comprehensive, global, standardized frameworks to measure and manage GHG emissions from private and public sector operations, value chains, and mitigation actions. Akamai has taken the accepted scope framework and applied the methodology to our own business activities.

## Scope 1

Scope 1 (also known as direct GHG emissions) includes fuel combustion, company vehicles, and fugitive emissions. As an example, scope 1 can include any production of electricity through a generator that burns fuel for power or through building equipment that produces gasses/vapors. Other emissions sources from scope 1, such as fugitive emissions, are gasses or vapors from equipment that contribute to building operations that could cause air pollution and climate change.

### Scope 1 focus areas

Akamai focuses on several areas under scope 1, including any impact our office buildings may have on the environment due to direct emissions being let into the atmosphere. Under these definitions, we report on our:

- Diesel generator emissions
- Natural gas generator emissions
- Gasoline generator emissions
- Off-gassing from building mechanical systems
- Company-owned vehicles

## Scope 2

Scope 2, also known as indirect GHG emissions by a company, includes the consumption of purchased electricity, heat, or steam. This includes all direct leased colocation (colo) operations that impact the cost of goods sold. These larger deployments include servers, switches, routers, and various network components. Additional examples of scope 2 would be natural gas purchased to heat the buildings Akamai leases and the power used in our office operations.

### Scope 2 focus areas

Akamai focuses on several areas under scope 2, including our direct office operations and our various types of colo deployments. Under these definitions, we report on our:

- Electricity emissions from colo operations including:
  - Akamai-owned data center (AODC) server, switch, router, and network component electricity; and colo server, switch, router, and network component electricity (not including hardware from nondirect impact, Akamai Accelerated Networks Partners (AANPs), free space, and power deployments)
  - Colo operations electricity (mechanical, lighting, and common area, not including nondirect impact, AANPs, free space, and power deployments)
- Office electricity
- Lab electricity (including cooling, if available)
- Office heating, steam, and natural gas consumption
- Renewable energy virtual power purchase agreements (VPPAs), renewable energy credits (RECs), and guarantees of origin (GOs)



Akamai includes a portion of a given facility's mechanical cooling, lighting, and common area power since our data center deployments have a direct impact on how much power the facilities use. This is based on an average power usage effectiveness (PUE) spread across the entire footprint to ensure we accurately account for our operational usage. We cover PUE under our scope 2 accounting to ensure we accurately cover the portion of emissions generated from our operations due to the use of cooling systems, uninterruptible power supplies, and common area facility services.



## Scope 2 renewable energy methodology

The market-based method will be used to track and monitor green power generation from renewable energy purchases to reduce Akamai's overall scope 2 GHG footprint. The category of contractual instruments when calculating the market-based method will take into account the following areas:

- Direct contracts, such as power purchase agreements (PPAs and VPPAs), where other instruments or energy attribute certificates do not exist
- Energy attribute certificates, including GOs, RECs, etc.
- Pass-through from vendors through letters of attestation to Akamai
- Supplier-specific emission rates (if available)
- Residual mix (e.g., the emissions rate left after the three other contractual information items are removed from the system)

In an effort to limit our impact on the environment, Akamai participates in the [Clean Energy Buyers Association Future of Internet Power: Documentation Requirements for Supplier-Procured Renewable Energy](#), a collaborative initiative composed of users and providers of colo data center services. The document provided the groundwork for innovative pass-through renewable energy reportable as scope 2 emissions in facilities that are operated by providers of colospace. The procurement of renewable energy by our colo providers now has a direct impact on scope 2 emissions; that is, on how much of the footprint is renewable without additional renewable energy procurement.

## Scope 3

Scope 3 covers remaining areas of indirect emissions coming from our business operations. For example, this would include the emissions coming from our suppliers, creation of our designed hardware, electricity usage coming from AANPs, corporate travel, and waste disposal. Our scope 3 measurements focus on Akamai's measurable upstream and downstream activities; upstream, including all of the emission factors that occur when a product is designed and developed, all the way through downstream, occurring once the product is no longer available, which includes: shipping, storage, and retirement activities such as e-waste recycling.

### Scope 3 focus areas

When considering the reporting areas that fall into scope 3, Akamai focuses mainly on our extended network footprint and upstream and downstream indirect emissions across our operations. Under those considerations, Akamai will report in the following areas:

#### Category 1

- Supplier goods and services (goods and services not related to network deployments or hardware purchases using a specific embodied emissions rate)

#### Category 2

- Emissions related to manufacturing network hardware

#### Category 3

- Emissions related to logistics activities company-wide

#### Category 4

- Emissions related to transporting hardware
- Emissions related to storing hardware

#### Category 5

- Recycling of network hardware (logistics, storage, disposal)

#### Category 6

- Employee air travel for business
- Private jet/CEO air travel for business

#### Category 7

- Employee commuting (including remote work activities)

#### Category 8

- Partners deployments, switch, router, and network component electricity (including nondirect impact, AANPs, free space, and power deployments).

## Method of calculation

Akamai will standardize on and follow the Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard developed by the World Business Council for Sustainable Development and World Resources Institute. This standard will ensure that Akamai is meeting all of the criteria required to report to our external sources with the highest levels of integrity, transparency, and accuracy. In addition to the outlined standard above, Akamai will augment the reporting and GHG accounting process with the GHG Protocol Scope 2 Guidance document and Technical Guidance for Calculating Scope 3 Emissions to ensure continuity, accuracy, and transparency in our reporting process each year.

