



# Assurance Statement: AA1000

Trucost was engaged by **Nvidia** to provide assurance of the GHG emissions data held within its 2015 CDP Climate Change Questionnaire Response

## Intended users

The intended users of this assurance statement are the management and stakeholders of Nvidia.

## Responsibilities of Nvidia and of the assurance providers

The management of Nvidia has sole responsibility for the preparation and content of the CDP Climate Change Questionnaire (hereafter the Questionnaire). Trucost's statement represents its independent and balanced opinion on the content and accuracy of the information and emissions data held within.

## Assurance Standard

Trucost undertook the assurance in accordance with AA1000AS (2008) Type 2 moderate-level assurance, covering:

- ✓ Evaluation of adherence to the AA1000APS (2008) Principles of inclusivity, materiality and responsiveness (the Principles); and
- ✓ The reliability of waste generation and greenhouse gas emissions data from electricity use, stationary combustion fuels (natural gas, distillate), mobile combustion fuels, refrigerants, and emissions associated with waste disposal.

Trucost used the Global Reporting Initiative (GRI) and the GHG Protocol to evaluate Nvidia's performance information and adherence to the Principles.

## Scope and limitations

Trucost was engaged to assure the data and claims in Nvidia's 2015 CDP Climate Change Questionnaire Response. This submission covered the period February 1, 2014– January 31, 2015. Nvidia took an operational control approach. No potential emission sources have been excluded. This statement relates specifically to the information disclosed in the Questionnaire, and may not be interpreted as validating environmental data reporting from other sources.

Trucost verified the following GHG emissions and waste data (as calculated by Nvidia):

GHGs	Emission Source	Emissions (Metric tons CO <sub>2e</sub> )
Scope 1	Natural Gas, Diesel, Gasoline, and Propane	3,601
Scope 2	Electricity	52,273
Scope 3 – Category 5	Waste generated in operations	184

Waste	Source	Quantities (Metric tons)
Waste generated in operations	Landfill	266
	Recycled municipal solid waste (MSW)	232
	Compost	594
	Clean Paper Recycled	86
	Batteries (recycled)	1
	Hazardous Waste (recycled)	1
	Electronic Waste - campus (recycled)	62
	Electronic Waste - operations (recycled)	14
<b>Totals</b>		<b>1,256</b>

## Description of methodology

Trucost's assurance methodology included the following activities:

- Review of the processes by which Nvidia defines the sustainability issues that are relevant and material to its operations and its stakeholders;
- Interviews with the Nvidia employees responsible for sustainability data collection and drafting of CDP response;
- Assessment of the extent to which Nvidia's sustainability activities adhere to the Principles;
- Limited assessment of evidence provided to support key claims in the Questionnaire;
- Review of processes and systems used to gather and consolidate environmental data; and
- Verification of data accuracy for a selection of sites, including an audit of conversion factor and calculations used.

## Findings, conclusions and recommendations

- **The Principles:** Nothing came to Trucost's attention to suggest that Nvidia's CDP Response does not adhere to the Principles.
- **Data reliability:** Trucost did not find evidence to insinuate that the processes and systems in place to collect and collate environmental data are such that the company's environmental performance would be erroneously described.
- Nvidia has implemented excellent processes and software systems to collect and collate environmental data. All data was taken from original invoices.
- Upon evaluating this system, Trucost found that the calculated data included was accurate. Trucost found that the greenhouse gas conversion factors applied in the calculation spreadsheet were accurate, up-to-date and applied correctly. All minor corrections were made as necessary. Trucost recommends that emission factors continue to be updated annually or as available.



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Principle	Comments
<p><b>Inclusivity:</b> the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability</p>	<p>Nvidia completes a comprehensive annual review to identify its key stakeholders. Key stakeholders are published annually in Nvidia's annual Corporate Responsibility report. In 2014-15, Nvidia expanded its definition of stakeholders to reflect the increased direct interaction with retail consumers.</p> <p>Nvidia has developed excellent processes that facilitate communications between the company and both its internal and external stakeholders to help promote environmental performance improvements and improve interactivity with stakeholders. All stakeholder concerns get communicated to the relevant or impacted people across the organization as necessary. Nvidia engages with stakeholders via the company website, social media and other online publications such as the CDP response, which contains comprehensive information on the company's stakeholder response processes, initiatives and results. Nvidia requires its suppliers to complete an annual Electronics Industry Citizenship Coalition (EICC) Self-Assessment questionnaire, and also encourages its key Silicon Chip Operations suppliers to report to the CDP Supply Chain Questionnaire.</p>
<p><b>Materiality:</b> determining the relevance and significance of an issue to an organization and its stakeholders</p>	<p>Nvidia completes an annual materiality analysis to identify sustainability priority issues and uses this information to create a Priority Matrix. The materiality analysis ranks issues based on their frequency in discussions, the significance assessed in internal executive conversations, and the extent and urgency of potential associated impacts. The issues identified in the Priority Matrix are used to focus assessment, tracking, and communication of performance. Nvidia publishes information on the identified Priority Issues, Priority Matrix, and its response to Priority Issues in the company's online Corporate Responsibility report. In 2014-15 the materiality assessment has been expanded and updated to reflect increased focus on consumers. Also in 2014-15, Nvidia has grouped priority issues into three key areas which are reported to the executive level quarterly. Nvidia also applies an Environmental Management System (ISO 14001) within its operations, which helps the company to identify and address material environmental issues.</p>
<p><b>Responsiveness:</b> an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders.</p>	<p>Nvidia attempts to respond to all stakeholder feedback received and has implemented a formal tracking system to assist in prioritizing issues, identifying trends, and monitoring progress. The response activities undertaken following stakeholder communication depend on the complexity and potential impact of each sustainability concern.</p> <p>Nvidia has targets for GHG emission intensity reduction (15% reduction of Scope 1 and 2 relative to 2013 by 2019), waste diversion (80% or greater each year through 2016), and energy efficiency within data centers. The company sets all environmental targets based on historical performance, feasibility, and industry standards.</p>

## Assurance provider

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to Nvidia during F2014-15 that could conflict with the independence of this work. This is the third year that Trucost has assured Nvidia's CDP Climate Change response.

**Trucost plc**  
**London, May 2015**



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