



EP100 Joining Criteria

[EP100](#) is a global initiative led by the international non-profit [Climate Group](#), bringing together over 120 energy smart businesses committed to measuring and reporting on energy efficiency improvements. Energy efficiency is essential as it can deliver over 40% of the reduction in energy related emissions needed to achieve global climate goals. Taking energy efficiency from the boiler room to the boardroom, members are reducing emissions whilst improving competitiveness and inspiring others to follow their lead.

EP100's mission is to accelerate energy efficiency improvement rates amongst the world's most influential businesses to achieve a world of net zero carbon emissions by 2050, in a cost-effective and resilient manner.

To join EP100, companies must adhere to the following criteria:

1. Companies should have significant annual energy consumption of at least 0.025 TWh / 25 GWh / 25,000 MWh per annum.
 - 1.1. Companies with smaller consumption will be considered for membership on a case-by-case basis where they can demonstrate that they have an 'influential profile'. This will be based on one or more of the following characteristics:
 - 1.1.1. Key player in an EP100 target region.
 - 1.1.2. Key player in their industry/EP100 target sector.
 - 1.1.3. Globally or nationally recognised and trusted brand and/or major multi-national company (e.g. Fortune 1000 or other relevant index).
 - 1.1.4. Other consideration of clear international or regional influence that is of benefit to EP100's strategic aims.

2. Companies must make a public commitment to do one (or more) of the following:
 - 2.1. **Double energy productivity:**
 - 2.1.1. Double their energy productivity within 25 years or earlier from the joining date, relative to a baseline year that is no earlier than 10 years prior to the joining date.
 - 2.2. **Implement an Energy Management System:**
 - 2.2.1. Implement an energy management system (EnMS) globally across their operations within 10 years or earlier from the joining date; and,
 - 2.2.2. Achieve an energy productivity percentage improvement target, relative to a baseline year that is no earlier than 10 years prior to the joining date.
 - 2.3. **Net Zero Carbon Buildings Commitment:**
 - 2.3.1. Achieve net zero carbon operational and embodied emissions for all built assets under direct control by 2030.
 - 2.3.1.1. Companies commit to taking a reduction-first approach that prioritises energy efficiency improvements.

EP100 and the Net Zero Carbon Buildings Commitment

EP100 delivers the Net Zero Carbon Buildings Commitment in partnership with the World Green Building Council (WorldGBC). Companies who sign up to the Commitment must adhere to the full set of requirements administered by WorldGBC. These relate to both operational *and* embodied carbon emissions reduction. They are available to view [here](#).

In joining EP100 via the Commitment, companies agree to adhere to all of these requirements.

EP100 engages its Net Zero Carbon Buildings Commitment members on their energy efficiency action, which falls under the operational component of the Commitment. Therefore, only those requirements relating with the operational component of the Commitment have been highlighted in this document.

3. Companies are encouraged to join at the group level in order to maximise the impact of their leadership claim when joining EP100. However, individual subsidiaries are also eligible to join provided the subsidiary meets clause 1.

Where sufficient knowledge or expertise is not available in house to make one or more of the above commitments, we would advise engaging with a specialist consultancy firm. EP100 is not able to give companies technical advice on energy efficiency target setting.

Double Energy Productivity / Implement an Energy Management System

4. Companies committing to Double Energy Productivity (clause 2.1) and/or Implement an EnMS (clause 2.2) are responsible for choosing their energy productivity metric¹, baseline year and target year based on an assessment of their global operations. We ask that companies set an ambitious yet achievable target.
5. Companies committing to Implement an EnMS (clause 2.2) must ensure their EnMSs are either certified to a globally recognised standard (e.g. ISO 50001 or similar) or compliant with the

¹ Please refer to our [detailed commitment criteria documents](#) for further information about the energy productivity metric. Examples of energy productivity metrics used by current EP100 members include: Revenue (USD\$)/Gigajoules (GJ); Floor area (sqm)/megawatt hours (MWh); Full time employees (FTE)/KWh and others.

basic principles of a globally recognised standard. This involves adhering to the following attributes:

- Top-level management support for a well-defined, company-wide energy management policy;
- Energy objectives and targets that support the energy policy;
- An empowered energy management team implementing the energy policy;
- Processes that measure and evaluate progress toward energy-saving targets; and
- A continuous, year-over-year improvement process (Plan-Do-Check-Act).

The EnMS must include all Significant Energy Use², in accordance with ISO 50001.

6. As defined by the Greenhouse Gas Protocol¹, a company's Double Energy Productivity and/or Implement an EnMS commitment must cover:
 - 6.1. All Scope 1 energy consumption (i.e. energy consumed directly on-site), including heat or electricity derived from on-site fossil fuel combustion, fleet fuel consumption and renewable energy generation.
 - 6.2. All Scope 2 energy consumption (i.e. energy consumed from off-site sources), including electricity, heat or steam that is purchased from a utility provider.
7. EP100 recognises that for diversified companies it can be difficult to define an energy productivity metric that works for all business units. Therefore:
 - 7.1. A group company can join EP100 by selecting different energy productivity metrics for each of its subsidiaries when setting their EP100 commitment.

Net Zero Carbon Buildings Commitment

8. Companies committing to the Net Zero Carbon Buildings Commitment agree to:
 - 8.1. Commit all assets under direct control to reduce (and compensate where necessary) all operational carbon emissions by 2030, whereby companies will:
 - 8.1.1. Use a reduction-first approach which prioritises energy efficiency measures.
 - 8.2. Commit all new developments and major renovations under direct control to reduce and compensate (for residual upfront emissions) embodied carbon emissions by 2030.
9. Companies agree to make a joint commitment with both WorldGBC and Climate Group when joining EP100 via the Net Zero Carbon Buildings Commitment.

Reporting

10. All EP100 members **must** report annually on their progress. This includes members that have already achieved their commitment.

Reporting ensures accountability and adds credibility to our members' leadership.

Reporting also allows us to accurately assess the state of corporate energy efficiency action and identify barriers to further progress. We are then able to work collectively with our members and other stakeholders to overcome these barriers and unlock further progress for our members.

11. Members who are ready to claim that they have achieved their EP100 commitment must complete either the EP100 Reporting Form or Net Zero Carbon Buildings Reporting Form,

² A Significant Energy Use (SEU) is an energy use that accounts for substantial energy consumption and/or offers considerable potential for energy performance improvement.

whichever is relevant (see below). Any public facing communications regarding completion of an EP100 commitment must be agreed with EP100 in advance.

12. Members must ensure that the information they disclose is accurate to the best of their knowledge at the time of submission. Members will be asked to explicitly confirm this during reporting process.
13. In the spirit of upholding corporate accountability, we reserve the right to expel a member from EP100 if they are failing to fulfil their annual reporting requirement without good reason.

Double Energy Productivity & Implement an Energy Management System

14. Members are required to complete the EP100 Reporting Form with Climate Group.
15. The EP100 reporting cycle begins in May and closes in August. Members who joined EP100 between March and May will not be required to complete that year's EP100 Reporting Form.
16. Members are to provide enterprise-level energy data in the EP100 Reporting Form. This enterprise-level energy data will be aggregated by Climate Group and never publicly traceable to individual members.

Net Zero Carbon Buildings Commitment

17. Members are required to complete the Net Zero Carbon Buildings Commitment Reporting Form with WorldGBC.
18. WorldGBC's reporting cycle runs annually from August to October.
19. A two-year grace period applies to Net Zero Carbon Buildings Commitment members. They are not required to report until two years after their joining year.
20. Members must disclose their annual asset and portfolio energy demand and carbon emissions including:
 - 20.1. Energy consumption and energy use intensity (EUI) / predicted;
 - 20.2. Renewable energy contribution (on-site and off-site);
 - 20.3. Scope 1 and 2 operational carbon emissions from portfolio including refrigerants and process loads; and
 - 20.4. Contribution from offsets (if applicable).
 - 20.5. Disclose impact of business activities that contribute to indirect emission reductions.
21. This data will be aggregated by Climate Group and never publicly traceable to individual members.

Other

22. If the individual responsible for fulfilling the requirements of their company's EP100 commitment is due to leave the organisation, they are obliged to provide the EP100 team with a replacement point of contact.

This is vital in ensuring continuity and prevents the EP100 team from having to spend significant resources trying to identify a replacement contact.

Exclusions

23. Companies joining EP100 agree not to undertake activities that will directly or indirectly undermine the mission (to accelerate energy efficiency improvement rates) or credibility of EP100 (or that of Climate Group more broadly), or bring the reputation of EP100 (or Climate Group) into disrepute through activities such as, but not limited to: political lobbying in support of fossil fuels; increasing holdings in fossil fuel assets; committing human or civil rights abuses;

or, undertaking criminal activity, including but not limited to: corruption, bribery, illegal dumping or deforestation, and other violations of applicable environmental regulations.

24. Companies must not exclusively operate in the following sectors:

- Fossil fuels
- Munitions
- Gambling
- Tobacco
- Airlines

Companies who partly operate in these areas will be asked to disclose their involvement and will be considered on a case-by-case basis.

25. As far as practicable, EP100 takes an inclusive approach to companies interested in joining the initiative. EP100 may however exclude companies from membership where there are current or historical ESG concerns, or concerns related to any other activity, that casts doubt on the credibility of a company's EP100 commitment or which may otherwise bring EP100 (or Climate Group) into disrepute.

EP100 carries out a due diligence process on all interested companies. Where issues of concern are identified, EP100 may seek to discuss these with the company prior to determining eligibility.

26. EP100 members will be asked to withdraw from the initiative if they no longer meet the requirements laid out in this document.

27. Where there is doubt over the eligibility of a current EP100 member to remain in the initiative, the decision will be referred to Climate Group's senior management team. In the event that Climate Group's senior management team recommend withdrawal from EP100, the company will be given the opportunity to present their case to remain a member.

Financial institutions

28. Companies in the financial services sector are fundamental to a sustainable future. We recognise the need for the sector to contribute effectively to the energy transition and to thrive in a carbon constrained future. Whilst outside the direct scope of the initiative, EP100 recognises the powerful role of investment in driving (or delaying) energy efficiency improvements and how this far outweighs the impact of a bank's operational energy efficiency decisions. Accounting for this, we require new joiners from the financial services sector to meet the following criteria³:

28.1. Commit to measure and disclose the impact of their portfolio impacts / financed emissions on climate change, phasing this in as fast as possible. This is covered by following CDP's reporting process (CDP Financial Services Questionnaire) or an equivalent reporting process in line with the reporting requirements of the Global GHG Accounting and Reporting Standard for the Financial Industry².

28.2. We further encourage new financial institution members to align their portfolio / financed emissions with a 1.5-degree world³, and in particular to phase out the financing⁴ of projects/companies involved in coal-fired power and thermal coal mining by 2030 in advanced economies and by 2040 in emerging market and developing economies⁵. We will follow up with members periodically on their approach to this.

In addition to the above requirements, we will:

³ This applies to all new EP100 member companies from December 2021.

28.3. Limit new financial institution members joining if they are in process of making or have recently completed (i.e. in the last two years, but assessed on a case by case basis) significant investments in companies / projects related to fossil fuels.

¹ <http://www.ghgprotocol.org/>

² We expect the approach to measurement and disclosure to be phased in as fast as possible, with current expectations by 2024 at the latest. Many banks utilize the methodologies within the [Partnership for Carbon Accounting Financials \(PCAF\)](#).

³ Initiatives focused on helping financial institutions to do this include [SBTi](#) and the [Center for Climate Aligned Finance](#).

⁴ Debt or equity financing or underwriting.

⁵ This approach is informed by the [IEA Net Zero by 2050](#) report and is also informed by recent initiatives by finance-focused NGOs such as ShareAction, who are working with leading banks to develop a credible exit strategy from coal investments. Advanced economies are OECD members plus Bulgaria, Croatia, Cyprus, Malta and Romania. Developing economies are all other countries.