Basis of reporting

GHG, climate, and employee disclosure

June 05, 2025

Version history

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47095 Via Del Campo, San Diego, CA 92127 Teradata.com

1.0 Introduction

This Basis of Reporting document sets out the principles, criteria and methodologies for collecting and reporting data related to select indicators which are reported in Teradata's 2024 ESG Report. These selected indicators are focused on Teradata's Greenhouse Gas (GHG) emissions data (scopes 1, 2, and 3), its Taskforce for Climate Financial Disclosure (TCFD), and employee metrics. This data is publicly reported to demonstrate our progress against reduction targets and for validation purposes.

The selected KPIs are based on the period of January 01, 2024, to December 31, 2024, unless otherwise stated. This period is aligned with Teradata's financial accounting period and the 2024 ESG report.

2.0 Greenhouse gas emissions

This Basis of Reporting document provides a streamlined overview of our internal Inventory Management Plan (IMP), detailing our methodology for conducting a comprehensive greenhouse gas (GHG) inventory and calculating GHG emissions from the collected data.

2.1 Organizational boundary

The GHG Protocol provides two distinct approaches for consolidating GHG emissions: the equity shares and the control approaches. Teradata selected the **Operational Control Approach** to establish its organizational boundary. Under this approach, Teradata will include all scope 1 and scope 2 emissions from its owned and leased facilities and vehicles where it has operational control.

Scopes 1 & 2

The corporate real estate team at Teradata maintains a list of all owned and leased facilities, and mobile assets, serving as the primary data source for Scope 1, Scope 2, and Scope 3 emissions calculations. The facility list includes the region and location of the facility, square footage, leased or owned status, facility number, and the duration of time the facility was owned or leased during the reporting period.

If an occupied facility is not deemed significant based on specific criteria, the leased facility's emissions fall under Scope 3, Category 8: Upstream Leased Assets. Additionally, Teradata acts as a lessor, and the associated energy consumption and emissions are categorized under Scope 3, Category 13: Downstream Leased Assets.

See Teradata's Inventory Management Plan 11.1 Appendix – Facilities Active in 2024 and 11.2 Appendix - Mobile Assets in 2024 for a list of facilities and mobile assets for the current year.

Scope 3

Teradata includes all relevant scope 3 categories as seen in Table 3. The GHG Protocol recommends several methods to calculate scope 3 emissions based on the specific category and data available. Some examples of the methods described in "Technical Guidance for Calculating Scope 3 Emissions" are:

Supplier-specific method: Collects product-level cradle-to-gate GHG inventory data from goods or services suppliers.

Hybrid method: Uses a combination of supplier-specific activity data (where available) and secondary data to fill the gaps. This method involves collecting allocated scope 1 and scope 2 emission data directly from suppliers; calculating upstream emissions of goods and services from suppliers' activity data on the amount of materials, fuel, and electricity used, distance transported, and waste generated from the production of goods and services and applying appropriate emission factors; and using secondary data to calculate upstream emissions wherever supplier-specific data is not available.

Average-data method: Estimates emissions for goods and services by collecting data on the mass (e.g., kilograms or pounds), or other relevant units of goods or services purchased and multiplying by the relevant secondary (e.g., industry average) emission factors (e.g., average emissions per unit of good or service).

Spend-based method: Estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) emission factors (e.g., average emissions per monetary value of goods).

Fuel-based method: Involves determining the amount of fuel consumed (i.e., scope 1 and scope 2 emissions of transport providers) and applying the appropriate emission factor for that fuel.

Distance-based method: Involves determining the mass, distance, and mode of each shipment, then applying the appropriate mass-distance emission factor for the vehicle used.

2.2 Operational boundary

Four of the six major GHGs are included in the Teradata inventory: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), and hydrofluorocarbons (HFCs). Teradata is not a manufacturer and does not handle chemicals, therefore perfluorocarbons (PFCs), and sulfur hexafluoride (SF6) are not emitted from any Teradata operations and are not applicable to the inventory.

To ensure that the emissions reflect all relevant emissions and to account for and report on all the GHG emission sources and activities, Teradata identified activities and sources of emissions in scopes 1, 2, and 3 as shown in Table 1, Table 2, and Table 3.

Scope 2 emissions can be reported using the location-based accounting method and the market-based accounting method. Teradata uses renewable energy agreements to reduce and calculate market-based scope 2 emissions. See 11.3: Renewable Energy Agreements for more details on which renewable energy contractual instruments Teradata uses. Teradata does not purchase carbon credits to offset any of its greenhouse gas emissions.

2.3 Emissions quantification method & emission factors

Whenever available, primary activity data such as purchased quantities or metered data are used for emissions calculations. Where primary activity data is unavailable, estimates are used to compute emissions. Teradata strives to use the most up-to-date emissions factors when available. The activity data is converted into CO_2e using an emission factor. Most emission factors provide the data in CO_2e, meaning the individual GHGs are multiplied by the associated

Global Warming Potential (GWP). Most emission factor databases use the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report or the Fifth Assessment Report.

Scope 1 GHG emissions are calculated using purchased quantities of commercial fuels (such as natural gas). When metered data is not available, Teradata estimates consumption by using intensity factors by climate zone from the U.S. Energy Information Administration Commercial Building Energy Consumption Survey (CBECS). If Teradata cannot identify the type of fuel used for heating, then it assumes natural gas is used as the heating source. See Table 1 for a list of emission factor databases used for scope 1.

Table 1: Scope 1 emissions data collection

Source	Data captured	Data source	Calculation methodology	Emission factors	GHG list
Stationary Combustion	Type of equipment and energy used by the equipment, type of fuel, area	Purchase records, meter reading, lease agreements	Fuel use (e.g. MMBTU/year), area-based estimation	EPA GHG Emissions Factors Hub	CO_2, CH_4, N_2O
Mobile Combustion	Location of the source, type of fuel, distance traveled	Purchase records, vehicle travel logs	Distance traveled or fuel usage	EPA GHG Emissions Factors Hub	CO_2, CH_4, N_2O
Fugitive	Facility occupied area, equipment refrigerant capacity	Real Estate Facility list, refrigerant equipment records	Estimated refrigerant use (e.g. lbs./year), area-based estimation	EPA GHG Emissions Factors Hub	CO_2e

Scope 2 GHG emissions are calculated using metered electricity consumption. When metered data is not available, Teradata estimates electricity consumption by using intensity factors by climate zone from the U.S. Energy Information Administration Commercial Building Energy Consumption Survey (CBECS). Teradata also collects information related to renewable energy and the corresponding contractual instruments for locations where used. See 11.3: Renewable Energy Agreements. See Table 2 for a list of emission factor databases used for scope 2.

Table 2: Scope 2 emissions data collection

Source	Data captured	Data source	Calculation methodology	Emission factors	GHG list
Purchased Electricity	Facility location	Purchase records, meter reading, lease agreements	Energy use (e.g. MWh/year), and Area-based Energy Use Estimation	US EPA eGRID Australian National Greenhouse Accounts Factors	CO_2, CH_4, N_2O

				Entwicklung der spezifischen Kohlendioxid Emissionen des deutschen Strommix in den Jahren 1990 – 2020 Canada National Inventory Report (NIR) Sustainable Energy Authority of Ireland – Conversion Factors DBEIS Greenhouse gas reporting: conversion factors ADEME Bilans GES Carbon Database IEA Emission Factors European Residual Mixes Association of Issuing Bodies Green-e Residual Mix Emissions Rates	
Contractual instruments for renewable energy	Facility location, type of contractual instrument	Purchase certificates, contracts, or agreements	GHG Protocol market-based calculations	Not applicable	Not applicable

Scope 3 GHG emissions are calculated using primary supplier (upstream and downstream) or activity-based data if available, such as fuel use and passenger miles. When primary supplier/activity data is not available, Teradata uses secondary activity data such as spend data. See Table 3 for the list of applicable Scope 3 categories.

Table 3: Scope 3 emissions data collection and emission factors

Scope 3 category	Data captured	Data source	Calculation methodology	Emission factor source	GHG list
Category 1- Purchased Goods	Supplier specific data, Spend-based data	Obtained from supplier, General Ledger	Hybrid Method (Spend-based & Supplier-Specific Method)	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6 EPA EEIO_Steps to reproduce & technical overview for updated factors	CO_2, CH_4, N_2O
Category 2 – Capital Goods	Spend data	Fixed Asset Reports	Spend-based Method	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6	CO_2, CH_4, N_2O
Category 3 – Fuel and Energy Use	Activity-based Data	Purchase records, meter reading, lease agreements	Average-data Method	IEA Life Cycle Upstream Emissions Factors 2024	CO_2, CH_4, N_2O
Category 4 – Upstream Transportation and Distribution	Distance-based Data, Spend-based Data	Distance, weight of shipments, mode of transport, shipment type	Distance-based Method, Spend-based Method	GLEC Framework v3.0 2025 GHG Emission Factors Hub EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6	CO_2, CH_4, N_2O
Category 5 – Waste Generated in Operations	Supplier-Specific Data, Spend-based Data	Obtained from supplier, Invoices	Supplier-Specific Method, Spend-based Method	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6 Supplier-Specific Emissions Data	CO_2, CH_4, N_2O

Category 6 – Business Travel	Supplier specific data, Spend-based data	Obtained from supplier, Invoice date	Distance-based Method, Spend-based Method	US EPA Emission Factors for Greenhouse Gas Inventories 2024 DBEIS Conversion factors 2023 IEA 2017 Fuel Economy in Major Car Markets Hotel Footprinting Tool EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6	CO_2, CH_4, N_2O
Category 7 – Employee Commuting	Distance based data	Teradata Human Resources, Zippia	Average data, Distance-based Method	US EPA Emission Factors for Greenhouse Gas Inventories 2024 DBEIS Conversion factors 2023 IEA 2017 Fuel Economy in Major Car Markets	CO_2, CH_4, N_2O
Category 8 – Upstream Leased Assets	Facility data, location, occupied area, lease start/end dates	Teradata Real Estate Team	Activity-Based Method	US EPA Emission Factors for Greenhouse Gas Inventories 2024 DBEIS Conversion factors 2023 Australia National Greenhouse Gas Accounts Factors 2023 EPA eGrid2022 IEA Emissions Factors - Emissions Factors 2023 - Data product - IE EMA Electricity Grid Emission Factor and Upstream Fugitive Methane Emission Factor 2022 2023 Green-e® Residual Mix	CO_2, CH_4, N_2O

				Emissions Rates (2021 Data) European Residual Mixes 2022 Association of Issuing Bodies IPCC Global Warming Potential Values	
Category 9 – Downstream Transportation and Distribution	Distance-based Data	Distance, weight of shipments, mode of transport, shipment type	Distance-based Method	GLEC Framework v3.0	CO_2, CH_4, N_2O
Category 11 – Use of sold Products	Distance-based Data, Product specific energy use, number of products sold data by country	Teradata Product Shipments & Orders	Average-data Method (Direct Use-Phase Emissions)	Canada NIR 2024 - Tables A13 US EPA eGRID2022 IEA Emissions Factors 2023	CO_2, CH_4, N_2O
Category 12 – End-of-life Treatment of Sold Products	Distance-based Data	Teradata Product Shipments & Orders, Management of EOL documentation	Average-data Method	Supplier-Specific Emissions Data	CO_2, CH_4, N_2O
Category 13 – Downstream Leased Assets	Facility data, location, occupied area, lease start/end dates	Teradata Real Estate Team	Activity-Based Method	EPA eGrid2022 San Diego Community Power 2023 POWER CONTENT LABEL (2023 SDCP Power100 Power Mix) IPCC Global Warming Potential Values	CO_2, CH_4, N_2O

2.4 GHG data management

Teradata uses SharePoint with access controls limited to the required personnel to collect and store data. See Teradata's Inventory Management Plan 11.5 Appendix – Roles and Responsibilities for a description of roles and responsibilities for all organization representatives involved in developing and maintaining the organization's GHG inventory.

GHG emissions data are collected and reported annually. See Teradata's Inventory Management Plan Figure 1 scopes 1 and 2 and Figure 2 for scope 3 for activity data and data management emissions data processes.

Teradata selected 2021 as the base year for greenhouse gas emissions and has a recalculation policy that articulates the basis and context for any recalculations if the difference is greater than 10% change.

3.0 Climate disclosure

To align with our commitment to transparency and accountability, and to mature our reporting practices, we sought limited assurance on our Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD was established in 2015 and structured around four themes that represent core operational elements: governance, strategy, risk management, and climate-related metrics and targets. By obtaining limited assurance with the 2021 Implementing Guidance criteria, we aim to provide stakeholders with reliable and accurate data that reflects our commitment to net zero and managing climate risks that impact our business, employees, and stakeholders.

3.1 Organizational boundary

The TCFD reports on the consolidated global company level unless otherwise notated.

3.2 TCFD data management

To ensure the completeness and accuracy of the TCFD narrative and metrics, Teradata integrates all relevant data into its ESG reporting process. This process involves cross-functional subject matter experts from various departments, including product, strategy, risk, facilities, procurement, law, and ESG. These experts are responsible for providing the necessary information and data, as well as verifying its accuracy. The TCFD report undergoes a thorough review and approval process at the senior management level, ensuring that the final report meets the highest standards of quality and reliability.

Data collection and storage

Teradata uses SharePoint with access controls limited to the required personnel to collect and store data. The TCFD report is written and stored in the Workiva ESG module for publication, review, approval, and publishing.

Roles and responsibilities

The roles and responsibilities of all organization representatives involved in developing and maintaining the TCFD disclosure are broken down as follows:

Governance section	Responsibility	Collect	Write	Review	Approve
Sr. Specialist, ESG Reporting and Programs	Support data collection and documentation writing	X	X		
ESG and Sustainability Senior Director	Responsible for reviewing and approving documentation			X	X
SVP, Corp, Ethics & Compliance Officer	Responsible for final executive approval				X

Strategy section	Responsibility	Collect	Write	Review	Approve
Sr. Specialist, ESG Reporting and Programs	Support data collection from CRA and documentation writing	X	X		
Cross-functional teams	Climate Risk Assessment (CRA) impacted 7 organizations, tasked with research, interviews, data collection and review of the CRA report	X		X	
Organizational management for each applicable published risk	Review published risk type, risk rating, impact to Teradata's business and mitigation opportunity			X	
ESG and Sustainability Senior Director	Responsible for reviewing and approving documentation			X	X
SVP, Corp, Ethics & Compliance Officer	Responsible for final executive approval				X
Risk section	**Responsibility**	**Collect**	**Calculate/ Write**	**Review**	**Approve**
Sr. Specialist, ESG Reporting and Programs	Support data collection from CRA and ELT decks and documentation writing	X	X		
Sr. Manager, Enterprise Risk & Assurance Services	SME and lead author responsible for drafting documentation on risk disclosures and first level review		X		
Sr. Director, Enterprise Risk & Assurance Services	Responsible for providing risk oversight and leadership approval			X	X
ESG and Sustainability Senior Director	Responsible for reviewing and approving documentation			X	X
SVP, Corp, Ethics & Compliance Officer	Responsible for final executive approval				X
Metric and targets section	**Responsibility**	**Collect**	**Calculate/ Write**	**Review**	**Approve**
Corporate Real Estate Group	Collect and record utility data (electricity, fuel), fuel for mobile	X	X		

(Property Managers, Regional Facility Managers)	combustion assets from purchase records for scopes 1 and 2 emission calculations				
GHG Analyst	Collect the remaining scope 3 data not already received from Account Managers for Suppliers and calculate scope 3 emissions.	X	X		
Sr. Specialist, ESG Reporting and Programs	Documentation writing		X		
Account Managers for Suppliers	Collect supplier reports for supplier specific emission factors for scope 3 categories	X			
Global Director – Real Estate	Review, verify, and approve scopes 1 and 2 emissions			X	X
ESG and Sustainability Senior Director	Support data collection and emissions calculations for all scopes; responsible for reviewing and approving final corporate inventory			X	X
Stewardship Pillar / Corporate Citizenship Council	Informed of the GHG inventory results			X	

4.0 Employee metrics

To align with our commitment to transparency and accountability, and to mature our reporting practices in accordance with the new Corporate Sustainability Reporting Directive (CSRD) requirements, we have sought limited assurance on key employee metrics. These metrics include global gender representation, hiring and promotion rates, collective bargaining agreements, and race and ethnicity representation within the United States. By obtaining limited assurance, we aim to provide stakeholders with reliable and accurate data that reflects our dedication to fostering an inclusive workplace.

4.1 Organizational boundary

The procedures applied to the consolidated employee metrics have been prepared at the global company level unless otherwise notated. Estimates, judgements, and assumptions are specified in the relevant sections.

4.1.1 Definitions

Regions: divided into three regions: Americas, APJ, and EMEA, with listed countries identified in one of the three regions as seen in Table 4 below.

Table 4: Country list by region

Americas	APJ	EMEA
Argentina Brazil Canada Chile Colombia Mexico Peru United States of America	Australia China Hong Kong India Indonesia Japan Korea, Republic of Malaysia New Zealand Pakistan Philippines Singapore Taiwan Thailand	Austria Belgium Bulgaria Cyprus Czech Republic Denmark Egypt Finland France Germany Greece Hungary Ireland Israel Italy Kazakhstan Kuwait Lebanon Netherlands Nigeria Norway Oman Poland Qatar Romania Russia Saudi Arabia South Africa Spain Sweden Switzerland Turkey United Arab Emirates United Kingdom

Genders: self-declared with four options: Male, Female, Non-binary/third gender, I choose not to disclose.

Role: specific for ESG reporting

Executive: Senior VP and above

People manager: Supervisor to VP people manager roles

Individual contributor: All levels below Senior VP individual contributor roles

Race and ethnicity: self-declared for USA employees only, with eight options: Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, Two or More Races, White, American Indian or Alaska Native, I Do Not Wish to Answer.

Collective bargaining agreements (CBA): employees located in countries that require a collective bargaining agreement are included in this metric. Interns are not considered part of this metric. The total is captured as of December 31st of the reporting year.

Works council (WC): employees located in countries with an established works council, regardless of whether it is covered by a CBA, are included in this metric. Interns are not considered part of this metric. The total is captured as of December 31st of the reporting year.

Table 5: CBA and WC country list

Collective bargaining agreement (CBA)	Works council (WC)
Austria (CBA) France (CBA) Italy (CBA) Spain (CBA)	Austria (WC) France (WC) Germany (WC) Spain (WC)

Hiring: employees hired during the reporting calendar year are included in this metric, regardless of whether they remain employed at year-end. Interns are also included in this metric.

Promotion: employees promoted during the reporting calendar year are included in this metric, regardless of whether they remain employed at year-end. Interns are not included in this metric.

4.2 Employee metric quantification method

The primary data source is Workday, from which key reports are pulled to determine headcount. Reports are taken as a snapshot as of December 31st of the reporting year or as a date range for the calendar year from January 1st to December 31st.

Each metric uses data filtering tools to select the relevant employees and calculate the total number of employees for that metric. This data is then used to determine the overall percentage which is reported in the annual ESG report.

4.2.1 CEO pay ratio disclosure

The annual total compensation of our CEO and that of our “median employee,” is identified as required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K.

December 31, 2024, was selected as the date upon which we would identify our employee population and median employee, and, from our tax and payroll records. A compiled list of all total cash compensation during the 2024 fiscal year was used as a consistently applied compensation measure to identify our median employee from the employees on the list. For employees working outside of the United States, total cash compensation was converted to U.S. dollars using 2024 exchange rates.

4.2.1.1 Definitions

Employee population: all employees that were full-time, part-time, and seasonal employees who were employed on December 31, 2024, including employees working both within and outside of the United States.

Total cash compensation: the sum of base wages and target annual incentives payable in cash during the year. For employees working outside of the United States, total cash compensation was converted to U.S. dollars using 2024 exchange rates.

4.3 Employee metrics data management

Teradata uses Workday with access controls limited to the required personnel to collect and store data. Reports are pulled from Workday and PowerBI/Excel is used for filtering and analysis. Data is uploaded to Workiva ESG for each metric used for document recording and reporting.

Description of roles and responsibilities for all organization representatives involved in developing and maintaining the organization’s people metrics are as follows:

Senior Manager, Business Technology: Responsible for extracting and analyzing raw data from Workday.

International People Business Partner - EMEA: Responsible for reviewing and approving the final analysis for CBA and WC employees.

Culture & Engagement Team: Responsible for reviewing all employee data and submitting to Workiva ESG for ESG reporting.

5.0 Auditing and verification

To ensure completeness and accuracy of the selected narrative and KPIs, this document and all relevant data have been subject to internal validation, review and approval at senior management level within Teradata.

Auditing and verification procedures can be provided through our internal audit verification who are independent of the ESG reporting process or verified by an independent third-party. This may be undertaken as part of the wider corporate sustainability report verification and auditing efforts or as a separate engagement.

The third-party independent assurance is performed according to appropriate standards including the International Standard for Assurance Engagements ISAE 3000 (Revised) and/or specific reporting requirements of regulatory programs under which Teradata operates.

6.0 Revision history

Date	Version	Reason for version update
March 24, 2024	1.0	First Basis of Reporting published, reflecting Teradata's Greenhouse Gas Inventory Management Plan v.3.0
April 28, 2025	2.0	Revised Greenhouse Gas Inventory Management Plan v.4.0 New inclusions for our TCFD climate disclosure and select employee metrics.
June 05, 2025	2.1	Minor spelling, grammar, and formatting revisions.