Increased levels of greenhouse gas in the Earth’s atmosphere lead to climate change risks such as climbing temperatures, rising sea levels, shifting seasons and changes to the intensity, frequency and duration of weather extremes. Recognizing that many of the products we sell consume energy, we have an interest in helping transition to a low-carbon economy. We are committed to finding cost-effective solutions to save energy and directly reduce emissions of carbon into our atmosphere.
20 by 20 Goal Achieved
In 2010, we set a goal of reducing absolute carbon emissions in North America by 20 percent by the year 2020 (over our 2009 baseline). As of the end of calendar year 2014, we are proud to announce that we exceeded this goal. We reduced our annual emissions by 26% over the 2009 baseline – which is an annual reduction of 250,000 metric tons of CO₂ and equivalent to taking 52,000 cars off of the road for one year. The bulk of our energy savings came from our Energy Management System, lighting retrofits in our stores and transportation efficiencies. By exceeding our carbon reduction goal ahead of schedule, everyone wins – the environment, the communities we serve and our business.

Energy Management System
In 2012, we installed a state-of-the-art system across all stores to automate the lighting, heating and air conditioning. This enabled store energy usage to be optimized.

In addition to automated controls, our stores proactively reduce energy consumption by the taking following conservation measures:

- Stores can use a “Demand Response” switch to reduce energy use by making minor adjustments to store temperatures during hours of lower traffic volumes.
- We cool our stores with outside air, generally in early morning hours, called economizer optimization.

Lighting Retrofit
As part of our commitment to reduce our carbon footprint, Best Buy installed new lighting in 840 of our stores. We transitioned the stores from high-wattage, high-bay metal halide fixtures to more efficient, lower-wattage fluorescent fixtures. It reduced our lighting energy usage by nearly half – the equivalent of removing more than 12,000 households from the grid. And it’s saving the company money on our monthly utility bills, plus we were able to take advantage of one-time rebates from our utility partners.

The lighting retrofit was a simple change that could be scaled across the chain, and which created significant results. Not only did the project have a substantial impact on meeting our 20 by 20 goal, but the new lights created a brighter store environment that’s better for our employees and customers. Watch a time-lapse video of our Hattiesburg, Mississippi store transition to the new lighting.

Geek Squad Vehicles
At Best Buy, we closely manage our fleet of more than 3,000 vehicles. By using smaller vehicles as often as possible, and mapping out the most efficient routes to our destinations, we have reduced fleet carbon emissions by 10 percent in calendar year 2014 over calendar year 2013. In addition to our Geek Squad fleet, we have right-sized our self-delivery and Magnolia vehicles as well. In many cases, we were able to downsize from a 24-foot truck to a 12-foot truck.

In fiscal year 2015, we deployed a telematics technology to both ensure the safety of our employees and fleet, and enhance the efficiency. Telematics technology allows the tracking of key vehicle performance metrics, which can be used to potentially route, monitor, locate and service vehicles within our fleet.

Telematics helps increase our Geek Squad fleet efficiency by:

- Ensuring unused vehicles are repurposed or retired
- Reducing fuel expense through efficient routing and reduced speeding and engine idle time
- Reducing maintenance expenses through real-time vehicle diagnostics and maintenance records
We are also part of the Department of Energy’s National Clean Fleets Partnership. This public/private partnership provides fleets with resources, expertise and support to incorporate fuel-saving measures into operations.

Looking ahead to fiscal year 2016, we will replace about 850 Ford E150 vehicles with Ford Transit vans. The Ford Transit brings the ability to deliver and haul away appliances and large TVs from customers’ homes, instead of using a box truck. Not only do these vans provide extra storage for tools and products, but they were customized based on feedback from our agents in the field, and have better fuel economy.

**Dedicated Fleet**
In addition to our customer-facing vehicles, we closely manage our fleet of inventory distribution trucks. We are reducing “empty miles,” (miles driven with no products in the truck), by backhauling e-waste to the distribution centers, where it is collected by our recycling partners, or we bring e-waste directly to the recycler.

In addition, we require our dedicated fleet transportation partners to follow these policies and requirements:

- Be certified through the EPA’s SmartWay program
- Follow the Coalition for Responsible Transportation’s standards for using certain trucks and engines
- Adhere to our “No idling” policy

**Renewable Energy**
As the majority of our large format stores are leased, owning and operating on-site solar systems are not a viable option. The purchase of Renewable Energy Credits (RECs) helps us offset the impact of our emissions. In calendar year 2014, we offset approximately nine percent of our U.S. electricity through RECs. In January 2015, through the EPA’s Green Power Partnership, we ranked No. 39 overall and No. 6 among retailers. Our REC program is an independent emission reduction effort, which was not counted toward our 20 by 20 reduction goal.

**Reporting**
At Best Buy, we are actively engaged in carbon emission reporting, disclosing carbon emissions to the Carbon Disclosure Project, now CDP, annually since 2008. Each year, we have increased the boundaries of our reporting and/or become more refined in our reporting methodology. In 2010 we adjusted our reporting boundaries to include all locations in Canada and Mexico, a square footage increase of 12.6 percent. In 2011, we included some scope 3 (indirect emissions) activities. In 2012, we added two additional scope 3 categories (Use of Sold Product and Employee Commute). In 2013, we developed an industry-leading waste emissions calculator to measure the carbon impacts of our waste, recycling and compost programs. And in 2014, we continually improved upon our reporting methodologies, increasing the accuracy of our inventory as well as our reporting frequency.

The methodologies used to report our energy consumption include:

- U.S. EPA Climate Leaders: Direct Emissions from Stationary Combustion
- U.S. EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment
- The Climate Registry: General Reporting Protocol
Energy and GHG Data EN 3-7, 15-19

<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>Data</th>
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<tbody>
<tr>
<td>Energy consumption within the organization</td>
<td>Fuel consumption: 1,834,261,200,000,000 joules</td>
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<tr>
<td></td>
<td>Electricity consumption: 1,101,318 MWh</td>
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<tr>
<td></td>
<td>Total scope 1 &amp; 2: 1,610,840 MWh</td>
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<tr>
<td>Energy intensity</td>
<td>0.02556 MWh/Sq Ft</td>
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<tr>
<td>Reduction of energy consumption</td>
<td>300,735 MWh or 15.7% reduction year-over-year</td>
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<tr>
<td>Direct GHG emissions (Scope 1)</td>
<td>218,436 MT CO₂e</td>
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<tr>
<td>Energy Indirect GHG emissions (Scope 2)</td>
<td>*475,329 MT CO₂e</td>
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<tr>
<td>Other indirect GHG emissions (Scope 3)</td>
<td>718,559 MT CO₂e</td>
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<tr>
<td>GHG emissions intensity</td>
<td>0.0110066 MT CO₂e/Sq Ft</td>
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<tr>
<td>Reduction of GHG emissions</td>
<td>*79,048 MT CO₂e, or -9.4%</td>
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*not including RECs

**Recognition**

We achieved a score of 98 A- from the Carbon Disclosure Project (CDP). We were recognized in the Carbon Disclosure Leadership Index (CDLI) for the third consecutive year.