



- ENERGY AND EMISSIONS TARGETS OF 50% BY 2020
- AS WITH RIVAL ERICSSON, FAILURE TO CONNECT BROAD IT SOLUTIONS ADVOCACY WITH NATIONAL POLICY ADVOCACY
- WILL ALCATEL-LUCENT UPDATE ITS GOAL OF ALTERNATIVE-ENERGY POWERED BASE STATIONS?

SUMMARY **40/100 = 8TH PLACE**

Alcatel-Lucent holds steady at 40 points from last year's evaluation, earning the company a tie for 8th place, but down two spots overall. Alcatel-Lucent again demonstrated strong leadership in managing its own energy footprint, matching newcomer Sprint to set the pace among the telecommunications companies, but continues to fall well short of rival Ericsson both in solutions and advocacy leadership.

Although it is undergoing some turmoil due to a CEO transition, if Alcatel-Lucent continues to build on its existing strength in solutions offerings and energy footprint management, it is well positioned to demonstrate much stronger leadership, particularly among the telecommunication companies. Through Green Touch, which it helped create, and other mechanisms, Alcatel-Lucent can leverage its understanding of the energy savings potential of the telecommunications sector to advocate for more sustainable policies. Those policies would help Alcatel-Lucent and others in the industry grow their solutions business and help its telecommunication operator customers transition their growth to highly efficient and renewable-powered infrastructure.

CLIMATE SOLUTIONS **14/40 = 9TH PLACE**

Energy Savings Calculations (6/10)

Alcatel-Lucent submitted a number of case studies that identified existing ways in which the company is driving solutions development, including transportation and smart grid application. However, many of these case studies were light on details. More detailed case studies, including net emissions savings calculations such as those provided by Ericsson and Cisco, would earn Alcatel-Lucent full marks.

Public Metrics (4/10)

Alcatel-Lucent continues to be involved in creating standardised methodologies, modestly incorporating these metrics in its own case studies. For a higher score, Alcatel-Lucent needs to expand its case studies to be more transparent in demonstrating how it calculates IT solutions on a net impact basis.

Investment (4/10)

Alcatel-Lucent had previously signaled a high level of its investment in development of Bell Labs' focus on "green" innovation. The company has prioritised investments in projects such as LightRadio Network, which in concert with broadband expansion will better utilise alternative energy in remote areas. Stronger evidence of its ambition to provide IT energy solutions is still needed.

Future Savings Goal (0/10)

In 2010, Alcatel-Lucent had set a target of a 40% increase in the number of base stations deployed with alternative energy powering solutions by the end of 2011, but these goals have unfortunately not been updated, resulting in a drop in leadership points for this year's evaluation.

COMPETITOR COMPARISON

ALCATEL-LUCENT	40	14	19	7
CISCO	58	24	22	12
ERICSSON	51	24	17	10
HP	43	17	14	12

IT ENERGY IMPACT **19/25 = 3RD PLACE**

Energy & Emissions Targets (5/5)

Alcatel-Lucent has set an ambitious commitment to reduce its carbon emissions by 50% from a 2008 baseline by 2020, and has already achieved a 22% reduction by the end of 2011.

Mitigation Strategies (8/10)

Alcatel-Lucent has a hierarchy of action for its greenhouse gas mitigation strategy – avoid emissions through efficiency, work with the supply chain to reduce those companies' carbon emissions, and then use renewable energy sources to bridge the remaining gap.

Infrastructure Siting Policy (not applicable)

Given the distributed nature of Alcatel-Lucent's business model, product efficiency is a stronger measurement of its energy leadership. The company was evaluated for 10 points in that category (see below) so its total potential Energy Impact points is still 25.

Product Efficiency & Supply Chain Footprint (6/10)

While Alcatel-Lucent's products do not have applicable Energy Star standards, it is useful to see that Alcatel-Lucent is using other metrics such as ATIS and ETSI to gauge energy efficiency. However, to effectively chart progress, benchmarks and more data about these various standards are needed. Alcatel-Lucent asks its major suppliers to report on their emissions so that the company can begin to calculate its Scope 3 emissions. The company can raise the bar by working with many suppliers to set Scope 3 emissions reduction targets with its suppliers.

POLITICAL ADVOCACY **7/35 = 10TH PLACE**

Political Speech (4/10)

Alcatel-Lucent, like its competitor Ericsson, has engaged at a high level with the Broadband Commission for Digital Development and other bodies that highlight the potential for the IT sector to save energy. Unfortunately, the company has not yet translated its championship of the sector's solutions potential into a call for stronger government leadership at a national level for policies that will drive IT energy solutions deployment.

Political Policy (3/15)

Alcatel-Lucent receives minimal points for its support participating in a call to action from the Broadband Commission for sustainable development in conjunction with the Rio+20 summit.

Alcatel-Lucent received no **Repetition Bonus (0/10)** or **Negative Lobby Penalties**.