

CDW's TCFD Report 2021 – Our Progress

We are committed to understanding and managing our direct climate-related impacts. We are pleased to share our updated Task Force on Climate-related Financial Disclosures (TCFD) report reflecting our progress. We will continue to advance against the recommendations of the TCFD framework and demonstrate our continued effort to address the risks and opportunities presented by climate change.

Our 2021 Environmental, Social, and Governance (ESG) Report provides additional background on our efforts towards sustaining a healthy planet.

Governance	Disclose the organization's governance around climate-related risks and opportunities.	Describe the board's oversight of climate related risks and opportunities.	<p>The CDW Board of Directors is responsible for providing oversight of the strategic and operational direction of CDW and supporting our long-term interests. To provide a framework for effective governance, our Board adheres to the Corporate Governance Guidelines that outline the operating principles, composition and working processes of our Board and its committees.</p> <p>The Nominating and Corporate Governance Committee (N&CG) of our Board of Directors oversees our Environmental, Social, and Governance (ESG) programs and policies and is provided an update on our ESG program as a whole at least annually. Our Board of Directors and its committees also receive regular updates on ESG matters such as diversity, equity and inclusion and cybersecurity, among others. With the Board's support, we formalized our long-standing ESG commitment by establishing a cross-functional ESG Steering Committee, and an ESG Core Team and Working Group. Climate risk is a component of a material ESG topic and is therefore included in our report out to the N&CG committee.</p> <p>Our Board of Directors, as a whole and through the Audit Committee, oversees our Enterprise Risk Management (ERM) Program, which is designed to drive the identification, analysis, discussion and reporting of our high-priority enterprise risks. Our Audit Committee is primarily responsible for overseeing our risk management processes on behalf of the full Board. Our management team, including our executive officers, is primarily responsible for managing the risks associated with the operation and business of our company. Senior management provides regular updates to the Audit Committee and periodic updates to the full Board on the ERM Program, and reports to both the Audit Committee and the full Board on any identified high priority enterprise risks. We also have an Integrated Risk and Resilience Steering Committee serves as the connective tissue that brings together the capabilities of CDW risk functions across the organization. This cross-functional management committee is comprised of risk leaders, including ESG, who manage a specific domain of risk and provide visibility into how those risks are being managed while also collaborating as one team to better identify and understand evolving and emerging risks. The Integrated Risk and Resilience Steering Committee provides CDW teams with consistent methods of risk assessment, escalation, treatment, monitoring and reporting. For further details on our ERM Program and risk information, please refer to the Risk Management section of this report.</p>
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		Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>Our ESG Steering Committee is a group of senior executives charged with setting the strategic direction for the ESG program at CDW. This executive committee also oversees our reporting and disclosure on ESG matters and helps ensure the ESG program achieves the desired outcomes. CDW uses a dynamic materiality model to determine its most material ESG topics, and adjustments are made to the model using both a top-down and bottom-up approach. The adjustments are presented to the ESG steering committee, and the committee approves adjustments prior to implementation.</p> <p>The ESG Core Team and Working Group were established to support CDW’s ongoing commitment to ESG and help us successfully execute our ESG strategy across the business. The Core Team’s role is to develop and execute against CDW’s ESG strategic framework by 1) Aligning our ESG efforts with stakeholder expectations and our business priorities; 2) Helping to ensure ESG considerations are embedded within our business; and 3) Effectively communicating our ESG message to stakeholders. The Working Group consists of cross-functional subject matter experts who are responsible for driving ongoing implementation of key ESG initiatives. The Core Team and supporting Working Group work closely on all aspects of ESG reporting.</p>
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	<p>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <hr/> <p>Describe the impact of climate- related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>Our mission at CDW has always been to help our customers navigate and be successful in a changing world. As we look to the future, technology will continue to play a pivotal role in supporting and reshaping how we work and live. Many of the changes happening today, such as remote work, growth in digital commerce channels and business continuity redundancies, will persist and continue to scale and mature. We expect to see acceleration in the development of online platforms that will change the way we create and consume services. Most industries CDW provides solutions for such as healthcare, education, financial services, retail, entertainment, and sports will be impacted by this shift.</p> <p><u>Climate-Related Risks</u></p> <p>Our business depends on the timely supply of products to meet the demands of our customers. We recognize that manufacturing interruptions or delays due to the physical risks of climate change, including as a result of the natural disasters or other adverse occurrences affecting any of our suppliers’ facilities, could disrupt our supply chain. In the case of severe weather events, we would look to leverage our scale, diverse vendor partner relationships and distribution capabilities to mitigate the risk as much as possible.</p>

		<p>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p><u>Climate-Related Opportunities</u></p> <p>We acknowledge that we are part of a global economy that is transitioning to lower carbon solutions. We have an expansive portfolio of environmentally certified products (Energy Star, EPEAT* and TCO** Certified) and a broad range of cloud-based solutions for providing energy-efficient options for our customers. CDW’s IT Asset Disposition (ITAD) teams also offer our customers proper device wiping, removal, evaluation, and recycling services for devices that are no longer being used. Proper asset disposition involves completely and securely wiping devices of sensitive data and environmentally responsible recycling and disposal of e-waste. Our process for conducting this is certified by e-stewards. Additionally, through our Printer Supplies Program, CDW customers are offered complimentary enrollment in PrintRelease, a third-party certification program that empowers organizations to sustain and grow global forest systems.</p> <p>We also recognize that a changing climate will shape not only our business, but those of our customers and vendor partners. We have a storied history of listening to our customers and turning that listening into action. As our customers develop their own climate-related strategies, they will rely on a provider with deep technical capabilities and a partner who provides unbiased advice across technologies and consumption models. We will continue to invest in next generation solutions and services that will help our customers adapt to this dynamic environment and meet their evolving end-user and employee needs.</p> <p><u>CDW’s Strategy and Resiliency</u></p> <p>To ensure CDW remains in tune with what is material to our business, we regularly engage with key stakeholders to identify and assess material ESG topics and enterprise risks. Energy management and Climate Action have been identified as key material topics from this engagement and are included within our ERM Risk universe. Our dynamic strategy development process considers these ERM risks when planning our overall business strategy.</p> <p>CDW continues to further evaluate climate-related risks and impacts across our business and drive integration within our risk management activities. Key components of this effort include maintaining ISO 14001 certification in all our distribution centers and gaining energy certifications across all of our largest office locations and UK distribution centers. Company-wide, we are currently conducting a global scan of our Scope 3 emissions and identifying potential mitigation efforts. Currently, CDW UK is aligned with the UK government regulations on achieving Net Zero emissions. Further information on our climate-related risks and opportunities will be disclosed in our CDP response later this year.</p>
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* EPEAT: Electronic Product Environmental Assessment Tool

** TCO: Swedish acronym for Tjänstemännens Centralorganisation (TCO). English translation: The Confederation of Professional Employees

Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	Describe the organization’s processes for identifying and assessing climate-related risks.	<p>CDW identifies and assesses risks to the business and our stakeholders on a continual basis, and we conduct various risk assessment and management activities annually. We have a formal ERM program focused on risk integration and proactive management of the most significant enterprise risks facing CDW. Enterprise risks are considered in business decision making and as part of our overall business strategy. We view ERM as a team effort, with CDW’s businesses, functions, executive leadership, and board all playing a part in identifying, assessing, prioritizing, and managing enterprise risks.</p> <p>ERM Roles and Responsibilities</p> <ul style="list-style-type: none"> ● The ERM Team facilitates constructive dialog with our senior management and Board levels to proactively identify, assess, and respond to the most significant enterprise risks facing the organization. ● Risk Owners within CDW’s businesses and functions are responsible for managing and reporting on the risks facing CDW. ● The Integrated Risk and Resilience Steering Committee consists of risk leaders across CDW and promotes thorough, coordinated, and consistent risk management ● The Executive Committee consists of executive leadership and provides leadership and insights to identify and understand top risks and provide executive support for the management of these risks. ● The Audit Committee provides board oversight of top risks.
		Describe the organization’s processes for managing climate-related risks.	<p>CDW consistently assesses enterprise risks across the organization using our risk rating criteria. Through our assessment, we evaluate and rate the financial, operational, reputational, regulatory, extended enterprise, strategy, and technology impact of risks. This is coupled with the vulnerability CDW faces (how likely it is that the risk will impact CDW) and the speed of onset of the risk. Once evaluated and rated, risks are prioritized for deep dives and management reporting.</p>
		Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	<p>CDW conducts deeper reviews for high priority risks and develops initiatives and strategies to manage those risks. For example, cybersecurity is considered a high priority risk and includes assessments of the overall threat landscape and strategies and infrastructure investments to monitor and mitigate such threats. Newly identified or evolving high priority risks, such as those presented by the COVID-19 pandemic, are also actively managed with ongoing reporting to senior executives.</p> <p>CDW is consistently assessing enterprise risk through the Integrated Risk and Resilience Steering Committee and other dynamic processes but also conducts regular refreshes of the ERM risk universe (most recently in 2021) which include one-on-one discussions with the Executive Committee members and external subject matter expert and industry perspectives</p>

			to identify the most significant enterprise risks. ESG risks and climate change risks are considered and monitored as part of our ERM program.									
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>CDW tracks several climate-related metrics including revenue from clean tech and cloud computing, energy consumption, and Scope 1 and 2 emissions. We took a critical first step in 2020 of evaluating our energy consumption and the resulting emissions from controlled sources (Scope 1 and 2 emissions). Our 2020 Scope 1 emissions were 3,003.09 metric tons CO₂e and our Scope 2 emissions were 14,896.47 metric tons CO₂e. Our 2021 Scope 1 and 2 emissions are currently being calculated and will be included in our CDP response later this year. We are now in the process of evaluating and calculating our Scope 3 emissions and plan to provide additional insights into CDW’s full climate-related impacts in future reporting.</p> <p>Data</p> <table border="1"> <thead> <tr> <th>Metric</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Revenue from clean tech and cloud computing</td> <td>\$4.366 billion</td> <td>\$5.038 billion</td> </tr> <tr> <td>Energy Consumption</td> <td>Approx. 187,115 gigajoules</td> <td>Approx. 189,921 gigajoules</td> </tr> </tbody> </table> <p>Targets</p> <p>CDW does not yet have any company-wide emissions reduction targets as we are currently in the process of evaluating our Scope 3 emissions and potential mitigation efforts. Currently, CDW UK is aligned with the UK government regulations on achieving Net Zero emissions.</p>	Metric	2020	2021	Revenue from clean tech and cloud computing	\$4.366 billion	\$5.038 billion	Energy Consumption	Approx. 187,115 gigajoules	Approx. 189,921 gigajoules
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		Revenue from clean tech and cloud computing		\$4.366 billion	\$5.038 billion							
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Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.												
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.												