

CDW SASB Disclosures 2020

CDW has a demonstrated track record of achieving consistent, above-market profitable growth and superior returns. Our competitive advantages combined with our business model have driven our success.

We are committed to providing meaningful disclosure of priority environmental, social, and governance (ESG) topics for our business. This Sustainability Accounting Standards Board (SASB) Disclosure is informed by our business model, industry, and ESG materiality assessment (see the Overview of ESG at CDW section in our 2020 ESG Report). Our disclosure aligns with metrics from our primary SASB industry classification, Software and IT Services industry (SASB standards beginning with “TC-SI”) and is supplemented with select metrics from the Multiline and Specialty Retailers & Distributors (SASB standards beginning with “CG-MR”). Our 2020 ESG Report provides additional context with respect to our management approach of ESG priority issues and our ESG governance structure and activities.

CDW Material Topic	SASB Standard	Disclosure		External reference
Materials & Material Efficiency	CG-MR-410a.1: Revenue from products third-party certified to environmental and/or social sustainability standards		2020 (dollars in millions)	ESG Report Page 9, Section “Uniquely Positioned to Deliver Customer and Partner Value”
		Total Sales from Social/Environmental Certified Products	\$4,366	
		<p>We sell over 35,000 distinct products with environmental and/or social sustainability certifications by third parties in our North American businesses (United States and Canada). North American revenues from products with third-party certifications related to environmental and/or social sustainability standards are shown in total sales dollars (\$USD). The top three certifications by revenue (in order) are ENERGY STAR Certified, TCO Certified, and Electronic Product Environmental Assessment Tool (EPEAT) Compliant. Revenue from sales related to environmental and/or social sustainability certified products is currently not available for sales in the United Kingdom.</p> <p>In addition to revenue related to environmentally and/or social sustainability certified products, CDW provides products and services serving a collective social and/or environmental purpose. We help address customer needs around data privacy and security (social), collaboration tools (social and environmental), and cloud computing (environmental). We have an extensive presence serving the Education and Healthcare sectors. See the 2020 ESG report for more details.</p>		
CG-MR-410a.2: Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	<p>All new products are assigned unique identifier numbers to identify items and track inventory. New products are set up through the unique identifier creation process and are classified in accordance with applicable dangerous goods regulations for tracking purposes.</p> <p>The CDW Dangerous Goods shipping program conforms to industry best practices and the following regulatory standards:</p>		ESG Report Page 22, Section “Occupational Health & Safety”	

		<ul style="list-style-type: none"> US Department of Transportation’s (DOT) Hazardous Materials Regulations (49 CFR Parts 100 – 180) – <i>US only</i>; USPS Publication 52, Hazardous, Restricted and Perishable Mail Regulations – <i>US only</i>; ICAO Technical Instructions (as referenced in the IATA Dangerous Goods Regulations); and The European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) – <i>UK only</i> <p>Lithium Batteries</p> <p>To enable compliance on all shipments, CDW has built a strong lithium battery transport program. CDW limits our on-site inventory to only small¹ lithium cells and batteries, including those packed with and contained in equipment. Products that contain large format lithium-ion batteries, such as medical carts or server battery backup units, are not stored and shipped from CDW distribution centers. Further, CDW prohibits all standalone lithium cells and batteries from being transported via aircraft.</p> <p>¹To qualify as small, each lithium-ion battery must not exceed 100 Watt-hours and each lithium metal battery must not exceed 2.0 grams of lithium.</p>		
	CG-MR-410a.3: Discussion of strategies to reduce the environmental impact of packaging	<p>Doing our part to sustain a healthy planet is critical to the well-being of our coworkers, customers, communities and business.</p> <p>At our Distribution Centers, we have successfully refined our packaging processes to address environmental considerations where possible, while still meeting and exceeding customer expectations. Our solutions include:</p> <ul style="list-style-type: none"> Using and reusing our vendor partners’ packaging when possible, minimizing the need for additional packaging materials when fulfilling customer orders Redesigning our cartonization process to utilize algorithms that consider dimensional fit (a more accurate method than volume fit), which enables us to use the least amount of packaging possible Using envelope shippers that are 100% recyclable and provide warehouse and shipping space efficiencies for small items. Additionally, our pick-pack shipping containers are made from the maximum allowable amount of post-consumer recycled material and are 100% recyclable. We continue to work with our vendor partners and logistics suppliers to evaluate opportunities for smarter packaging solutions that maximize both product protection and material efficiencies. <p>Our ESG report details our commitments within the Coworker Involvement in Environmental Efforts section.</p>	ESG Report Page 13, Section “Sustaining a Healthy Planet”	
Energy Management	TC-SI-130a.1: 1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Measure	2020	N/A
		Total energy consumed	Approximately 187,115 gigajoules	
		Percentage grid electricity	Not reported	
		Percentage renewable	Not reported	

		<p>Total energy consumed includes the electric and natural gas used by our office buildings, data centers, warehouses, and distribution centers as well as the fuel used in our UK sales vehicle fleet.</p> <p>We own two properties: a 513,000 square foot distribution center in North Las Vegas, Nevada, and a combined office and a 442,000 square foot distribution center in Vernon Hills, Illinois. In addition, we conduct sales, distribution, service, and administrative activities in various locations primarily in the US, UK and Canada. Utility payments are paid for by the lessor for many of our non-owned locations; therefore, estimates were required to determine total energy consumed via electricity and natural used in our buildings.</p> <p>Of electricity consumed, 58 percent was determined using information obtained directly from third-party electric providers. The remaining 42 percent was estimated using the square feet and building type (data center, office, or warehouse/distribution center) from the Commercial Buildings Energy Consumption Survey (CBECS) Table C14, Electricity consumption and expenditure intensities 2012.</p> <p>Of natural gas consumed, 48 percent of natural gas usage was determined using information obtained directly from third-party providers and the remainder was estimated. We estimated natural gas consumption using the square feet and building type (warehouse and storage or office) from the (CBECS) C24. Natural gas consumption and expenditure intensities, 2012.</p> <p>Where we rely on estimated energy consumption, we did not adjust 2020 figures for the impacts of COVID-19. Our estimates leverage square feet for determining electricity and natural gas consumption, without factoring the impact of a majority of our coworkers working remotely. We believe our 2020 figures serve as a better indicator of “normal” consumption.</p> <p><i>1 58 percent of electricity consumed represents the percentage of the population that is known. For example, if total energy consumed (includes estimated and known) from electricity was 100 gigajoules (GJ), 58 GJ are known and the remaining 42 GJ were estimated. The same methodology applies to the 48 percent of natural gas.</i></p>	
	<p>TC-SI-130a.3: Discussion of the integration of environmental considerations into strategic planning for data center needs</p>	<p>Doing our part to sustain a healthy planet is critical to the well-being of our coworkers, customers, communities, and business. Our efforts are inspired and led by coworkers around the globe as we strive to deliver on our commitments to environmental responsibility while also supporting our culture of coworker engagement. Our environmental policy and Environmental Management System (EMS) define the structure, practices, and procedures for our commitment to protecting the environment. As part of our commitment to continuous improvement, we regularly evaluate the efficiency of our use of natural resources. As our business continues to grow, we are committed to regular evaluation of our energy needs and continuous improvement in the energy efficiency of our operations. This enables us to deliver quantifiable environmental benefits while providing significant cost savings to the organization.</p> <p>Our various locations have installed best-in-class energy systems and solutions, including:</p> <ul style="list-style-type: none"> • Energy-efficient lighting solutions, including indoor and outdoor LED lighting • Motion sensor lighting and conveyor systems that turn off in response to inactivity • “Smart” HVAC systems that adjust according to business hours and seasonal temperatures 	<p>ESG Report Page 13, <i>Sustaining a Healthy Planet</i></p>

		<ul style="list-style-type: none"> Water consumption solutions, including rainwater harvesting efforts in the U.K. and environmentally friendly water heaters in the U.S. <p>See the 2020 ESG report section “Sustaining a Healthy Planet” for more information</p>											
Coworker engagement & workplace culture	TC-SI-330a.2: Employee engagement as a percentage	<p>We have engaged with Willis Towers Watson to facilitate biennial Coworker Surveys since 2006. Since 2014, through our most recent survey, we have exceeded the High-Performance Norm on the Engagement and Commitment category, which acknowledges that we are leaders in the areas of coworker engagement and experience. In 2020 we performed three pulse surveys to address coworker needs as a result of the pandemic and social unrest. Among the questions in our most recent pulse survey, certain items related to engagement were asked. The results of the engagement-related questions in the November 2020 pulse survey reflected that more than 90% of coworkers believe the following:</p> <ol style="list-style-type: none"> Coworkers work beyond what is required to help CDW succeed Coworkers recommend CDW as a good place to work Coworkers believe that health and safety are top priorities for CDW Coworkers believe that leaders offer the support they need during this time <p>See the 2020 ESG report for more details on CDW’s process for measuring coworker engagement.</p>	ESG Report Page 16, <i>Coworker Engagement & Workplace Culture</i>										
Diversity & equal opp.	TC-SI-330a.1: Percentage of employees that are (1) foreign nationals and (2) located offshore	<table border="1"> <thead> <tr> <th>Measure</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>% Located in US</td> <td>77.3%</td> </tr> <tr> <td>% Located in CAN</td> <td>8.3%</td> </tr> <tr> <td>% Located in UK</td> <td>14.1%</td> </tr> <tr> <td>% Located in Other</td> <td>0.3%</td> </tr> </tbody> </table> <p>We provide integrated IT solutions in more than 150 countries for customers with primary locations in the US, UK, and Canada. Our coworkers generally serve customers with primary locations in their respective country (i.e. US customers are primarily served by US coworkers). Some coworkers in the UK are dedicated resources for US customer service calls falling outside of normal US business hours.</p> <p>Among our total coworker population in the US, Canada, and the UK, approximately one percent are considered foreign nationals, in aggregate (i.e. as a percentage of total CDW).¹</p> <p>We do not consider existing or future recruiting and hiring of foreign nationals and/or offshore employees as posing a significant business risk.</p> <p><i>1. SASB defines a foreign national as “anyone requiring an employment visa for work in the country in which he or she is employed.” We acknowledge this may be interpreted differently depending on the associated jurisdiction. The US population is composed of employees with CDW sponsored work visas. The Canadian population is composed of employees with open work permits. The UK population is composed of employees with CDW and self-sponsored visas.</i></p>	Measure	2020	% Located in US	77.3%	% Located in CAN	8.3%	% Located in UK	14.1%	% Located in Other	0.3%	N/A
Measure	2020												
% Located in US	77.3%												
% Located in CAN	8.3%												
% Located in UK	14.1%												
% Located in Other	0.3%												

	TC-SI-330a.3: Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	<p>In CDW’s coworker-centric culture, we want all coworkers to feel a sense of belonging and community, and to be empowered to bring their authentic, best selves to CDW, freely and respectfully. Ultimately, we believe embracing and fostering diverse thinking, inclusive behaviors and equal opportunity enable us to be better collaborators and innovators and drive better outcomes for our customers and vendor partners. Diversity, Equity & Inclusion (DEI) is an essential element in our ability to attract and retain top talent and drive business results. Please see the Diversity & Inclusion section of our 2020 ESG Report for more information.</p> <p>We began launching our new three-year strategic plan and roadmap for DEI in early 2020. The continued execution of this strategy will inform future disclosure.</p>	ESG Report Page 19, <i>Diversity, Equity & Inclusion</i>
Governance & ethics	TC-SI-520a.1: Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	<p>Material legal proceedings are disclosed in our Quarterly and Annual Reports, Form 10-Q and Form 10-K respectively.</p> <p>We have an internal policy regarding anticompetition, which explains the purpose of competition laws and guides coworkers on compliance with such laws. We proactively monitor changes in competition laws and maintain up-to-date policies and procedures for compliance with these laws.</p>	2020 10K
Economic performance	TC-SI-550a.1: Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	<p>Performance issues and disruptions (outages) are viewed through two distinct lenses. First, as a service, as we monitor outages for customers as a service (i.e. downtime associated with a given product owned by a third-party). Second, are outages we are directly accountable for and that are associated with products, software or services we provide.</p> <p>In both instances, we actively monitor for outages and have dedicated customer support available for manually reported disruptions not already identified by our proactive monitoring. While all outages are important, we have a formalized process in place to prioritize and address issues based on priority. We actively monitor our responsiveness and overall process to enable efficient and effective solutions for future outages.</p>	N/A
	TC-SI-550a.2: Description of business continuity risks related to disruptions of operations	<p>Please find our Crisis Management & Business Continuity program overview online at this link. The program overview is updated annually.</p> <p>Our operations supporting cloud-based services follow a similar program.</p>	Crisis Management & Business Continuity Program Overview
	MR-000.A: Number of: (1) retail locations and (2) distribution centers	The total area of CDW’s distribution centers is 98,100 square meters. CDW operates two distribution centers in the United States and one distribution center in the United Kingdom. CDW does not own or operate physical retail stores or locations.	2020 10K
MR-000.B: Total area of: (1) retail locations and (2) distribution centers			

Customer privacy and data security	TC-SI-220a.1: Description of policies and practices relating to behavioral advertising and user privacy	At CDW, we understand that privacy is an important part of the trust placed in us. Please find our Privacy and Cookie notices at the below links. We also perform Privacy Impact Assessments. Privacy Notice Cookie Notice		Privacy Notice Cookie Notice	
	TC-SI-220a.2: Number of users whose information is used for secondary purposes	Our use of information for secondary purposes is outlined in our privacy notice and cookie notice disclosed in TC-SI-220a.1 above. We do not track the number of users whose information is used for secondary purposes on an aggregated basis.		Privacy Notice Cookie Notice	
	TC-SI-220a.3: Total amount of monetary losses as a result of legal proceedings associated with user privacy	Material legal proceedings are disclosed in our Quarterly and Annual Reports, Form 10-Q and Form 10-K, respectively.		2020 10K	
	TC-SI-220a.4: (1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	From time to time, the Company may receive requests from law enforcement and other governmental agencies to provide customer information for matters over which these authorities have jurisdiction. The Company is legally required to provide this information when it receives valid legal process from such authorities. We also may share information with third-parties to comply with lawful requests pursuant to valid legal process in civil proceedings. Due to the nature of our business, our access to customer information is generally limited. However, a small number of these requests result in customer information being shared with law enforcement. If a question exists about the legitimacy or scope of a request, we challenge it. We do not find our business model lends itself to a material volume of requests due to the limited nature of the information we possess.		N/A	
	TC-SI-230a.1: (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	1. Number of data breaches	There were no significant data breach incidents warranting requiring disclosure reported in 2020. We actively monitor our data security risks and vulnerabilities (see TC-SI-230a.2 below) and we have a formalized and established crisis management plan in place in the event a breach were to occur. There are no current law enforcement agency investigations delaying the disclosure of a data breach.		
		2. Percentage involving personally identifiable information (PII)	Not applicable		
3. Number of users affected		Not applicable			

	<p>TC-SI-230a.2: Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards</p>	<p>CDW recognizes that with the speed at which technology evolves and advances, it is imperative to have formalized and established programs and processes that assess and re-evaluate risks at an appropriate frequency to CDW internally and to CDW's external stakeholders. This assessment and evaluation helps determine if the measures we have implemented are still appropriate or if changes are needed to adapt to the evolving landscape. CDW proactively manages its data security risks through a combination of its information security and IT risk management programs, and the supporting processes and procedure for both programs to achieve this goal.</p> <p>CDW's risk and information security management programs were designed using well-known industry accepted frameworks such as ISACA's COBIT 5 and NIST's Cybersecurity Framework (CSF). Furthermore, CDW's information security management program is ISO 27001:2013 certified and CDW undergoes regular audits by an independent, certified third party accreditation body to maintain that certification.</p> <p>We manage data security risks and vulnerabilities by:</p> <ul style="list-style-type: none"> • Conducting various risk assessment and risk management activities throughout the year. • Scanning CDW information systems to identify and patch security vulnerabilities. • We have privacy and data security policies, practices and controls in place that are designed to prevent security breaches. • Coordinating independent third parties to perform ethical hacks, both internal and external, to help us better understand the effectiveness of our controls and to better implement effective controls. • Staying informed about security vulnerabilities and threats by leveraging reputable outside sources and threat intelligence. • We have made, and continue to make, investments to enhance our preventive and defensive capabilities in line with globally recognized information security standards and implementing prevention and mitigation measures, where possible. • Promoting a strong culture of security awareness amongst our coworkers through training and communication. All coworkers are required to complete information security and privacy training on an annual basis. • We maintain cybersecurity insurance as a part of our overall insurance portfolio. • Audit Committee reviews our risk management program with respect to cybersecurity and management. Our Chief Technology Officer provides regular updates to our Board with respect to cybersecurity matters on a quarterly basis. 	<p>ESG Report Page 39, <i>Customer Privacy & Information Security</i></p>
--	--	--	---

Certain topic-related metrics and activity metrics within the Software IT Services industry SASB standard were deemed to be immaterial and (or) not applicable to CDW and were therefore excluded our disclosure.

TOPIC	ACCOUNTING METRIC	CODE	Reason for omission
Environmental Footprint of Hardware Infrastructure	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	Immaterial to CDW
	(1)Number of licenses or subscriptions, (2) percentage cloud- based	TC-SI-000.A	Not applicable to CDW
Not applicable –industry activity metric	(1)Data processing capacity, (2) percentage outsourced	TC-SI-000.B	Not applicable to CDW
	(1)Amount of data storage, (2) percentage outsourced	TC-SI-000.C	Not applicable to CDW