



**Task Force on Climate-related Financial Disclosures (TCFD)**

2023

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# Reporting Overview

This Task Force on Climate-related Financial Disclosures (“TCFD”) report encompasses CDW Corporation and its subsidiaries (“CDW” or the “Company”, “our” or “we”), unless otherwise indicated. The disclosures are aligned with the publicly available TCFD reporting guidance and recommendations. This report includes data for the year ended December 31, 2023, while our governance, strategy, and risk management activities are ongoing and continually evolve as we address emerging opportunities and risks within our operating environment.

CDW is committed to understanding and managing our direct and value chain climate-related impacts. We are pleased to share our most recent report aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. In this report, we outline how CDW is addressing and progressing against the four thematic pillars of the TCFD recommendations: Governance, Strategy, Risk Management, and Metrics and Targets. Our [2023 Environmental, Social, and Governance \(“ESG”\) Report](#) provides additional context with respect to our approach to managing ESG priority issues and our ESG governance structure and activities. For more information about our ESG practices and reporting, please see our website [ESG at CDW](#).

## **Task Force on Climate-related Financial Disclosures**

This report aligns with the TCFD framework, which is monitored by the International Financial Reporting Standards (IFRS). The framework establishes guidance on voluntary, consistent, comparable, and reliable climate-related disclosures aimed at delivering decision-useful information to stakeholders. In recent years the TCFD framework has been incorporated and leveraged by numerous reporting requirements and forthcoming standards.

## **Advancing our Disclosures**

As the sustainability landscape evolves with emerging thinking and greater standardization, CDW continues to refine and mature its disclosures. In this report, we are pleased to share that we have completed our inaugural climate risk and opportunities assessment and scenario analysis, and have adopted near-term, company-wide emission reduction targets which have been approved by the Science-Based Targets Initiative (SBTi). We encourage our stakeholders to provide feedback on our disclosures by emailing [cdwesg@cdw.com](mailto:cdwesg@cdw.com).

# Governance

## Disclose the organization's governance around climate-related risks and opportunities.

TCFD Recommendation:

- a. Describe the board's oversight of climate-related risks and opportunities.
- b. Describe management's role in assessing and managing climate-related risks and opportunities.

### ESG GOVERNANCE STRUCTURE OVERVIEW

#### Board of Directors

Oversight of ESG activities

#### Executive Leadership

Leadership and direction for the ESG strategy

#### Global ESG Team

Enabler for ESG integration into our business

#### Business Leaders and Enterprise Risk Management

Cross-functional leadership of major initiatives

#### ESG Working Groups

Subject matter expertise and implementation

### Board of Directors: Nominating and Corporate Governance Committee

Our Board of Directors has delegated oversight of CDW's ESG programs and policies to its Nominating and Corporate Governance Committee (N&CG Committee), which is comprised of all of the independent members of our Board. The N&CG Committee receives an ESG update at each regularly scheduled meeting. Annually, the Global ESG Team reviews the Company's overarching ESG strategy, progress against this strategy, trends, and risks with the N&CG Committee. At the other three regularly scheduled N&CG Committee meetings, the N&CG Committee receives a written ESG update on specific areas of progress, which in 2023 included: partner engagement; sales enablement and customer engagement; and ESG ratings and rankings. Given that climate action is viewed as a key ESG topic for CDW under the Planet pillar of CDW's ESG strategy, progress on CDW's climate strategy and climate risk is incorporated into updates provided to the N&CG Committee. For example, in 2023, the Committee reviewed and supported CDW's climate targets and discussed climate trends and risks such as reputation, supply chain responsibility, and policy.

### Executive Leadership: CEO & ESG Steering Committee

Our CEO provides executive leadership and direction on priority ESG topics. She drives accountability to help ensure our ESG programs deliver value to the Company and its key stakeholders, while ensuring ESG and climate topics receive the attention necessary to meet our associated goals.

Our ESG Steering Committee draws from CDW's Executive Leadership and covers the breadth of the business globally. It provides management oversight of the ESG strategy, providing direction on initiatives, risks and opportunities, programs, policies, and disclosures on priority ESG topics, including climate. The Committee meets quarterly, or as important matters arise.

Annually, the ESG Steering Committee meeting includes our Executive Committee so that the Global ESG team can update the full executive team on ESG strategic program progress.

### Global ESG Team

The Senior Vice President, General Counsel, and Corporate Secretary serves as the Executive Sponsor for the global ESG program and receives a climate-related update from the Global ESG Team at least monthly.

Members of the Global ESG Team serve as connectors throughout the business, fostering growth of the ESG culture at CDW and accelerating the implementation of a strategy that:

- Focuses the Company's efforts on its priority ESG topics, including climate.
- Manages ESG risk, including climate-related risks and opportunities.
- Keeps the Company aligned with ESG regulatory and disclosure requirements.
- Implements ESG programs that deliver value to all stakeholders.

The Global ESG Team spearheads the Company's climate initiatives. This includes focusing on compliance with global climate regulations, engaging in industry collaborations that focus on climate solutions, leading a global Climate Action Committee focused on decarbonization activities, collaborating with internal partners such as Enterprise Risk Management to prioritize and report on climate risk, and ensuring CDW continues to meet and exceed the expectations of stakeholders. The Global ESG Team also drives action and delegates responsibility to manage day-to-day activities to teams at local and regional levels.

## Enterprise Risk Management (ERM)

Our ERM team institutionalizes an active risk management approach at CDW by establishing and reinforcing clear risk ownership, measuring to ensure alignment with risk tolerance, and integrating into our governance structure. The ERM team works cross-functionally to facilitate enterprise risk response and reporting and ensure continuing dialogue on risk through the following groups:

- **Risk Champions Community:** Comprised of global leaders from all key business functions who meet individually with ERM bi-annually, collaborating to raise awareness of threats-to-success, coordinating to drive action/ownership, and integrating risk management into day-to-day operations. A member of the Global ESG Team participates in this Community and reports on ESG risks, including climate risks.
- **Integrated Risk and Resilience Teams:** Comprised of risk leaders across the global business who are tasked with protecting CDW from different types of risk spanning operations, financial status, strategy, and reputation. The Teams meet bi-monthly to monitor risk and facilitate enterprise-wide risk response and reporting. Members of the Global ESG Team participate on the Integrated Risk and Resilience Teams and report on ESG risks, including climate risks.

Our UK business also operates a **UK Risk and Compliance Committee**, which includes several UK business board members and Integrated Risk and Resilience Team members, and is responsible for the identification and assessment of UK risks and maintenance of the UK risk register, which incorporates climate and wider sustainability risks.

### Climate Action Committee

The Climate Action Committee is a global, cross-functional group of CDW senior and team leaders led by the Global ESG Team. The Committee oversees identification, development, and implementation of decarbonization activities that contribute to CDW's Company-wide climate targets, and report progress against our metrics. The Climate Action Committee along with the Global ESG team manage and report against climate-related risks and opportunities related to decarbonization. In 2024, the Climate Action Committee will have two sub-groups:

- **Sustainable Operations:** Focused on optimizing operational efficiencies for facilities and supply chain and reviewing and implementing our renewable energy strategy.
- **Sustainable Solutions:** Focused on collaboration with partners to drive sales of eco-products and -services to customers.

Our UK business has representatives on the Climate Action Committee and both sub-groups. Additionally, monitoring of UK-specific climate-related targets is currently the responsibility of the UK ESG Strategic Lead.

# 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.**

TCFD Recommendation:

- a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
- b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.
- c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

CDW provides integrated technology solutions to over 250,000 small, medium, and large business, government, education, and healthcare customers throughout the US, UK, and Canada. We also have capabilities to provide integrated technology solutions in more than 150 countries for customers with primary locations in the US, UK, and Canada. We are positioned in the middle of the IT ecosystem where we procure products from original equipment manufacturers, software publishers, and wholesale distributors and provide added value to our customers by helping them navigate through complex options and implement the best solution for their business. As an integrated technology solutions provider, we do not manufacture goods and we have no manufacturing facilities.

## ESG Strategy

CDW's purpose is to make technology work so people can do great things. CDW's ESG strategy supports this purpose and is comprised of four pillars:



### PEOPLE

We use our reach, scale and capabilities to create opportunities for people and communities.



### PLANET

We strive to be sustainable and efficient in our operational practices and seek to positively impact the environmental performance of our value chain.



### PARTNERSHIPS & PORTFOLIO

We help others advance their own ESG efforts by providing products that address environmental and societal needs, and collaborate to amplify the collective impact of the technology sector.



### PRACTICES

With every interaction, we strive to inspire trust and confidence in CDW among all our stakeholders.

As the ESG landscape evolves, we have continued to refine our ESG strategy to more closely align with stakeholder expectations, commercial business opportunities, and the regulatory environment. Our ESG strategic focus is informed by the outcomes of our 2023 ESG priority assessment. This approach identified ESG topics where CDW is well positioned to make the greatest impact and sustainably add value for our stakeholders. Certain climate-related topics rising in prominence included Climate Action, ESG Products and Solutions, and Responsible Supply Chain. For information on our climate-related strategic progress, see the Metrics and Targets section below.

### Climate-Related Risks and Opportunities

As part of our climate strategy, we conducted a climate risk assessment and scenario analysis to assess CDW’s potential impacts from climate change under contrasting future scenarios. In line with TCFD, we considered physical risks, transition risks, and opportunities related to climate change.



#### Physical risks

Risks related to the physical impacts of climate change



#### Transition risks

Risks related to the transition to a low carbon economy



#### Climate-related opportunities

Opportunities that arise through efforts to mitigate and adapt to climate change

CDW’s business depends on the timely supply of products and services to meet our customers’ needs. We recognize that interruptions at partner manufacturing sites, distribution centers, data centers, managed services sites, or third-party provider locations due to the physical risks of climate change, such as increased natural disasters, could disrupt our supply chain and service delivery. We also recognize that CDW could face policy, technology, market, and reputational risks as the global economy transitions to a low-carbon future.

In summary, the assessment results confirmed our business’ resilience to physical and transition risks and demonstrated that our sustainability strategy and actions are enabling the capture of climate-related opportunities. Through our risk management process, we continue to assess effects that climate change may have on our business, ensuring our assumptions remain valid.

### Scenario Analysis

In line with the TCFD recommendations to choose diverging scenarios with at least one representing a low warming (1.5 degree) future, we chose two contrasting scenarios to stress test our physical and transition risks – one low warming scenario and one high warming scenario. The analysis assessed CDW’s potential impacts and exposure to physical and transition climate risks across these two scenarios to understand the breadth of potential impacts to CDW. Potential impacts and exposure were combined to inform total risk levels, ranging from low to high.

### Scenarios

CDW identified the below climate scenarios as most relevant to our industry and outlook, using each to inform our understanding of how climate change, climate policy, and technology trends could evolve under different pathways. Scenarios are not projections or forecasts; instead, they offer plausible descriptions of a possible future state of the world, which CDW has leveraged to understand how our climate-related risks and opportunities may manifest and potentially impact operations in the future.

Scenario	Degrees for Warming
Highest warming scenario from the International Panel on Climate Change’ (IPCC), Shared Socioeconomic Pathways (SSPs).	3.6-6.5°C warming above pre-industrial levels by 2100
SSP5-8.5 – A high-reference scenario with no additional climate policy. CO2 emissions roughly double from current levels by 2050.	
Low warming scenario from the International Energy Agency’s (IEA) World Energy Outlook, Net Zero by 2050 (NZE).	Maintain 1.5°C warming above pre-industrial levels
NZE 2050 – A pathway for the global energy sector to achieve net zero by 2050. It does not rely on emission reductions from outside the energy sector to achieve its goals. Universal access to electricity and clean cooking achieved by 2030.	

### Time Horizons

Following TCFD recommendations, we assessed risks and opportunities along short-, medium-, and long-term time horizons, defined as follows:

#### TIME HORIZONS

Short-term	Before 2025
Medium-term	2025 to 2030
Long-term	2031 to 2050

Our short-term horizon aligns with the business' existing ERM framework. The medium-term horizon to 2030 is in line with CDW's SBTi-aligned emissions reduction targets, while the long-term horizon to 2050 ensures we are considering the impacts of climate change that are likely to arise or increase further into the future, such as chronic physical risks.

### Risk and Opportunity Levels

We assessed risks by considering both of the following:

- Potential impacts, or what the impacts could be to CDW in the event a risk was to manifest.
- Exposure, or how likely it is that these impacts would occur, given the controls CDW has in place.

Each risk was scored on a five-point scale for impact and exposure across each scenario and time horizon. Impact and exposure scores were multiplied together to produce total risk scores, which were divided into four levels: Low, Medium-Low, Medium-High, and High. To receive a risk score of Med-High or High, both potential impact and exposure needed to meet or exceed a score of 3.

We assessed opportunities by considering both of the following:

- Potential benefits, financial and non-financial, that could arise if CDW were to realize an opportunity.
- Feasibility of realizing each opportunity within the chosen scenario and time frame.

Each opportunity was scored on a three-point scale for benefits and feasibility across each scenario and time horizon. Benefit and feasibility scores were multiplied together to get total opportunity scores, which were divided into four levels: Low, Medium-Low, Medium-High, and High. To receive an opportunity score of Medium-High or High, both potential benefits and feasibility needed to meet or exceed a score of 2.

### Review by Geography

We emphasized a Company-level approach within our climate risk and opportunities assessment, while at the same time reviewing differences in risk and opportunities levels for our geographical business units to inform regional management and planning. Due to the scale and scope of our US operations, which account for a majority of our 2023 net sales, the Company-level approach reflects a heavy weighting on the US. We note below where there are differences in risk level for our geographical business units outside of the US, namely Canada and UK & International (UK&I). We also considered both our direct operations and our major value chain operations, including our suppliers, partners, and customers.



## Physical Risk

Physical risk refers to the physical impacts of climate change via particular events (acute) or longer-term shifts (chronic) in climate behavior. CDW’s scenario analysis comprised both chronic and acute physical risks. Acute physical risks assessed included hurricanes and storms, flooding, and wildfire, while the chronic physical risks assessed included water scarcity and sea level rise.

We determined that across our global operations, we are largely resilient to physical risks, as we are not a direct manufacturer, leverage our diverse vendor partner and distribution relationships and operate business continuity plans that adapt to potential disruptions. Our size and global scale allow us to maintain strong standing with our partners and customers even in the face of climate risk.

The table below details select physical risks, potential risk impacts, time horizons, and our business response to minimize these risks. The risk levels in the table are based on our Company-level analysis. Unless otherwise stated under “Risk Level,” the same risk levels apply to both our Canada and UK&I businesses.

PHYSICAL RISK						
RISK TYPE <sup>1</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Acute	Increased frequency and intensity of hurricanes/storms, flooding, and wildfires.	<p>Disruption to partner operations, such as manufacturing interruptions or delays, which in turn could disrupt our supply chain.</p> <p>Delayed shipments of product due to damage to publicly used infrastructure.</p> <p>Increased cost and/or reduced availability of insurance if insurers begin pulling out of, or charging more for coverage in, high-risk regions.</p>	<p>While CDW’s direct facilities face low exposure to acute climate risks, CDW has a business continuity program in place and a global security operations center to minimize disruptions impacting our facilities.</p> <p>CDW continues to leverage its strong relationships with diverse supplier and distribution partners, collaborating to manage supply chain disruptions. Our diversified operations and ability to inventory a diverse product mix further enable flexibility in our operations and offerings. In addition, our partners are prominent global corporations equipped with the resources necessary to effectively manage and minimize the potential impacts of climate-related challenges in the future.</p> <p>CDW monitors potential changes to insurance availability and cost, and recently added internal expertise to manage risks related to insurance.</p>	Low	Low	Long
				<p>Risk level is the same under both scenarios due mainly to our diverse supplier and distribution partnerships and ability to inventory product.</p> <p>For Canada, risk level is slightly higher in the high warming scenario due to less flexibility in distribution options as it does not have a distribution center.</p> <p>For UK&amp;I, risk level is slightly higher in both scenarios due to its high volume of international shipping and locations.</p>		

<sup>1</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## PHYSICAL RISK

RISK TYPE <sup>1</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Chronic	Increased water scarcity and rise in sea level as a result of increased global temperatures.	<p>Disruption in partner manufacturing operations could lead to a shortage of hardware components, increasing product costs and disrupting our supply chain.</p> <p>Increase in cost and/or downtime at data centers in cases where water is needed for cooling.</p> <p>Delayed shipment of product due to disruptions at transportation ports from coastal flooding.</p>	<p>CDW continues to leverage its strong relationships with diverse supplier and distribution partners, collaborating to manage supply chain disruptions. Our diversified operations and ability to inventory a diverse product mix further enable flexibility in our operations and offerings. In addition, our partners are prominent global corporations equipped with the resources necessary to effectively manage and minimize the potential impacts of climate-related challenges in the future.</p> <p>CDW primarily utilizes leased office space and data centers, allowing for flexibility to shift locations in the case of chronic climate issues in certain locations.</p>	Low	Medium-Low	Long
				<p>Risk level is slightly higher under the High Warming scenario due to data center cooling needs.</p> <p>For Canada and UK&amp;I, risk level is slightly lower in the High Warming scenario due to the smaller presence of data centers in these geographies, as well as the specific locations of the data centers.</p>		

<sup>1</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## ***Transition Risk***

Transition risk refers to the shift to a lower carbon economy and is driven by policy changes, disruptive technologies, and shifts in customer behavior impacting business and profitability.

We determined that across our global operations, we are largely resilient to transition risks. We recognize that we are part of a global economy and regulatory landscape shifting to low-carbon solutions, and already have taken actions to reduce our exposure to transition risks, such as:

- Being transparent on, and recognized for, our ESG (including climate) progress.
- Closely monitoring new climate-related regulations.
- Leveraging our diverse vendor partner and distribution relationships.
- Engaging with our partners and customers to ensure we are meeting their expectations.
- Starting our decarbonization work to meet our climate targets.

Our scenario analysis also indicated that transitioning to a low-carbon economy may present opportunities for us.

The table on the next page details select transition risks, potential risk impacts, time horizons and our business response to minimizing these risks. The risk levels in the table are based on our Company-level analysis. Unless otherwise stated under “Risk Level,” the same risk levels apply to both our Canada and UK&I businesses.

## TRANSITION RISK

RISK TYPE <sup>2</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Policy & Legal	The direct and indirect risks associated with additional climate-related policies.	<p>Heightened reporting obligations could increase operating costs from compliance efforts.</p> <p>Noncompliance could result in fines or litigation, as well as loss of customer or partner trust or confidence, which could negatively impact our business.</p> <p>Carbon pricing could increase operating costs if our value chain is impacted by future carbon pricing mechanisms.</p>	<p>The Global ESG team monitors and proactively responds to climate-related legislation. As part of our approach, CDW has:</p> <ul style="list-style-type: none"> <li>■ Voluntarily reported under various standards and frameworks, such as CDP, TCFD and SASB, for several years.</li> <li>■ Regularly monitored disclosure and climate-related regulations and have commenced/plan to commence initiatives to ensure compliance. Regulations include the Securities &amp; Exchange Commission Climate Rule, UK Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, and European Union Corporate Sustainability Reporting Directive.</li> <li>■ Conducted gap assessments of relevant global climate-related regulations to align with current and future requirements.</li> <li>■ Conducted monthly meetings with the UK team to review climate risk and opportunities and international climate-related regulatory requirements.</li> <li>■ Continued to focus on transforming our internal data collection and audit processes to adequately capture climate-related information.</li> </ul> <p>The UK Risk and Compliance Committee also monitors geography-specific climate regulation compliance outside of North America, such as compliance with the UK's Procurement Policy Note 06/21 Carbon Reduction Plan reporting, Streamlined Energy and Carbon Reporting (SECR), and Energy Savings Opportunity Scheme (ESOS), and Singapore's mandatory packaging reporting.</p> <p>To further align with regulations and reduce the risk of future carbon pricing, we have adopted near-term Company-wide emission reduction targets which have been approved by SBTi.</p>	Medium-High	Medium-Low	Short
				<p>Risk level is higher in the Low Warming scenario due to the increased operating costs from significant policy enhancements and carbon pricing.</p> <p>For UK&amp;I, risk level is higher in both scenarios due to the greater presence of current geography-specific international climate regulations.</p>		

<sup>2</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## TRANSITION RISK

RISK TYPE <sup>2</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Technology	The risk that technological improvements or innovations that support the transition to a lower-carbon economy will displace or disrupt old systems.	<p>Decarbonization of facilities could lead to increased capital being allocated to support decarbonization programs.</p> <p>Inability of our sales coworkers to keep up with shifts to low-carbon technology could lead to decreased revenues.</p> <p>Increased shipping costs as logistics and distribution partners invest in transitioning fleets to low-carbon logistics and technology solutions.</p> <p>Shipping partners may delay transition to low carbon logistics solutions, given the current nascency of these solutions, leading to more disorderly and potentially costly changes for CDW or the inability of CDW to meet its climate targets.</p>	<p>CDW primarily leases offices and data centers and does not have any heavy manufacturing facilities, leading to fewer decarbonization risks related to facilities.</p> <p>CDW has added dedicated resources to promote our sustainability-focused offerings and seller enablement on these offerings. The technology market is fast-paced and our sellers are adept at consistently keeping up with developments, including those related to low-carbon technology solutions.</p> <p>CDW's strong logistics and distribution relationships support our ability to maintain flexibility in our operations, and we work closely with carriers to ensure continuity of our shipments.</p> <p>As part of our SBTi approved targets, we have adopted a target that suppliers representing 80% of purchased goods and services emissions will have science-based targets by 2028. We are developing a climate-specific supplier engagement strategy which will increase our engagement with our supply chain, including logistics.</p>	Low	Low	Medium
				<p>Risk level is not significantly different in the two scenarios mainly due to the flexibility of our facilities and distribution operations and strong training programs.</p> <p>For UK&amp;I, risk level is slightly higher due to its high volume of international shipping and the UK's more advanced country-wide decarbonization environment.</p>		

<sup>2</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## TRANSITION RISK

RISK TYPE <sup>2</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Market	The risk that supply and demand for certain products and services could change as climate change is increasingly considered as part of customer decision making.	<p>If customer preferences shift toward low carbon products faster than anticipated, and CDW and its partners are unable to innovate and provide the desired products, CDW could experience reductions in revenue.</p> <p>Increased cost or shortage of critical raw materials could disrupt our supply chain and delay CDW's low-carbon transition plan.</p>	<p>CDW regularly engages with our partners and customers to understand and adapt to shifting expectations. Given the competitive nature of our industry, climate action is influential in securing new customers and maintaining existing relationships. Climate issues are increasingly a factor in Requests for Proposals and commercial agreements. The Global ESG team regularly engages with our commercial teams, partners, and customers to understand market dynamics and identify ways in which we can support our customers in the transition to a low-carbon economy. Our partners also have a strong history of innovation to meet customers' needs.</p> <p>CDW's portfolio of <a href="#">Sustainable Solutions and Products</a> offers a range of low-carbon solutions. CDW also offers services to support customers in managing their own climate change risks. For example, we offer advisory services for designing data centers with a changing climate in mind (Data Centers and Climate Change). For more information about how we are expanding our low-carbon products and services, see the Opportunities section below.</p> <p>CDW will continue to leverage its strong relationships with diverse supplier and distribution partners to collaborate on managing supply chain disruptions, as well as monitor and respond to our customers' needs for low-carbon solutions. Our diversified operations and ability to inventory a diverse product mix further enable flexibility in our operations and offerings.</p>	Low	Low	Medium
				<p>Risk level is not significantly different in the two scenarios mainly due to CDW's active engagement with stakeholders on customer needs, our broad portfolio of products and diverse supplier and distribution partnerships.</p> <p>For Canada, risk level is slightly higher due to less flexibility in distribution options as it does not have a distribution center.</p> <p>For UK&amp;I, risk level is slightly higher due to greater stakeholder expectations with respect to circularity and waste.</p>		

<sup>2</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## TRANSITION RISK

RISK TYPE <sup>2</sup>	RISK DESCRIPTION	POTENTIAL RISK IMPACTS	BUSINESS RESPONSE TO MINIMIZE RISK	RISK LEVEL		
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	TIME HORIZON
Reputation	The risk of negative stakeholder perceptions of an organization's contributions to the transition to a lower carbon economy.	<p>Failure to meet our climate targets could impact our ability to meet stakeholder expectations of our climate performance, and could erode trust and confidence, which may impact our revenues, investor ratings, access to capital, and ability to attract and retain coworkers.</p> <p>Negative stakeholder feedback if CDW cannot meet customers' needs due to, for example, climate-related supply chain disruptions.</p>	<p>CDW is committed to doing our part to address climate change. We have adopted near-term company-wide emission reduction targets in line with climate science through SBTi. We have a focus both on reducing emissions from our direct operations, as well as embedding environmental considerations into our customer and partner relationships. Many of our partners are large global organizations that have already set climate targets. As part of our SBTi approved targets, we are developing a climate-specific supplier engagement strategy which will increase our engagement with our supply chain, including logistics.</p> <p>CDW customers are increasingly factoring ESG performance, including on climate, into their purchasing decisions and supply chain responsibility programs. CDW is transparent regarding its ESG progress and for several years has communicated this progress through voluntary disclosure frameworks like SASB, CDP and EcoVadis. CDW's ESG progress and transparency has led to several ESG recognitions, including those related to climate. In 2023, CDW achieved a Gold rating from EcoVadis, ranking in the top 3% of companies scored and the UK&amp;I business achieved a Silver rating. We also were <a href="#">recently recognized</a> by Newsweek as one of America's Greenest Companies 2024, by USA Today as one of America's Climate Leaders 2024 and by Sustainalytics for having a Top-Rated ESG risk management program for the industry and regionally.</p> <p>CDW continues to leverage its strong relationships with diverse supplier and distribution partners to collaborate on managing supply chain disruption and engaging on sustainability climate-related issues. Our diversified operations and ability to inventory a diverse product mix further enable flexibility in our operations and offerings.</p>	Medium-Low	Medium-Low	Medium
				<p>Risk level is not significantly different in the two scenarios due to firm stakeholder views on climate in either scenario, and due to CDW's emissions targets, ESG performance, and diverse supplier and distribution partnerships.</p> <p>For UK&amp;I, risk level is slightly higher in both scenarios due to greater stakeholder expectations with regard to climate.</p>		

<sup>2</sup> These are standard risk types as defined and categorized by the TCFD Recommendations.

## Climate-related Opportunities

As part of our climate scenario analysis exercise, we also assessed potential climate-related opportunities. We found that participating in the low-carbon economy not only reduces risk and builds resilience but can also amplify CDW’s ability to realize benefits. By focusing on expanding our offering of low-carbon products and services and increasing our use of renewable energy, in particular, CDW may benefit through reduced operating costs, expanded revenue streams, and enhanced partner and customer relationships.

The table below details select climate-related opportunities, potential opportunity benefits, time horizons, and our business response to realize these opportunities. The opportunity levels in the table are based on our Company-level analysis. Unless otherwise stated under “Opportunity Level,” the same risk levels apply to both our Canada and UK&I businesses.

OPPORTUNITIES						
OPPORTUNITY TYPE	OPPORTUNITY DESCRIPTION	POTENTIAL OPPORTUNITY BENEFITS	OPPORTUNITY REALIZATION	OPPORTUNITY LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Products & Services	The opportunity to improve competitive positioning and capitalize on shifting market preferences by expanding or developing new, low-emission or climate adaptation products and services. This includes low-carbon logistics solutions, circular economy solutions, and sustainability or disaster recovery consulting services.	<p>Expanding or creating additional revenue streams by offering products and services that contribute to the low carbon transition, in response to customers seeking to procure sustainable products and services to meet their ESG priorities.</p> <p>Customer/partner retention and attraction by providing value-add sustainable solutions. These offerings can build trust and stronger relationships with current customers and partners, as well as attract new customers.</p> <p>Coworker engagement, retention and attraction by providing coworkers with the opportunity to meaningfully impact our climate strategy.</p>	<p>CDW has a long history of listening to our customers and turning that listening into action. As our customers develop their own climate strategies and seek support to realize their goals, they look to service providers like CDW with deep technical capabilities who can offer support across technologies and consumption models. We 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 needs.</p> <p>Our goal is to offer customers a full stack of solutions that help address their ESG priorities, including supporting them to reduce their climate impact from their use of IT products and services. We offer an extensive portfolio of environmentally certified products (e.g., Energy Star, EPEAT<sup>3</sup> and TCO<sup>4</sup> Certified) and a broad range of cloud-based solutions that improve energy efficiency. We also offer IT Asset Disposition (ITAD) services which provide our customers with a strategic approach to recover value and responsibly dispose of retired devices. Our ITAD program enables secure device wiping, removal and recycling services, and keeps useful materials in circulation, with environmental benefits of not sending waste to landfill.</p> <p>We regularly engage with our logistics and vendor partners to collaborate on our joint sustainability efforts, including climate action, and are increasing our engagement with top suppliers as we develop our climate-specific supplier engagement strategy to encourage more sustainable product offerings over time.</p> <p>To keep our customers abreast of our sustainability efforts, which include our climate action, we recently added dedicated resources to promote our sustainability-focused offerings. We also enhanced our digital capabilities with a dedicated <a href="#">Sustainable Solutions webpage</a> showcasing CDW’s full solutions stack of sustainability offerings and increased search functionality to make it easy for customers to transition to energy-efficient technology, manage e-waste, or use local and remote technology services.</p>	Medium-High	Low	Medium and Long
				Opportunity level is higher in the low warming scenario mainly due to increased ease of implementation, as innovation of low-carbon products and services is higher in this scenario.		

<sup>3</sup> EPEAT: Electronic Product Environmental Assessment Tool.

<sup>4</sup> TCO: Swedish acronym for Tjänstemännens Centralorganisation (TCO). English translation: The Confederation of Professional Employees.



## OPPORTUNITIES

OPPORTUNITY TYPE	OPPORTUNITY DESCRIPTION	POTENTIAL OPPORTUNITY BENEFITS	OPPORTUNITY REALIZATION	OPPORTUNITY LEVEL		TIME HORIZON
				LOW WARMING SCENARIO	HIGH WARMING SCENARIO	
Energy Source	Opportunities to save on annual energy costs or reduce exposure to volatile energy prices by switching to clean energy sources.	<p>Reduced operational costs due to the projected lower cost of renewable energy compared with fossil fuels.</p> <p>Reduced exposure to pricing volatility of fossil fuels, which is increasing due to various geopolitical and climate-related factors.</p> <p>Reduced exposure to carbon pricing, given the lower carbon emissions associated with clean energy, both directly and from suppliers or transportation partners.</p> <p>Reputational benefits from positively contributing to the global net zero transition, improving relationships with both customers and partners.</p>	<p>Many of our top partners have climate strategies in place, and already procure renewable energy, which in turn reduces our exposure to pricing volatility and carbon pricing.</p> <p>CDW is evaluating its renewable electricity options at our US facilities and plans to develop a renewable energy procurement strategy. Procurement of renewable energy at CDW facilities is a key reduction strategy for achieving our commitment to reducing Scope 1 &amp; 2 emissions in line with climate science with SBTi. As a first step, 100% of electricity in the UK is derived from renewable sources.</p>	Medium-Low	Low	Medium and Long
				<p>Opportunity level is higher in the low warming scenario due to the increased availability and lower pricing of clean energy solutions and increased government incentives for clean energy in that scenario.</p> <p>For Canada, opportunity level is low in both scenarios as Canada's ability to benefit from lower clean energy prices is modest as Canada is facility-light.</p> <p>For UK&amp;I, opportunity level is low in both scenarios because currently in the UK 100% of electricity is derived from renewable sources.</p>		

### **Building Resilience**

We are a part of a global economy that is facing growing impacts from a changing climate and the transition to lower carbon solutions. We have assessed our climate-related risks and opportunities within this context and recognize the critical importance of building future resilience. We have received approval for our science-based target and have developed a climate strategy that includes internal coordination to reduce operational emissions and active engagement with our partners and customers to reduce theirs. We have identified multi-faceted risk management strategies to mitigate climate-related risks while capitalizing on emerging opportunities, building CDW's overall resilience. Our commitment to innovation and collaboration ensures that our efforts not only enhance resilience within our own operations but also contribute to broader societal resilience in the face of climate-related disruptions, fostering a future where the Company and our stakeholders are better equipped to thrive amid the uncertainties of a changing climate.

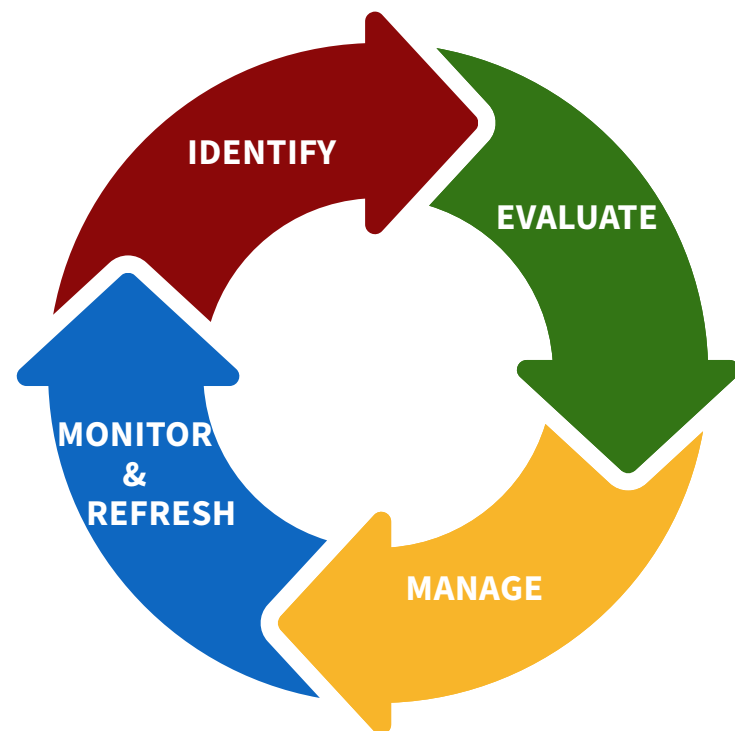
# Risk Management

## **Disclose how the organization identifies, assesses, and manages climate-related risks.**

TCFD Recommendation:

- a. Describe the organization's processes for identifying and assessing climate-related risks.
- b. Describe the organization's processes for managing climate-related risks.
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Our climate risk management process is a continuum of identifying, evaluating, managing, monitoring, and refreshing our climate risks and opportunities and aligns with our ERM framework.



## **Identify Climate-Related Risks and Opportunities**

The Global ESG Team is tasked with identifying and responding to risks and opportunities within the ESG continuum, including climate risks and opportunities, and reporting them externally through the TCFD framework and internally through the ERM framework, including through the ERM Risk Champions Community and the Integrated Risk and Resilience Teams. To identify specific climate-related risks and opportunities, the Global ESG Team collaborated with our third-party climate advisors to support our 2023 climate risk assessment and scenario analysis. The ERM team was involved throughout the climate risk assessment and scenario analysis, facilitating alignment with ERM definitions and processes and documenting climate as a risk category in CDW's overall risk management model.

With the assistance of our third-party climate advisors, we formulated a comprehensive list of potential climate risks and opportunities that might impact the business, in line with climate science from the Intergovernmental Panel on Climate Change and TCFD recommendations. We then narrowed the list using sector-specific analysis through such means as industry-specific reports and peer benchmarking. Using the narrowed list, we completed interviews with leaders from key business units to refine the list to those potential risks and opportunities with the greatest application to our business for further evaluation and assessment of impacts. These conversations ensured we focused on the most relevant physical and transition risks and opportunities to evaluate in the scenario analysis. In addition, we believe that the interviews increased stakeholder climate acumen and awareness, as training was included with the interviews, and inspired ideas to further integrate climate processes and controls into the business. Once we had compiled the list of the most relevant physical and transition risks and opportunities for CDW, we reported to the ERM team and the Integrated Risk and Resilience working group on progress, provided climate risk and scenario analysis education, and received feedback prior to continuing the process.

## **Evaluate The Risks and Opportunities**

Once the CDW-specific climate-related risks and opportunities were identified, we performed scenario analysis as described above. Workshops were conducted with business unit leaders to inform the impact and exposure analysis for risks and the potential benefits and feasibility analysis for opportunities. This assessment led to each risk and opportunity being assigned a level ranging from Low to High. The results of this scenario analysis were then reviewed with the Integrated Risk and Resilience Teams and other business unit leaders. The UK ESG Strategic Lead also reviewed the resulting climate risks with the UK Risk and Compliance Committee.

## **Manage The Risks and Opportunities**

As a result of our 2023 climate risk assessment and scenario analysis, we continue to develop a deeper understanding of the impacts climate change will have on our business and our stakeholders. We believe effective climate risk management strategies will be important to our long-term sustainability and business strategies. The Global ESG Team, the Climate Action Committee, and global business leaders will play pivotal roles in supporting the management of climate-related risks. We have current controls in place for the climate risks and opportunities as detailed above, and the Global ESG Team has discussed potential additional action items with respect to higher climate risks and opportunities with our third-party climate advisors and the Integrated Risk and Resilience Steering Committee as part of the report-out on scenario analysis results. The Global ESG Team will work with the Climate Action Committee and applicable global business leaders to align on potential action items with respect to higher climate risks and opportunities and manage and report on performance against action items. The Global ESG Team also reviews climate risks and opportunities in our ESG program with the Nominating and Corporate Governance Committee and the ESG Steering Committee.

## Monitor & Refresh The Risks and Opportunities

Now that we have completed our inaugural risk assessment and scenario analysis, and we have transitioned decarbonization activities from goal planning to action through the Climate Action Committee, we are discussing any additional metrics that we need to track regarding climate risks and opportunities. The Global ESG team will regularly refresh our risk assessment, continue to assess emerging climate-related risks and opportunities, and integrate climate-risk management responsibility into roles within our business. As we did throughout our risk assessment and scenario analysis process, we will continue to report on climate risks and opportunities through the Nominating and Corporate Governance Committee and the ESG Steering Committee and through the ERM Integrated Risk and Resilience Teams and the Risk Champions Community.

# Metrics and Targets<sup>5</sup>

***Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.***

TCFD Recommendation:

- a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
- b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.
- c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

<sup>5</sup> Metrics and target data are based on information from fiscal year end December 31, 2023.

## Metrics

CDW tracks numerous metrics related to climate-related risks and opportunities, which are specific to the type of risk and reflect both qualitative and quantitative data from CDW facilities managers, partner disclosures, and customer RFPs. We are implementing processes to standardize metrics across teams, and following the completion of our climate scenario analysis, we are exploring additional metrics that may be useful to track internally.

CDW is cognizant that climate-related risks and opportunities exist within our supply chain, so we measure several supply chain and waste related metrics. These currently demonstrate:

- Approximately 94% of our US shipments are delivered by carriers enrolled in the US EPA SmartWay Transport Partnership, which helps companies advance supply chain sustainability by measuring, benchmarking, and improving freight transportation efficiency.
- More than 80% of our US shipment spend is handled by carriers with climate goals.
- Our UK operations have committed to a 2040 target of only using logistic suppliers whose fleet comprises >90% zero emission vehicles.
- We outperformed our waste diversion goal of 90%+ at our two US distribution centers.

## Greenhouse Gas Emissions

CDW tracks several climate-related metrics including energy consumption and Scope 1, 2, and 3 emissions. Our [greenhouse gas \(GHG\) inventory](#) reflects CDW's direct GHG emissions (Scope 1), indirect electricity GHG emissions (Scope 2), and other indirect emissions (Scope 3) such as emissions associated with purchased goods and services, capital goods, fuel-and-energy related activities, upstream and downstream transportation and distribution, waste, business travel, employee commuting, use of products sold, and end of life treatment of products sold.

CDW is committed to continual improvement and in 2023, we made the following updates to our greenhouse gas inventory:

- Accounted for additional emissions activities, including diesel generators and refrigerants for cooling.
- Improved the accuracy of our market-based Scope 2 emissions by using supplier-specific or residual grid emissions factors, where available.
- Adopted carbon accounting software to streamline the data collection process and assist in calculating our UK emissions. Similar efforts are in process Company-wide.
- Refined our assumptions for estimating building energy consumption by accounting for both building type and size.
- Incorporated energy efficiency assumptions for LEED-certified facilities for estimating building energy consumption.

Furthermore, CDW is working with its supply chain and customers to mitigate Scope 3 emissions, which account for the largest portion of CDW's emissions footprint. This will facilitate CDW's transition to a low-carbon future.

SCOPE (Mt CO <sub>2</sub> e)	2023	2022 <sup>7</sup>
Scope 1	3,538	2,833
Scope 2 (location-based)	19,614	19,806
Scope 2 (market-based)	18,606	19,560
<b>Scope 1 and Scope 2 (market-based)</b>	<b>22,144</b>	<b>22,393</b>
<b>Scope 3 Emissions<sup>6</sup></b>		
Category 1: Purchased Goods & Services	3,830,293	3,638,997
Category 2: Capital Goods	46,328	11,532
Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	5,950	5,569
Category 4: Upstream Transportation & Distribution	28,692	26,222
Category 5: Waste generated in operations	221	446
Category 6: Business Travel	7,526	4,367
Category 7: Employee Commuting	13,771	7,122
Category 9: Downstream Transportation & Distribution	2,573	3,841
Category 11: Use of Sold Products	1,546,767	1,847,550
Category 12: End of Life Treatment of Sold Products	82,909	85,302
<b>Total Scope 3 Emissions</b>	<b>5,565,031</b>	<b>5,630,948</b>

## Targets

In 2023, CDW set near-term Company-wide emission reductions targets in line with climate science and SBTi. Our targets are as follows:

- **Reduce Impact in our own operations:** CDW commits to reduce absolute Scope 1 and Scope 2 GHG emissions 42% by 2030 from a 2022 base year.
- **Engage our supply chain:** CDW commits that 80% of its suppliers by emissions covering purchased goods and services will have science-based targets by 2028.
- **Collaborate to reduce impact in our value chain:** CDW commits to reduce absolute Scope 3 GHG emissions from remaining categories 25% by 2030 from a 2022 base year.

As CDW formalized its emission reductions targets in the second half of 2023, which were approved by SBTi in 2024, we will provide annual progress updates going forward. While in the process of formalizing its targets, CDW continued its decarbonization journey, making progress in 2023 which included:

- Establishing a global, cross-functional Climate Task Force led by the Global ESG Team to review and develop our climate targets. This Task Force transitioned to become the Climate Action Committee, which is a global, cross-functional team led by the Global ESG team tasked with developing and implementing decarbonization activities to meet our targets.
- Conducting a climate risk assessment and scenario analysis.
- Engaging with our partner community through sustainability/ESG councils on topics including climate action, goal setting, climate solutions, and climate reporting. Engaging with customers regarding sustainable products and solutions.
- Enhancing our digital capabilities with a dedicated Sustainable Solutions webpage showcasing CDW's full solutions stack of sustainability offerings and increased search functionality to make it easy for customers to transition to energy efficient technology, manage e-waste or use local and remote tech services.
- Implementing a supply chain responsibility program, which included reviewing our major supply chain partners' climate targets.
- Outperforming our waste diversion goal of 90%+ for the fifth year in a row at our two US distribution centers.
- Adopting carbon accounting software for our UK operations to streamline the data collection and reporting process and to measure UK reduction target progress, and similar efforts in process regarding our Company-wide data collection and reporting and emissions reductions targets.

- In the UK, 100% of electricity is derived from renewable sources.<sup>8</sup>

In addition to the above targets, in 2020, our UK business established a 2040 carbon net zero target aligned to UK government contracting regulations (specifically PPN06/21). During 2023, net emissions rose compared to the 2020 baseline, driven by a significant increase in business performance and greater numbers of coworkers returning to the office post the COVID-19 pandemic. Though net emissions increased, our UK business continued to make progress in 2023:

- Adopting carbon accounting software as described above, providing real-time insight into progress.
- Refinements in measurement resulting in a marked decrease in Scope 3 Category 5: Waste Generated in Operations emissions compared to the 2020 baseline.
- Reducing emissions from Scope 3 Category 6: Business Travel compared to the 2020 baseline through efforts to reduce business travel and adopt less impactful choices.
- 59% of the UK business' small fleet of automobiles has transitioned to hybrid vehicles, and orders have been placed to transition the remainder of the fleet.
- As noted above, 100% of electricity is derived from renewable sources.<sup>9</sup>

## Next Steps

Now that our climate strategy and Company-wide GHG emission targets are in place, our work moves forward through the leadership of our Global ESG Team and the Climate Action Committee. As we develop and implement our decarbonization strategy, we acknowledge that much additional work and collaboration will be needed to achieve our goals, be resilient, and continue to make technology work so people can do great things.

<sup>6</sup> CDW follows the Greenhouse Gas Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0) and Corporate Accounting and Reporting Standard. Scope 3 emissions are calculated using the operational control approach. Additional information on Scope 3 can be found on our website under [Climate Action](#).

<sup>7</sup> In the process of implementing a carbon accounting software platform, and as part of our regular review process of Scope 1, 2 & 3 data, we improved our calculation methodology in 2023. As a result of these changes reaching our 5% threshold, we have recalculated our 2022 baseline emissions to reflect our methodology calculation changes retrospectively using the best available information and estimates.

<sup>8</sup> The UK business leases all of its facilities, working with lessors for multi-tenant facilities and utility suppliers for sole tenant facilities, to use renewable electricity backed by recognized certification schemes.

<sup>9</sup> Additional information on our UK business's net zero target can be found on our website under [Carbon Reduction Plan](#).

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# Forward-Looking Statements

Statements in this report that are not statements of historical fact are forward-looking statements within the meaning of the federal securities laws, including without limitation statements regarding CDW's ESG initiatives, growth strategy, and plans for stakeholder value creation. These statements involve risks and uncertainties that may cause actual results or events to differ materially from those described in such statements. Important factors that could cause actual results or events to differ materially from CDW's expectations, or cautionary statements, are disclosed under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in CDW's Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K") and in CDW's subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. CDW undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by law.

Information included in, and any issues identified as material or any derivatives of the word material for purposes of, this report may not be considered material for SEC reporting purposes. Within the context of this report, the term "material" (or any derivatives of the word material, including "materiality") is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report, nor does it constitute a part of this report.

While CDW is actively working to achieve its environmental, social, and governance ("ESG") goals, these goals are forward-looking statements that reflect expectations as of the date of this statement, not historical facts or guarantees of future performance, achievement, or results. There is no guarantee that CDW will meet either its goals or increasing stakeholder ESG expectations. In addition, the standards by which certain ESG goals are measured are evolving and subject to assumptions that could change over time.