

CDP NORTH AMERICA ANNUAL REPORT

2019–2020



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FOREWORD BY CDP NORTH AMERICA PRESIDENT BRUNO SARDA



As we kick off this "decade of ambition," CDP's work will be a crucial lever for curbing dangerous climate change, water insecurity and deforestation.

This has been a historic year for CDP North America, for the environmental movement – and for us all. COVID-19 has taken an unparalleled toll on the investors, companies, governments and communities we work with. The pandemic and climate change teach us a singular lesson: the best time for action is long before the problem becomes severe. While the cascading global impact of COVID-19 is astounding, we already knew that humanity's profound interference with nature could not continue as it has. Our youth have been raising the alarm all year in a wave of historic climate change strikes that will be remembered for propelling us toward the monumentally important decade ahead.

20% growth in our 20th year

CDP's mission has never been more imperative: we are the essential scorekeeper for companies, investors and governments – demanding transparency, tracking their progress toward environmental goals and holding them accountable. This is reflected in our standout year-over-year growth: global disclosure to CDP increased by more than 20% in 2019, from 7,000 to 8,400 companies and 750 to 920 cities, states and regions – significantly improving transparency around environmental impact. The companies disclosing to CDP now represent more than 50% of global stock market capitalization; investors with more than US\$100 trillion in assets support our annual disclosure request and disclosing cities, states and regions are home to over 750 million people. With 2020 marking CDP's 20th year, this impressive uptick in engagement is both poetic and promising. It marks standardized disclosure as mainstream, holding the world accountable – particularly with global leaders convening at COP26 next year to assess progress on the Paris Agreement. As "the world's report card," CDP is indispensable to the global tracking, benchmarking and acceleration of environmental progress toward the Paris Agreement. Without our work, the environmental movement is blind and accountability falls flat.

Leadership in North America

While we accomplished much globally this year at CDP, we have special reasons to be proud of our region: the U.S. represents the second-most climate A List companies, and North America leads with the most A List cities (41) across the U.S. and Canada. From our CDP North America office this year, we launched our sustainable food systems initiative, which aims to accelerate food production that aligns with the goals of the Paris Agreement. We oversaw guidance to help companies set site-level water targets that reflect both the local context and global shared goals for water use. And at our CDP North America Workshop and Climate Week events, we convened over 300 investors, city and corporate sustainability practitioners to explore solutions together. We have gone further than ever to shift capital toward faster decarbonization and safer forests and water sources.

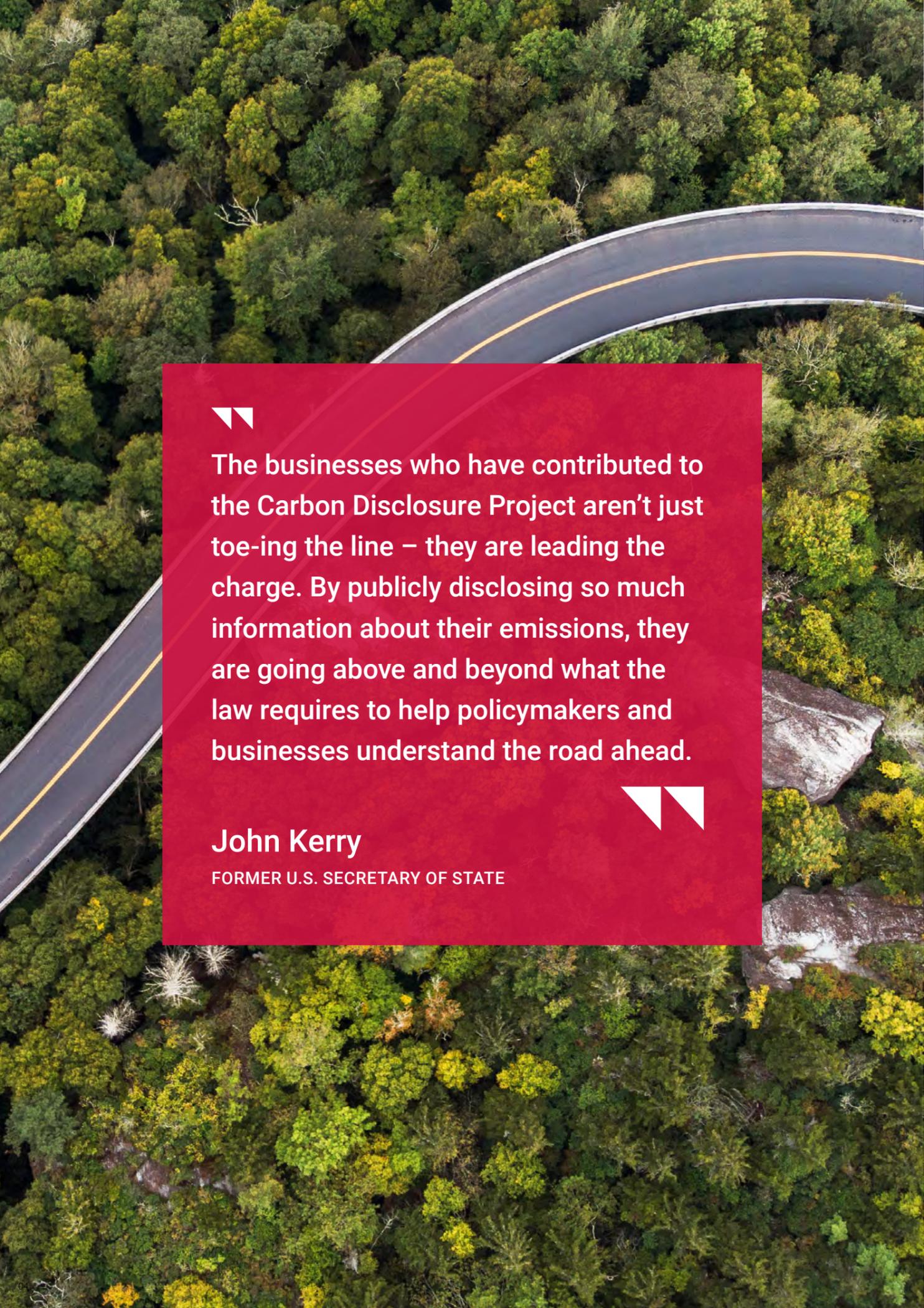
Accelerating ambition and action

Sustainability must be at the heart of our recovery from the current economic downturn. We have already seen renewed calls for a more sustainable economy to emerge after the crisis. We have a lot of work to do, but I feel hopeful when reflecting on the strong corporate action and ambition we drove over the past year. 450+ companies (85 in the U.S. and Canada) committed to setting or set science-based targets over the past year alone. 71 North American companies are now working toward or have achieved 100% renewable energy through RE100 - these companies reported over 100 million MWh of electricity use in 2019. 57 North American companies with US\$1.6 trillion in procurement spend are engaging with their suppliers through CDP Supply Chain to cascade environmental action through their value chains. And 108 cities in the U.S. and Canada are seeking investment for green infrastructure projects in partnership with CDP Matchmaker. At the center of this wave of ambition is the work of our CDP North America team and our CDP colleagues around the world.

Make history with us

As we kick off this "decade of ambition," CDP's work will be a crucial lever for curbing dangerous climate change, water insecurity and deforestation, and integral to building an economy that works for people and planet. In rebuilding the economy after COVID-19, I urge you to scale up your engagement with CDP and deepen your own dedication to ambition and action. While 2020 will go down in history as a massive wake-up call, North America now stands at a critical crossroad in time, with the possibility of recovery and even leadership within our reach. But the clock is ticking. American and Canadian companies, investors and governments must step up to meet the challenge – and we are here to help and guide them.

Warm regards,



The businesses who have contributed to the Carbon Disclosure Project aren't just toe-ing the line – they are leading the charge. By publicly disclosing so much information about their emissions, they are going above and beyond what the law requires to help policymakers and businesses understand the road ahead.



John Kerry

FORMER U.S. SECRETARY OF STATE

OUR VISION AND MISSION

We want to see a thriving economy that works for people and planet in the long term. The process of CDP disclosure and the resulting data-driven insights focus investors, companies and cities on taking urgent action to build a truly sustainable economy by measuring and managing their environmental impact.

Since pioneering the global environmental disclosure system, CDP has driven corporations and cities around the world to understand and act on the business case for reducing their impact. Central to CDP's mission is communicating the progress made in addressing environmental issues and highlighting where risks may be unmanaged. To this end, we score disclosers on the information they provide, assessing not only tangible impacts such as emission reduction activities, but also how climate change, water risk and deforestation issues are integrated into governance, strategy and risk assessment processes. We produce our annual climate change, water security and forests A Lists to show the market how leading companies and cities are performing.

To increase transparency and drive sustainable investments, CDP provides critical global data that delivers evidence and insights to a wide audience, including investors, companies, policymakers and their advisors, public sector organizations, government bodies, academics and the general public. CDP data enables financial decision-makers to link environmental integrity, fiduciary duty and public interest to make better-informed decisions.

About CDP North America

CDP North America is part of the CDP Worldwide network, a global non-profit that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. Voted number one climate research provider by investors and working with institutional investors with assets of US\$106 trillion, we leverage investor and buyer power to motivate companies to disclose and manage their environmental impacts. Globally, over 8,400 companies representing more than 50% of global market capitalization disclosed environmental data through CDP in 2019, with over 2,400 in North America. This is in addition to the over 920 cities, states and regions globally that disclosed – including 220 in North America – making CDP's platform one of the world's richest sources of information on how companies and governments are driving environmental change. CDP, formerly the Carbon Disclosure Project, is a founding member of the We Mean Business coalition and the Science Based Targets initiative.

Green Office Practices

- ▼ 100% renewable energy purchased for New York office
- ▼ Plant-based catering for CDP North America events – internal and external
- ▼ Environmentally friendly consumables, office supplies and food supplies for New York office
- ▼ In-office recycling for paper, metal, glass and plastic material, as well as food composting
- ▼ Free Citi Bike membership offered to all North America employees
- ▼ Flexible remote work policy offered to all North America employees
- ▼ 401(k) plan offered to all North America employees made up entirely of sustainable investment options across asset classes
- ▼ Diverse North America team, with women and people of color representing 68% of employees

CDP NORTH AMERICA IN NUMBERS

CDP North America is expanding its reach and driving environmental disclosure, insight and action at a significant scale.

57

employees across
New York City, San Francisco,
Denver and Montreal

157

signatory investors in North
America with US\$46.5 trillion
in assets

2,400+

disclosing companies
in North America

57

CDP Supply Chain members
in North America with
US\$1.6 trillion in combined
purchasing power

220

disclosing cities, states and
regions in North America



DISCLOSURE IN NORTH AMERICA

In 2019, more than 2,400 companies and 220 cities, states and provinces in North America disclosed to CDP.



2,409
total climate change respondents



546
total water respondents



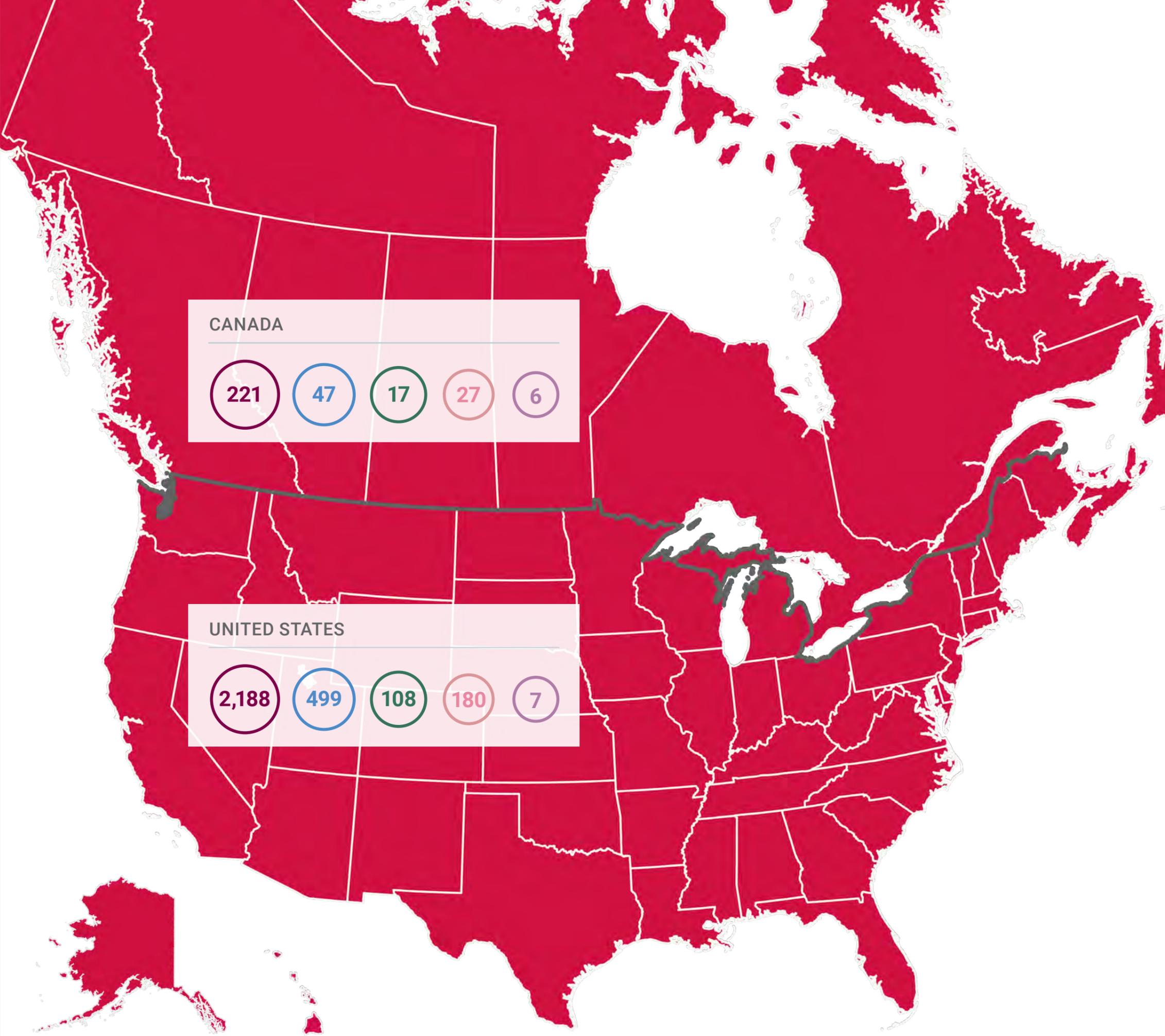
125
total forests respondents



207
total city respondents



13
total state/province respondents



GOVERNANCE

How CDP North America is governed

CDP North America, Inc., is a Delaware incorporated non-profit, tax-exempt (IRC § 501(c)(3)) organization whose registered office is located at 127 W 26th Street, Suite 300, New York, NY, 10001, U.S. CDP North America, Inc., is subject to oversight from its Board of Directors.

CDP North America is headquartered in New York City with staff also based in San Francisco, Denver and Montreal. CDP North America works throughout the U.S. and Canada.

CDP North American Board of Directors

Martin Wise – CHAIR	Usha Rao-Monari
Joyce Haboucha	Martin Whittaker
David Lubin	David Wolfson

Special Advisor

Paula DiPerna

New President for CDP North America

In April 2019, Bruno Sarda took the reins of CDP North America. Bruno holds more than a decade of leadership experience in the field of corporate responsibility. Most recently he was the Chief Sustainability Officer for NRG, a leading integrated power company, and previously he served as the Director of Sustainability and Social Responsibility at Dell. Bruno is a faculty member and Senior Sustainability Scholar at Arizona State University. Based in NJ, he also serves as a Board Member for Sustainable Princeton.

To read more about our Board of Directors, please visit www.cdp.net/en/info/trustees



North America Management Team



BRUNO SARDA
President,
North America



EMILY KREPS
Global Director,
Capital Markets



LORI LLEWELLYN
Head of Finance and People,
North America



ATELI IYALLA
Head of Corporations
and Supply Chains,
North America



KATIE WALSH
Head of Cities, States
and Regions,
North America



JONATHAN LABOZZETTA
Head of Development,
North America



ANNA CLARK
Head of Communications,
North America



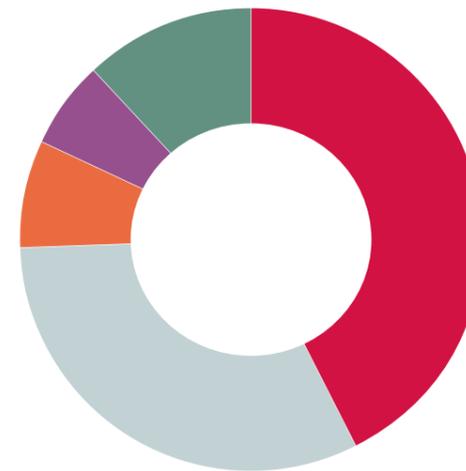
ELIZABETH SMALL
General Counsel,
North America

INCOME AND EXPENDITURES

As a non-profit, CDP North America receives funding support from a range of organizations. CDP North America's income for the year ending March 31, 2020 (FY2019/20) was \$11 million, while its expenses amounted to \$10.5 million. A breakdown of the sources for income and expenses follows.

Income

- ▼ 42.7% Philanthropic grants
- ▼ 31.9% Service-based memberships
- ▼ 7.4% Data sales
- ▼ 6.3% Sponsorships and partnerships
- ▼ 11.7% Administrative fees



For a more complete understanding of our finances, please refer to our consolidated IRS Form 990.

Expenses

- ▼ 82.9% Program services
- ▼ 10.8% Fundraising
- ▼ 6.3% Management and general



CDP NA would like to recognize our key funders, supporters and partners who make our work possible



NATIONAL FISH AND WILDLIFE FOUNDATION

WELLS FARGO FOUNDATION



WE MEAN BUSINESS with support from the IKEA FOUNDATION

SCIENCE BASED TARGETS NETWORK, A SPONSORED PROJECT OF ROCKEFELLER PHILANTHROPY ADVISORS

OUR STRATEGY

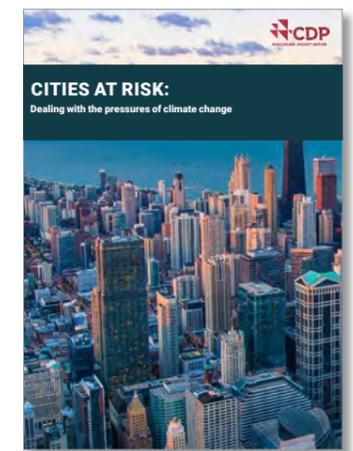
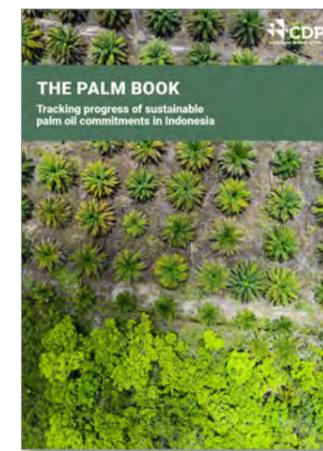
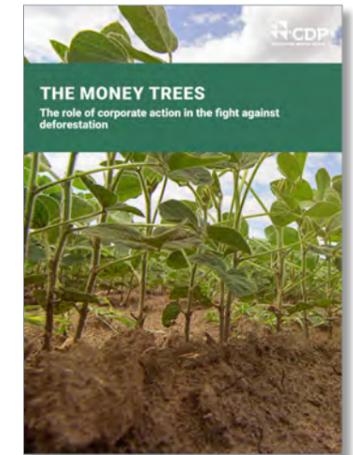
Our plan is to mainstream environmental action. In 2017, CDP Worldwide released its Strategic Plan 2017-2020, "The Tipping Point: Mainstreaming Environmental Action." This plan was built on two grounding principles. First, that environmental concerns need to underpin every decision that companies, cities and investors make. Considerations around climate impact, water management and deforestation belong squarely in the boardroom of every major corporation worldwide, as well as in every town hall and governor's office. Second, that companies and cities need the tools for change, such as science-based targets, to enable faster and more ambitious action, and to manage the risks and capitalize on the opportunities on offer.

HOW IS CDP NORTH AMERICA IMPLEMENTING THIS STRATEGY?

- 1 **Increasing engagement with North American investors and the capital markets** to accelerate the transition to a low-carbon, water-secure, deforestation-free economy.
- 2 **Driving corporate transparency, ambition and action on the environment** to limit global warming to 1.5 °C and protect dwindling natural resources.
- 3 **Expanding support to cities, states and regions on transparency and disclosure**, enabling them to manage emissions, build resilience and safeguard against climate impacts.
- 4 **Advocating for sound environmental policy** by engaging with lawmakers and regulators at the state and federal level, drawing on CDP's data and insights to inform and influence.

CDP REPORTS

Global CDP reports distributed by CDP North America in 2019-2020



MEDIA REACH

During 2019-2020, CDP North America built a strong media profile, becoming a go-to resource for reporters on topics spanning from climate change, to corporate sustainability, to city climate action and resiliency. Over the year, CDP North America spokespeople were interviewed more than 100 times, with CDP featured, quoted or mentioned in more than 300 articles in top-tier and leading environmental news outlets.



Companies See Climate Change Hitting Their Bottom Lines in the Next 5 Years

JUNE 4, 2019



More U.S. Businesses Making Changes in Response to Climate Concerns

JUNE 11, 2019



How Corporate America Is Addressing Climate Change Risks

JULY 9, 2019



Bruno Sarda & CDP Are Pulling The World Back From The Brink Of Climate Change Disaster-Part 1

AUG 13, 2019



With Five Million Hectares Cleared Every Year, Deforestation is Emerging as the Next Global Risk

SEPT 4, 2019



4 Reasons It's Hard to Become a Sustainable Business

SEPT 23, 2019



Microsoft, Citi, Walmart Make Corporate Climate A List

JAN 20, 2020



Corporations are Waking Up To The Climate Crisis, but It's Not Enough

FEB 20, 2020

CDP North America President Bruno Sarda was invited to provide live, on air commentary to support four broadcast news segments



EVENT SERIES

CDP North America hosted a series of events that brought together key stakeholders – including investors, policymakers, corporate strategists and sustainability professionals – for strong knowledge-sharing, networking and to shine a light on how leading companies, cities and investors are driving toward a low-carbon, water-resilient, deforestation-free economy.

CDP Workshops

In the spring of 2019, CDP North America hosted its U.S. Workshop in New York and Canada Workshop in Toronto. These annual flagship events convened 200+ sustainability practitioners in business, finance and government to discuss the latest trends in environmental disclosure, the benefits of business readiness and emerging global environmental policy. The U.S. Workshop featured keynote speaker Brian Lehrer, host of WNYC Radio's *The Brian Lehrer Show*, who explored the challenges of covering an issue as complex as climate change in the media.



Climate Week NYC 2019: Climate of Opportunity

On September 24, 2019 during Climate Week NYC, CDP hosted its event, Climate of Opportunity: Innovation and Urgency in Climate Action. Recognizing that climate change presents an existential risk, but an even greater financial opportunity for trailblazing companies, this event convened 100+ leaders in the financial and business community to celebrate strong climate action and progress. The event featured fireside conversations with two prominent heads of corporations: Mauricio Gutierrez, President and Chief Executive Officer at NRG Energy Inc, and Jay D. Gould, President and Chief Executive Officer at Interface, who discussed the tools and systems that have enabled them to forge the path for innovation in climate action.



A List Celebration: Leading the Sustainable Future

On February 3, 2020, CDP North America hosted its A List Celebration in Phoenix, AZ alongside GreenBiz 20. Convening leaders in corporate sustainability, this event celebrated the CDP A List companies in North America that have made environmental stewardship a fixture of their success and showcased how the corporate world is confronting worsening environmental threats.



OUR WORK WITH INVESTORS AND THE CAPITAL MARKETS

CDP North America engages with investors and the capital markets to drive a green transition of Wall Street and the global financial markets. As the gold standard of environmental disclosure, CDP provides investors with the most comprehensive data on climate change, deforestation and water security, and partners with them to mainstream corporate environmental disclosure. In 2019, 157 North American investors with assets of US\$46.5 trillion backed CDP's annual disclosure request.

Powering investment decisions with CDP data

By continuing to provide the most comprehensive, comparable set of environmental data available, CDP sits at the heart of the capital market response to climate change. Highlights for how North American investors used CDP data over the year include:

- CDP climate risk data was used to inform a new physical risk framework (P-ROCC), proposed by **CalPERS** and **Wellington Management**, which provides a useful guide for company management teams to integrate climate science-based scenarios into their strategic planning and disclosures.
- Verity Platforms**, a startup public benefit corporation, is using CDP climate, water and forest data to build a sustainability platform that integrates sustainability research into financial markets. CDP has seen increased interest in our data from fintech startups as the market for ESG-themed financial products grows.
- Trucost**, part of S&P Global, is using CDP climate, water and forests data to inform their research and service offerings to capital markets and corporations.
- UN PRI** is using CDP water data to assess company performance after investor engagement on water risks and agricultural supply chain engagement (report forthcoming).

Engaging investors to drive corporate disclosure

CDP's annual Non-Disclosure Campaign provides an opportunity for investors to engage companies directly on environmental disclosure. Highlights of the 2019 campaign include:

- 88 investors representing US\$9.8 trillion in assets participated.
- 153 North American companies engaged for enhanced environmental disclosure.
- 21 North American companies submitted a response as a result of the campaign, including Paypal Holdings Inc, American Tower Corp, Gilead Sciences, Inc., Estée Lauder Companies, J.M. Smucker Company and Alliant Energy Corporation.
- These disclosing companies represent US\$676 billion in market capitalization and over 50 million MtCO2e in scope 1 & 2 emissions.

Accelerating investor action on climate change

As a Founding Partner of The Investor Agenda – a collaborative initiative to accelerate and scale up investor climate action – CDP published the global initiative's first Progress Report in September 2019, outlining the actions institutional investors are taking to speed the transition to a low-carbon economy. The report revealed that nearly 1,200 investors took action in at least one focus area of The Investor Agenda (Investment, Corporate Engagement, Policy Advocacy and Investor Disclosure) since the collaboration's launch more than two years ago.

In 2020, The Investor Agenda will advance two critical workstreams to accelerate investor climate action in the run-up to COP26. First, CDP will work with influential investors to issue climate action plans to decarbonize their portfolios. Partner organizations will also mobilize investor networks to engage national governments to enact critical climate policies. CDP will continue to play an instrumental role in The Investor Agenda's mission.

Expanding CDP disclosure into the capital markets

In 2019, CDP expanded its traditional investor request for the first time from publicly traded companies into broader segments of the capital markets. This cross-asset class expansion enables banks, private equity firms and fixed-income teams to request CDP disclosure throughout their portfolios.

INVESTOR REQUEST

For investors, the traditional investor request has offered a disclosure mechanism for publicly listed companies since 2002.

BANK MEMBERSHIP New in 2019

For banks, a new membership offering will bring CDP data into the commercial side of the banking business, expanding past the asset management side.

PRIVATE EQUITY REQUEST New in 2019

For private equity firms, the new private equity request offers a disclosure mechanism for portfolio companies.

CORPORATE FIXED-INCOME REQUEST New in 2019

For fixed-income teams, the corporate offering supports a disclosure request from private companies that issue debt, expanding CDP's investor request into the US\$100 trillion corporate debt market.

MUNICIPAL FIXED-INCOME REQUEST New in 2019

For fixed-income teams, the municipal offering supports a disclosure request from the US\$4 trillion municipal bond market outside of cities, counties and states. These public enterprises, authorities and districts comprise 70% of the municipal bond market.

As an investor signatory since the inception of CDP disclosure in 2002, ClearBridge Investments has long supported the transition to a low-carbon economy through integration of climate issues into our investment analysis and direct engagement with portfolio companies. For many years, we have advocated for improved disclosure of climate-related information, which, in turn, enhances our ability to incorporate climate change into our investment decision-making. We will continue to incorporate climate change into our analysis and company engagement, as detailed in ClearBridge's 2020 Impact Report, with increased focus on resilience and efforts to set and meet ambitious carbon reduction targets.

Charles Harris

MANAGING DIRECTOR, DIRECTOR OF RESEARCH
CLEARBRIDGE INVESTMENTS



OUR WORK WITH CORPORATIONS AND SUPPLY CHAINS

CDP North America works with over 2,400 companies, helping them to measure and manage their environmental impact and risks, plus capitalize on sustainable business opportunities. CDP guides companies and holds them accountable as they advance along their sustainability journeys, starting from disclosure and progressing to management and leadership.

CLIMATE CHANGE

In 2019, 2,409 North American companies responded to the CDP 2019 climate questionnaire. Of these, among the 665 listed companies – including 72% of the S&P500 and 52% of the 200 largest publicly traded companies in Canada – progress indicators include:

- 36 North American companies earned an A for climate change
- 57% are developing low-carbon products
- 90% have integrated climate-related issues into business strategy
- 39% use climate scenarios to inform their business strategy
- 89% have board-level oversight on climate-related issues
- On climate-related issues: 65% engage their suppliers, 62% engage their customers, 40% engage other partners
- 72% have an emissions-reduction target

WATER SECURITY

In 2019, 546 North American companies responded to the CDP 2019 water security questionnaire. Among these, key insights and progress indicators include:

- 14 North American companies earned an A for water security
 - US\$2.7 billion: the reported cost of water-related detrimental impacts (such as droughts and floods) to North American companies over the reporting year
 - 45% have set water-related targets
 - US\$69.7 billion: the estimated cost of water-related risks facing these companies
 - US\$344 billion: the value of positive, water-related business opportunities
 - 1,974 facilities in North America exposed to substantive water risk
- Companies globally that responded to the 2019 water questionnaire reported:**

FORESTS

In 2019, 125 North American companies responded to the CDP 2019 forests questionnaire. Among the 103 companies disclosing on one or more deforestation commodity, key insights and progress indicators include:

- 1 North American company earned an A for forests
 - 56% have identified deforestation-related risks
 - 67% have completed a forest-related risk assessment
 - US\$17.1 billion: the estimated cost impact from forest-related risks
 - 65% have a policy on forest-related issues but only 33% have public policies to end deforestation
 - US\$1.7 billion: the estimated cost of managing forest-related risks
 - 59% have made public commitments on deforestation but only 5% have committed to end deforestation by 2020*
- Note*: All public company commitments are timebound (set to be completed by 2020), include a cut-off date, ensure Free and Prior Informed Consent (FPIC), cover 100% of production/consumption and apply to all relevant operations.

Engaging with CDP is valuable in measuring, understanding and minimizing the environmental impact of our supply chain – a key priority for Walmart. We encourage our suppliers to take action and disclose to CDP as part of their participation in our emissions reduction initiative Project Gigaton.

Zach Freeze

SENIOR DIRECTOR, STRATEGIC INITIATIVES – SUSTAINABILITY
WALMART

North American companies leading CDP's climate A List

North American companies were strongly represented on CDP's global climate A List, demonstrating the region's leadership in corporate transparency and climate action. North American companies accounted for 20% of the global climate A List, with the U.S. representing the second-most A List companies (35) after Japan, and one Canadian company earning A List status.

U.S. companies accounted for 19% of CDP's global water A List, with 14 companies earning an A. In North America, one U.S. company was featured on the A List for forests – HP. HP was recognized with a triple A score, earning a place on the A List for climate, water and forests – the only company in North America with this distinction.

Companies on the global climate A List outperform their peers on the stock market by

5.5% PER ANNUM

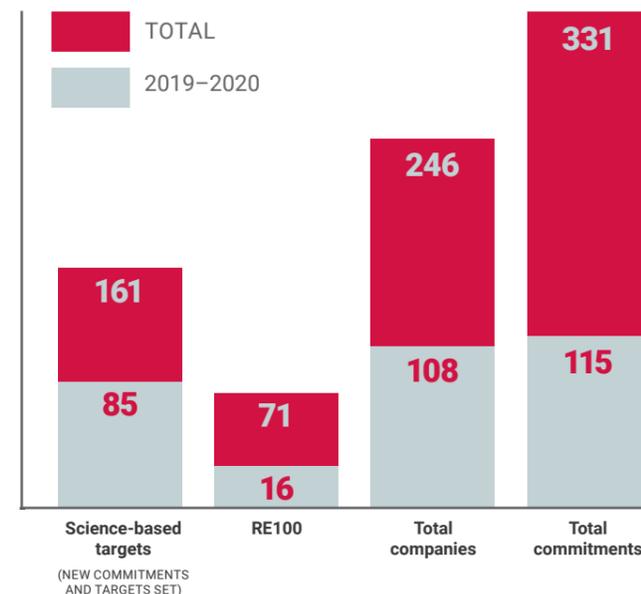
according to STOXX, demonstrating the strong linkage between environmental performance and financial performance.

Supporting companies to take industry-leading environmental commitments

As a founding member of the We Mean Business coalition, CDP North America worked with more than 300 North American high-impact companies in 2019-2020, engaging and supporting them to join the leadership initiatives on the We Mean Business coalition's Take Action platform and driving the highest levels of corporate climate ambition.

Over the year, North American companies made 115 new commitments to bold climate action, such as committing to or setting science-based targets (SBTs), working toward 100% renewable electricity (RE100), transitioning corporate fleets to electric vehicles (EV100) and using energy more effectively (EP100). Among those companies that set new commitments were Dell Technologies (RE100), Goldman Sachs Group Inc. (EV100, EP100), MGM Resorts International (SBTi committed) and Target Corporation (RE100). To date, 246 North American companies have made a total of 331 commitments.

OVER 331 COMMITMENTS TO AMBITIOUS CLIMATE ACTION FROM NORTH AMERICAN COMPANIES



Expanding our supply chain work with North America's biggest corporate buyers

Through CDP's work on supply chains, 57 supply chain member companies in North America with a combined purchasing power of US\$1.6 trillion are engaging their suppliers to address their environmental impact. The number of companies engaging with CDP North America on supply chain sustainability grew 34% year-over-year, with new members in 2019 including Nike, LinkedIn, Verizon Communications and New York's Metropolitan Transportation Authority (NY MTA).

Our results demonstrate the influence of North American companies across the region and around the world. In 2019, CDP Supply Chain members in North America requested environmental data from 7,225 global suppliers. By wielding their purchasing power to request environmental information of their suppliers, our members are helping to track and influence emissions across North American and global markets.

In conjunction with the uptick in North American companies engaging with their suppliers on environmental transparency, these same companies have been increasing their own climate action ambition. More than half of CDP Supply Chain members in North America have committed to set or have set science-based targets – 22 with approved targets and 10 committed to set targets.

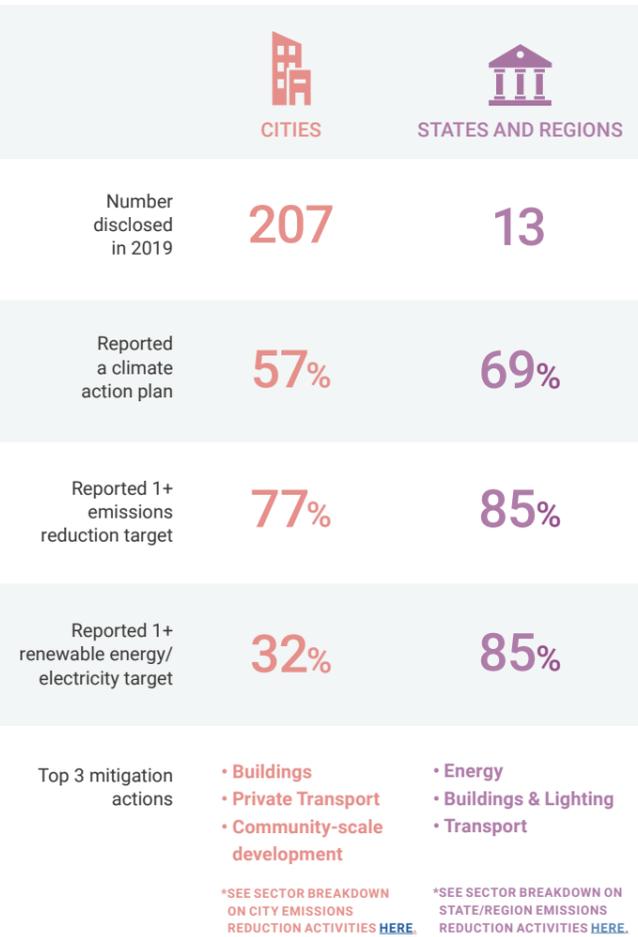
North American companies are also shoring up on forests-related risks – a focus for several of our North American members. In 2019, North American companies engaged with 254 suppliers across beef, soy, cattle and timber commodities. Water security also poses a major supply chain risk to a number of our North American members. North American companies engaged with 1,578 suppliers around water issues. Of the suppliers engaged, we found that 214 were in turn engaging their own suppliers to tackle water scarcity issues.

In 2019, over 1,800 Tier 1 suppliers of North American CDP Supply Chain members decreased their greenhouse gas emissions. By encouraging suppliers to report and reduce their emissions, North American companies are leading the way in the tracking and reduction of emissions across their supply chains.

OUR WORK WITH CITIES, STATES AND REGIONS

In 2019, CDP North America worked with over 220 cities, states, provinces and territories across the U.S. and Canada. These local governments disclose environmental data to CDP, allowing them to manage emissions, build resilience and safeguard against climate impacts.

From Vancouver to Miami, North American cities, states and regions are at the heart of the green transition, and CDP is a key partner in helping them to become healthy, equitable and prosperous places to live and work.



North American cities leading CDP Cities A List

North American cities were strongly represented on the CDP Cities A List, comprising 39% of the total 105 cities worldwide recognized for their climate leadership. The U.S. and Canada topped the list with the most A List cities – 34 and seven respectively – including Calgary, [Fayetteville](#), Santa Monica, [West Palm Beach](#) and [Windsor](#). Designed to ramp up city climate action and ambition, CDP's scoring and A List are based on data reported by over 850 cities globally – including 207 in North America – through the CDP-ICLEI Unified Reporting System in 2019. All A List cities have a city-wide emissions inventory, have set an emissions reduction target, published a climate action plan and have completed a climate adaptation plan to demonstrate how the city will tackle climate hazards now and in the future. The full list of global A List cities is available [here](#).

Streamlining the collection of city energy data

In October 2019, CDP and the American Council for an Energy-Efficient Economy (ACEEE) began a new partnership to collect data on city sustainability efforts for 100 of the largest U.S. metropolitan areas through CDP. The data will be used to support ACEEE's 2020 City Clean Energy Scorecard, a report that ranks U.S. cities on their energy efficiency and renewable energy efforts, which will be released in the summer of 2020. This partnership is CDP's latest effort to improve transparency and good governance around subnational climate action, following the CDP-ICLEI global partnership.

Oakland was proud to again be featured on the CDP Cities A List in 2019. From pursuing sustainable infrastructure to expanding renewable energy in homes city-wide, we have made great strides in adaptation and resiliency by putting our residents at the heart of environmental decisions. Oakland knows environmental leadership and social equity must go hand-in-hand, and we're happy to be among a cohort of other cities building a climate-safe future for all.

Daniel Hamilton
SUSTAINABILITY MANAGER
CITY OF OAKLAND

Bridging sustainable infrastructure and capital investment

In 2019, over 400 cities across the globe disclosed to CDP more than 1,200 sustainable infrastructure projects seeking investment. These planned infrastructure projects, worth more than US\$96.8 billion collectively, address climate change, build resilience and demonstrate the significant ambition in cities to mitigate emissions and adapt to a changing climate. However, cities often face barriers in accessing the investment needed to implement these projects. CDP Matchmaker accelerates investment in cities' climate action by building the capacity of city sustainability and finance officers to develop and finance urban sustainable infrastructure projects and by showcasing these projects to the investment community.

In 2019, CDP hosted three Matchmaker workshops in Washington, D.C., Cleveland, OH and Chicago, IL. Convening city sustainability and finance professionals, investors and social equity experts, these events enabled the sharing of information and strategies to advance investment in sustainable infrastructure projects. The workshops were supported by the National Fish and Wildlife Foundation, Wells Fargo Foundation and Mitsubishi Corporation Foundation for the Americas.



MARCH 6, 2019
CDP hosted a workshop in Washington D.C. alongside the annual Capitol Meeting of the Mississippi River Cities and Towns Initiative (MRCTI). Among the audience were two U.S. Senators and over 20 mayoral representatives.



JUNE 25, 2019
CDP hosted a workshop in Cleveland, OH to facilitate dialogue between city sustainability and finance departments and investors seeking socially equitable green infrastructure investment opportunities.



JULY 25, 2019
CDP hosted a workshop in Chicago, IL. This event brought together cities, investors and partners from the Great Lakes region, generating continued collaboration to develop and finance local green infrastructure.

Developing socially equitable infrastructure

CDP's first-ever "Matchmaker Sustainable Finance Training Cohort" brought together sustainability and finance officers from 34 cities across the U.S. ranging in size and geography, including Anchorage, AK, Phoenix, AZ, Miami-Dade County, FL and Winona, MN. The goal of the cohort is to bring sustainability and finance leaders together to learn about financing mechanisms for urban sustainability projects and to develop socially equitable sustainable infrastructure. Socially equitable infrastructure ensures that the environmental, health and wealth benefits that stem from infrastructure are distributed equitably across communities, mitigating the effects of racial and economic inequalities rather than further entrenching them. Investment in socially equitable sustainable infrastructure is necessary if cities are going to address climate change in a way that makes communities more resilient and that builds an inclusive and healthy world for all. CDP continues to build capacity in the cohort cities to develop and finance sustainable infrastructure projects through custom project disclosure consultations with city staff and by hosting a series of workshops and webinars that convene city practitioners, investment firms, social equity experts and other stakeholders.

Closing the investment gap

During 2019, CDP continued to support the University of Maryland's Closing the Investment Gap in Sustainable Infrastructure initiative. Through this project, CDP and other leading actors in the development finance, legal and policy fields advise national government participants on best practices in structuring, developing and pitching successful sustainable infrastructure projects. The 2019 cohort included representatives from Bangladesh, Colombia, Egypt and Kenya.

OUR WORK WITH POLICYMAKERS

CDP North America engages with lawmakers and regulators at the state and federal level to advocate for sound environmental policy. Drawing on the uniquely wide scope of CDP disclosure, CDP North America is regularly requested to provide perspective and guidance on evolving policy options on a non-partisan basis.

Testifying before U.S. Congress

During 2019, CDP was invited twice to testify before U.S. Congress.

FEBRUARY 6, 2019: CDP Special Advisor Paula DiPerna testified before the U.S. House of Representatives Committee on Natural Resources at the hearing, “Climate Change: Impacts and the Need to Act,” the first climate change-related hearing of the 116th Congress. This testimony provided an opportunity to shine a light on the explicit climate risks as stated by U.S. companies in CDP disclosures and recommended coherent national policy to insulate the American economy and its citizens from those risks.

JULY 25, 2019: Paula DiPerna testified before the U.S. House of Representatives Select Committee on the Climate Crisis at the hearing, “Creating a Climate Resilient America: Business Views on the Costs of the Climate Crisis.” This testimony again provided context on climate-related risks and opportunities faced by U.S. companies, and highlighted CDP Matchmaker as a tool that enables cities nationwide to showcase infrastructure projects that aim to create jobs and improve climate resiliency.



Paula DiPerna delivers testimony to the Select Committee on the Climate Crisis



U.S. Representatives Kathy Castor and Sam Graves with CDP staff after the hearing

Shaping U.S. policy

Over the year, leaders of CDP North America met with and briefed dozens of decision makers and policymakers. Among these high-profile meetings:

- ▼ **U.S. HOUSE FINANCIAL SERVICES COMMITTEE** on evolving disclosure requirements
- ▼ **U.S. SENATE BANKING COMMITTEE** on climate-related risks to the financial services sector
- ▼ **U.S. SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS** on risks to supply chains and vulnerable community infrastructure
- ▼ **U.S. CHAMBER OF COMMERCE** on a review of its climate change policy
- ▼ **U.S. SENATORIAL OFFICES** on climate, forest and disclosure policy; California, Florida, Illinois, Louisiana, Texas and Rhode Island
- ▼ **NEW YORK STATE SENATE** on ESG investment and how CDP disclosure advances the state's climate change plan
- ▼ **U.S. MAYORS AND CITY/STATE OFFICIALS** on climate action and infrastructure resiliency

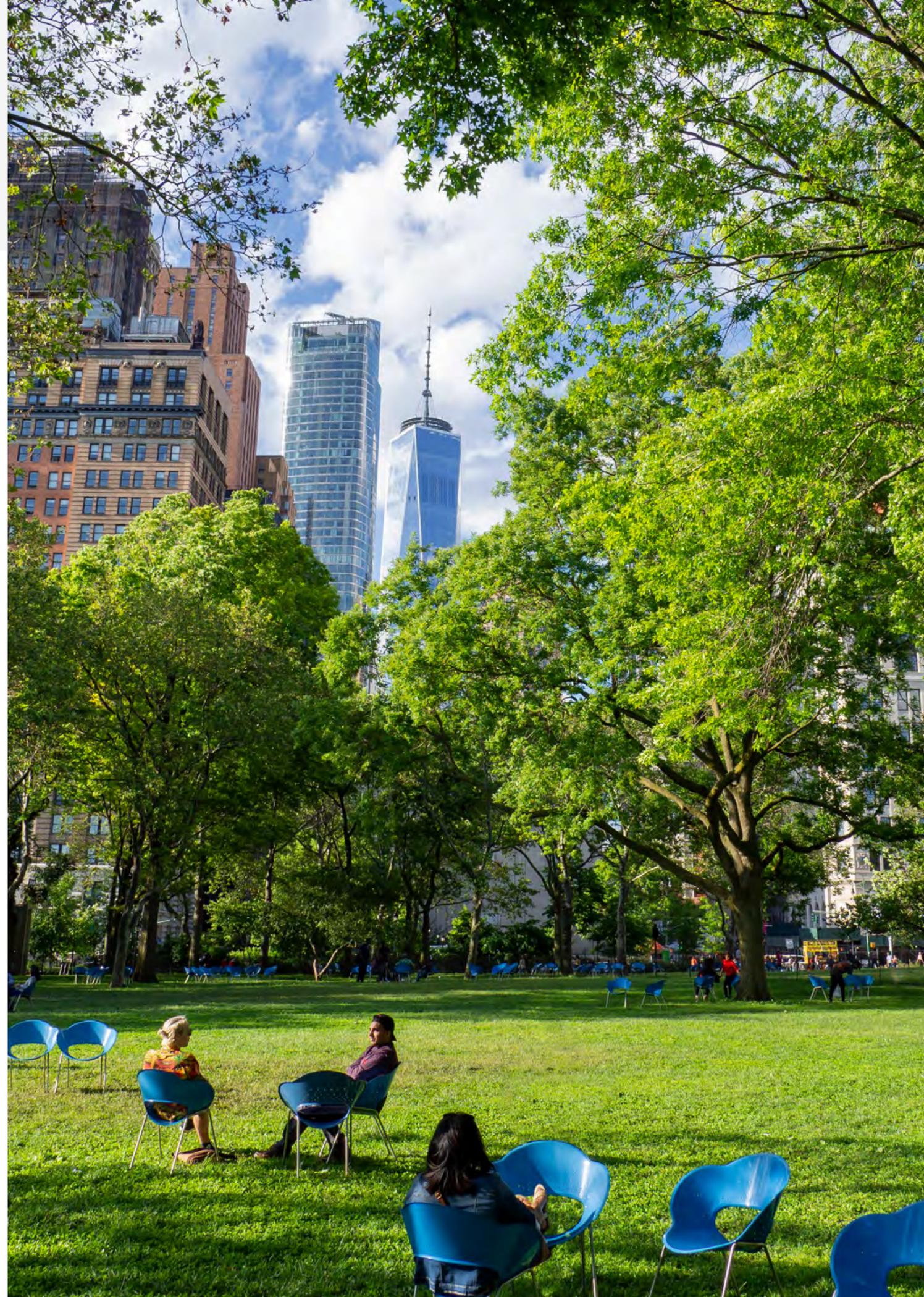
Advocating for corporate climate policy

BUSINESS ROUNDTABLE: In December 2019, CDP met with the Business Roundtable – a membership organization comprised of most of America's major companies. CDP was asked to provide input and potentially collaborate with the organization on its plans to explore how long-term thinking could affect and advance climate change issues, including public policy. This meeting followed a landmark statement issued by the Business Roundtable's members, calling for businesses to serve the needs of their customers and communities, including embracing sustainable business practices.

AAA FRAMEWORK: In October 2019, CDP co-signed an open letter in the New York Times as part of a collaborative effort to urge American CEOs to adopt three essential policy-related actions:

- ▼ Advocate for policies at the national, subnational and/or sectoral level that are consistent with achieving net-zero emissions by 2050;
- ▼ Align their trade associations' climate policy advocacy to be consistent with the goal of net-zero emissions by 2050;
- ▼ Allocate advocacy spending to advance climate policies, not obstruct them.

In addition, the group called for robust disclosure of these actions to ensure transparency and demonstrate leadership, as well as strong corporate governance to enable sustained, strategic and effective engagement in climate policy.



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