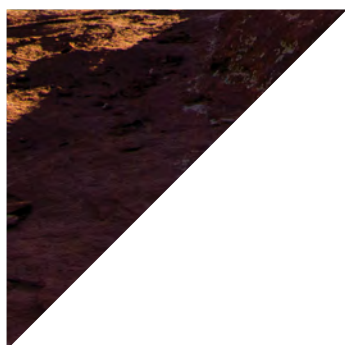


Stories of Change

Accelerating action towards a sustainable future



The effects of climate change, deforestation and water insecurity are already being felt around the globe in extreme weather and devastating natural disasters. As the recent COP25 climate conference in Madrid made clear, the urgency of corporate action on environmental and social challenges is greater than ever. Companies are embracing this challenge, innovating to seize opportunities and mitigate risks.

By providing a global platform for disclosure, CDP helps drive awareness of environmental impacts. But our work also highlights the actions companies are taking to address climate change, water scarcity and the effects of deforestation. By highlighting examples of leading practice, we hope to help other companies understand that the tools exist to mainstream environmental action, and to take steps to reduce their environmental impacts.

For example, US healthcare company **AmerisourceBergen** has increased energy efficiency and reduced waste, while also taking steps to significantly increase the amount of clean energy generated on site. Highly aware of the importance of maintaining critical supplies of medicines, they have plans in place to deal with increasingly frequent natural disasters. Telecommunications company **AT&T** has solidified its position as one of the largest corporate purchasers of renewable energy in the US and is also working on an industry-leading ‘Climate Resiliency Project’ to better anticipate, prepare for and adapt to the effects of climate change. Showing real ambition, **Bank of America** has a target to use 100% renewable energy and achieve carbon neutrality by 2020. They also have goals to drive more action by their suppliers and scale climate action through sustainable finance.

Italian manufacturing company **Danieli** employs innovative technologies to make processes cleaner and more efficient. They are promoting research and development of equipment and machines for producing steel with Green Steel and Sustainable Steel solutions. **Japan Tobacco** argue for the importance of a long-term perspective. They have mapped all their

business activities to the Sustainable Development Goals, and a recent review of their organizational structure places sustainability firmly at the heart of their business. Japanese chemicals and cosmetics company **Kao Corporation** are tackling the plastic waste problem by launching refill packaging for almost 300 of their products. They have also set an ambitious 100% renewable energy goal and made a commitment to address deforestation by engaging with their supply chain.

Cosmetics giant **L’Oréal** is decoupling growth from environmental impact by reducing emissions and improving the environmental and social footprint of their products. They are working towards an ambitious and officially verified science-based target. Employing many different solutions, Danish healthcare company **Novo Nordisk** have achieved their goal of 100% renewable energy across all their sites. Following on from this, they have set a long-term target to achieve zero environmental impact by embracing a circular mindset. With a 1.5-degree target approved by the Science-Based Targets initiative, French information technology company **Sopra Steria** are taking action to reduce emissions across their value chain. In addition to this, they support the right to water of nearly 25,000 people across the world through their support of charities and NGOs.

We hope these profiles, and other examples from the organizations that disclose to CDP, will inspire and encourage other companies to embrace the urgent action needed to address the sustainability challenges we all face.

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AmerisourceBergen

Healthcare, US



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We believe we have a responsibility to create healthier futures. For us, this means we understand our duty as a company extends beyond the services we provide -- it is our moral obligation to improve the wellbeing of human and animal populations by expanding access to quality healthcare and operating sustainably.

▶▶

Tips for success

- ▶ Align sustainability initiatives with culture and purpose.
- ▶ Identify targets and track progress with regularity.
- ▶ Integrate environmental stewardship into all aspects of the business.
- ▶ Engage senior management with accountability for sustainability standards.
- ▶ Establish dedicated, enterprise resources with responsibility for oversight on climate issues.

AmerisourceBergen is responsible for providing pharmaceutical products, value-driving services and business solutions to improve access to care. Through our global distribution network, we supply hundreds of thousands of sites of care with life-saving medications every day – impacting the health and wellness of millions of people. We believe we have a responsibility to create healthier futures. For us, this means we understand our duty as a company extends beyond the services we provide -- it is our moral obligation to improve the wellbeing of human and animal populations by expanding access to quality healthcare and operating sustainably.

We continuously identify and assess risks related to climate change that could affect our ability to live our purpose, and have created multi-disciplinary company-wide processes to manage potential impacts through both adaptation and mitigation measures. To improve the sustainability of our operations, we have implemented practices that reduce energy and waste. We purchase clean energy in many of our locations, and we've invested in sustainable building infrastructure, including several new LEED certified office spaces and two solar energy projects. We are embarking on a 2.27 megawatt (MW) solar installation at our Sacramento, California distribution center, and recently opened a new distribution center in Phoenix, Arizona outfitted with on-site solar power that is expected to generate nearly half the energy needs for the location. These initiatives are captured through a public goal for on-site renewable energy generation by the end of 2020.

Our distribution centers require a supply of dependable, secure, uninterrupted electricity to operate and keep critical medicines at specific temperatures, and we stay abreast of emerging technologies related to energy efficiency, renewable energy and storage as they could improve our overall energy use.

As connectors between those who create and those who prescribe and dispense medication, AmerisourceBergen has a critical responsibility to guarantee patients have access to vital medications and products. And in the midst of a changing climate, which can bring about an increase in the number of extreme weather events, it is our everyday role that has become even more crucial in ensuring that patients, hospitals, pharmacies and manufacturers have access to what they need in a timely manner.

During a natural disaster, AmerisourceBergen leverages its network of distribution centers, third-party couriers and associates to safeguard healthcare providers and the supply chain. We communicate with customers in the expected path of extreme weather events to prepare, and we partner with a number of organizations and non-profit partners, to quickly, safely and efficiently respond to disasters and move in critical supplies and life-saving medications.

Maintaining critical operations in the face of a potential natural disaster is paramount to sustaining our business. But functionality is only achievable by first ensuring the safety and security of our associates. The AmerisourceBergen Associate Assistance Fund is a nonprofit charitable organization that provides financial assistance to associates and their families who are victims of natural disasters or are facing severe financial hardships. For example, in the aftermath of Hurricane Maria, which impacted the Caribbean and Gulf Coast, our Associate Assistance Fund was used to purchase nearly 40 generators for associates in Puerto Rico to help restore power to their homes.

AmerisourceBergen is aware of our footprint, but more importantly we are committed to doing our part to lessen our impact on the environment and continue to proactively adapt to a changing climate. While we've made tremendous progress, we know there is more work yet to be done. In the coming year we plan to scale our environmental sustainability efforts and build upon the progress we've made as we continue to fulfill our promise of strong corporate citizenship.

AT&T

Telecommunications, US



At AT&T, we are using our size, talent and technology to help mitigate and adapt to climate change and create a better, more environmentally sustainable world.



Tips for success

- ▼ Ensure that climate goals are connected back to the core business and demonstrating value for the company.
- ▼ Go beyond the four walls of your company and explore how you can enable positive impacts with your customers and communities.
- ▼ Look at the long-term: how climate change may impact your business well into the future, then determine what actions you can take today to prepare.
- ▼ Leverage your company's assets – such as its talent and technology – to achieve climate goals.

AT&T recognizes that climate change is one of the world's most pressing challenges, and that we can be part of the solution. To do so, we are using our resources to advance climate action. That includes scaling renewable energy purchases, reducing our greenhouse gas (GHG) emissions for ourselves as well as our customers, and building resilience to climate-related risks.

At AT&T, we're proud to play a role in helping to speed up and scale the renewable energy sector – a key piece of advancing global climate goals – with our significant large-scale renewable energy purchases. In September 2019, AT&T announced that our renewable energy purchases will surpass 1.5 gigawatts (GW) of clean energy capacity, solidifying our position as one of the largest corporate purchasers of renewable energy in the U.S. The anticipated combined electricity generated from AT&T's renewable energy purchases is expected to reduce GHG emissions by an amount equivalent to providing electricity for more than 560,000 homes or taking 690,000 cars off the road for 1 year!¹ Additionally, AT&T-backed renewable energy projects will help create hundreds of construction jobs and dozens of permanent, clean energy careers².

AT&T's renewable energy purchases are part of our company-wide commitment to reduce our GHG footprint. To date these efforts have realized a reduction in our Scope 1 emissions by 20% (from a 2008 baseline) – 3 years ahead of our 2020 goal³. We also believe that our technology can play a role in reducing emissions beyond our walls. That is why we made a commitment to enable our customers to reduce GHG emissions ten times the footprint of our operations by 2025, which we call our 10x Carbon Reduction Goal.

To meet the goal, we're working with our customers to deploy technology that can help reduce GHG emissions, save water and more. AT&T's Internet of Things (IoT) solutions are able to connect devices – ranging from smart building equipment like lighting, heating and cooling, to smart irrigation, to connected shipping pallets and more – enabling more efficient resource management and emissions reduction⁴. For example, our workplace solutions, such as desk-based video conferencing, utilize AT&T voice and data connectivity to help accelerate business while reducing carbon-intensive travel⁵. We are also executing Smart City projects, which leverage our wireless network and IoT solutions to help cities reduce energy use and advance sustainability goals. In our 10x progress report released in spring 2019, we use company-specific case studies to detail how these kinds of solutions have already resulted in us enabling GHG savings approximately 2x the footprint of our operations.

In addition to minimizing the footprint of our own company and that of our customers, AT&T is working to assess the risks of climate change so we can make smarter, climate-informed decisions for the future. We've engaged the U.S. Department of Energy's Argonne National Laboratory on an industry-leading Climate Resiliency Project to better anticipate, prepare for and adapt to the impacts of climate change, leading to the development of our Climate Change Analysis Tool. We also launched the AT&T Climate Resiliency Community Challenge for universities to collaborate with local governments to conduct climate risk analysis using the data developed by Argonne National Laboratory and shared by AT&T, and will soon be announcing select winners from that challenge.

The climate is changing. At AT&T, we are using our size, talent and technology to help mitigate and adapt to climate change. And by taking these actions we are, in turn, helping build a better, more environmentally sustainable world.

1. EPA Greenhouse Gas Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
2. AT&T Renewable Energy Website: <https://about.att.com/csr/home/environment/renewable-energy.html>
3. AT&T Greenhouse Gas Emissions Issue Brief: <https://about.att.com/content/csr/home/issue-brief-builder/environment/greenhouse-gas-emissions.html>
4. AT&T Progress to 2025: 10x Goal update: <https://about.att.com/csr/home/environment/reducing-emissions.html>
5. AT&T Progress to 2025: 10x Goal update: <https://about.att.com/csr/home/environment/reducing-emissions.html>

Bank of America

Banks, Financial Services, US



Bank of America recognizes that we have a role and responsibility to play in accelerating the transition to a low-carbon, sustainable economy, and that using goals helps move us forward.



Tips for success

- ▼ Goals are important tools in navigating your organization's sustainability journey.
- ▼ Tracking data and measuring impact helps to better understand what works and when it is time to recalibrate.
- ▼ Engaging with business units across the company can help ensure success by increasing awareness and support for sustainability commitments.
- ▼ Sharing stories of success can encourage employees, customers and other stakeholders to work with you to take bold actions.

At Bank of America, we're guided by a common purpose to help make financial lives better, through the power of every connection. We're delivering on this through responsible growth with a focus on our environmental, social and governance (ESG) leadership. ESG is embedded across our business and reflects how we help fuel the global economy, build trust and credibility, and represent a company that people want to work for, invest in and do business with. Bank of America recognizes that we have a role and responsibility to play in accelerating the transition to a low-carbon, sustainable economy, and that using goals helps move us forward.

As a large, global company, we understand the impacts our operations have on the environment, and our scale also enables us to take measurable action to reduce these impacts. Bank of America is working to achieve a set of 2020 operational targets, including utilizing 100% renewable electricity, achieving carbon neutrality, and increasing the percentage of our CDP Supply Chain responding vendors who report their greenhouse gas emissions, to 90 percent.

One example of how we are doing this is through on-site solar installations. In 2019, Bank of America continued to expand renewable energy capacity by announcing that we will install solar panels on more than 60 locations, including financial centers, ATMs and offices. This effort is expected to generate more than 25 megawatts of renewable electricity that will directly power our operations with clean energy and contribute toward our goal of utilizing 100% renewable electricity by 2020. Adding on-site solar will result in a reduction in energy costs and greenhouse gas emissions, and will deliver estimated savings of more than \$50 million over 25 years.

We have also set goals to scale climate solutions through sustainable finance. In 2007, we launched our Environmental Business Initiative with a \$20 billion commitment. We met that goal four years ahead of schedule and, in 2013, launched our second commitment of \$50 billion, which we increased to \$125 billion in 2015. This present commitment was met in December 2019, six years ahead of schedule. In 2020, we will launch our third environmental business goal to mobilize an additional \$300 billion in capital by 2030 to support low-carbon business activities in line with our focus on deploying capital for responsible, sustainable growth. From 2007 through the end of 2030, Bank of America will have deployed more than \$445 billion to low-carbon, sustainable business activities.

In addition to setting these environmental business goals, we have measured the benefits of the capital deployed through our environmental business initiatives. A recent analysis by EY demonstrates how our current \$125 billion commitment is accelerating the transition to a sustainable economy while supporting new jobs and economic growth. The report evaluated \$41.6 billion in direct Bank of America financing of projects in the U.S. in renewable energy production, construction of energy-efficient buildings, energy conservation measures, water infrastructure upgrades, and urban transit infrastructure improvements. This financing facilitated the avoidance of an estimated 23 million metric tons of greenhouse gases and 518 billion gallons of water.

Over the past two decades, Bank of America has set, achieved and recalibrated both operational and sustainable finance goals. We firmly believe that what gets measured gets managed, and have learned the value of tracking results to better understand our impacts. Our operational targets guide our efforts to reduce emissions and to increase the usage of renewable electricity, while our finance commitments are scaling those solutions across the broader economy. Utilizing broad, ambitious, measurable goals as guides ensures we are all addressing this truly global challenge of climate change.



Danieli's Corporate Responsibility has increased thanks to the greater interaction taking place among all the stakeholders. We reward our stakeholders by promoting their development and contributing to their welfare, but also, we reward our customers by delivering innovative products, protecting the environment and committing ourselves to building reliable plants in a sustainable way.

Camilla Benedetti, Danieli Board Vice Chairman

Tips for success

- Strengthening the Governance of Sustainability within the Group to develop green projects with strategic control over them.
- Working in line with the Paris Climate Agreement to achieve the 17 Sustainable Development Goals defined by the United Nations with Agenda 2030.
- Implementing European Commission guidelines on integrating disclosure of non-financial information such as climate change measures, and climate impacts of and on business activities.
- Empowering people, the company's main asset, with courage and creativity to improve technical solutions in an environmentally-friendly way, consolidating corporate responsibility and sustainable values.
- Fostering Danieli's values as a legacy of skills, knowledge and processes for the creation of value for long-term sustainability and safety in the workplace.

The Danieli Group designs, builds and sells innovative plants for the iron and steel industry and the non-ferrous metal sector, offering a complete range of machines from primary process management to manufacturing of finished goods.

The Danieli motto – **"InnovAction to be a step ahead in CapEx and OpEx"** – expresses the new organisational model adopted by the Group aiming to encourage multicultural intellectual growth and develop sustainable solutions to respond more effectively to current market needs.

In new projects and in modernizing existing ones, we use innovative design, logistics and plant layout following the **"Best Available Technologies"** (BAT), as well as advanced automation and high-level plant synergies, to make production more efficient and cleaner, with full adherence to international environmental standards – above all by reducing energy consumption, one of the main sources of CO₂ emissions.

Process fluids, like water or mineral oils, can make several passages through the processes before exhausting their potential, thus reducing significantly the make-ups related to the "make-use-dispose" model of a traditional linear economy and also the effluent ("zero liquid discharge"). New, secondary raw materials coming from the process itself (slag) or from other industrial sectors (automotive shredder residue) reduce the intake of primary raw materials, thus preserving natural resources, all while decreasing waste amounts, leading to an effective circular economy ("zero waste").

The Group is committed to increasingly carrying its Corporate Responsibility towards the global community, by directly and indirectly promoting research and development of equipment and machines for producing steel with Green Steel and Sustainable Steel solutions, improving efficiency and safety, reducing waste and the impact of Greenhouse Gas emissions (GHG) to protect the environment.

Our production segment is now facing an unprecedented challenge due to the requirement to be sustainable. The steel industry accounts for 31% of industrial CO₂ emissions, so we must accept our joint responsibility to meet the ambitious targets that have been set for us, to be resourceful and find ways to make the production of high-quality steel environmentally friendly.

In ironmaking, we offer the ENERGIRON process for direct reduction of iron ore (DRI), which is a ready-to-use technology for replacing carbon-based ironmaking (Blast Furnace route) with a hydrogen-based process. The natural gas-based ENERGIRON plant in Abu Dhabi already implements Carbon Capture and Storage (CCS), injecting CO₂ into oil pits for enhanced oil recovery (CO₂-EOR). Besides their low carbon footprint, DRI plants are also environmentally compliant because there are no dioxins, dust or NO_x emissions. Danieli is leader in the hot-DRI charged EAF, which reduces energy demand, combined with other EAF technologies as the "Zero Bucket Concept", which allows continuous charging and reduces dust and pollutants.

Among rolling technologies, MI.DA. and QSP-DUE are endless casting rolling (ECR) processes that revolutionize steel production, without furnace reheating and product loss. When reheating is required, induction heaters are a sustainable and flexible option for controlling and equalizing temperature, with increase in product quality and reduction of GHG, NO_x and dust emissions.

Danieli is firmly committed to designing and realizing steelmaking plants as clean operations – not tolerated pollution sources that provide employment, but sustainable centers of activity that are integrated with the local environment and able to repurpose waste materials as resources, such as eco-gravel for civil construction, or low-cost hot water for district heating.

Indeed, staying a step ahead is a challenge that requires not only a constant input of effort and resources, but also strong determination and clear vision on future objectives, as well as ideas to achieve them in a spirit of cooperation with customers, who are the real front runners to produce green steel in a win-win partnership.

Japan Tobacco Inc.

Food, Beverage & Agriculture, Japan



To create a sustainable and inclusive future, we consider the respective interests of consumers, shareholders, employees, and wider society.

Tips for success

- ▼ Consider various stakeholders: our 4S model places the expectations of our stakeholder groups (consumers, shareholders, employees, society) at the heart of everything we do.
- ▼ Focus on the important topics: we have identified and prioritized sustainability issues material to our business and our stakeholders.
- ▼ Establish a sustainability strategy with long-term targets: we look beyond our usual planning cycle to consider the longevity of our business as well as the future of our planet.
- ▼ Develop clear plans and metrics to achieve your strategy: we implemented the JT Group Environment Plan 2030 to further reduce the environmental impacts of our business.
- ▼ Promote initiatives by forming cross-functional teams: cross-functional approaches provide us with different perspectives to address risks and realize opportunities.

JT Group has offices and factories in more than 70 countries and regions and we sell our products in more than 130. In addition to our tobacco business, we have pharmaceutical and processed food businesses.

Our management principles and our approach to sustainability are governed by our 4S model. Through this, we strive to fulfill our responsibilities to our valued consumers, shareholders, employees, and the wider society. We carefully consider the respective interests of these four key stakeholder groups, and exceed their expectations wherever we can. JT Group's CEO, Masamichi Terabatake explains: "Sustainability calls for our management to have a broad long-term perspective, and to ensure the business continues to create value, thus ensuring the sustainability of our business and of society, over the long term."

With sustainability at the heart of our management approach, we reviewed our organizational structure in early 2019. We created a Sustainability Management Division at the JT Group head office in Tokyo and appointed a dedicated Senior Vice President for Sustainability. This followed the launch of our Sustainability Strategy in 2018.

Our strategy is underpinned by three 'absolute requirements' for sustainability which apply to the whole Group: Respect for Human Rights, An Improved Social and Environmental Impact, and Good Governance and Business Standards. We then identified key focus areas through materiality assessments and engagement with stakeholders. Our core business, tobacco, has already set out its four focus areas and specific targets, which provide a solid basis for measuring and benchmarking our sustainability performance, and support the sustainability of the JT Group. As of December 2019, our pharmaceutical division and processed food business are currently defining their respective approaches.

In addition, we have determined how our approach to sustainability is aligned with the United Nations Sustainable Development Goals (SDGs), which form the blueprint for the world to achieve a more sustainable future. We mapped the activities of our tobacco business against all 17 SDGs and concluded that the business contributes most significantly to nine of them. We intend to undertake the same process for the other two businesses in the Group.

To translate into action the absolute requirement for 'Improved environmental impact', we have published a new Group Environmental Policy. This outlines our overall intention and direction in relation to how we manage our environmental impact. In turn, the Policy is supported by our new 'JT Group Environment Plan 2030' which we launched in mid-2019.

To develop the plan, we identified our key environmental risks and opportunities. From these, we established the focus areas, namely "Energy and Emissions", "Natural Resources" (water and forestry) and "Waste". Our Plan contains longer-term objectives for energy and emissions, along with quantified targets to be achieved by 2030 for all focus areas. It also sets out a commitment to transition our operations to net zero carbon energy supply. To help track our performance, we have also set a long-term Greenhouse Gas emissions reduction target, in line with the Paris Agreement and which was validated by the Science Based Targets initiative (SBTi) in February 2019. Going forward, we will be conducting climate scenario analysis to provide a longer-term perspective on risks from climate change and how we need to manage those risks.

Within an organization of the scale and complexity of the JT Group, no single function can implement our Sustainability Strategy and Group Environment Plan alone. We promote cross-functional working in terms of geographies, businesses and departments. By doing this, we better identify our risks and opportunities, implement robust action plans to address these, and share learnings and good practices. These are all essential to deliver on our sustainability commitments.

Kao Corporation

Chemicals and Cosmetics, Japan



We're facing the greatest threats in history, global challenges like climate change, resource scarcity and plastic pollution are leading consumers around the world to seek a more sustainable way of living. Through our products and presence in everyday life, we know that we have an increasingly important role to play in delivering more sustainable products and empowering consumers to live more sustainable lifestyles.



Kirei — Making Life Beautiful



Tips for success

- Committing to a consumer-centric ESG strategy (The Kirei Lifestyle Plan) that focuses on both the individual and society as a whole
- Set ambitious long-term commitments that are focused on your material issues and aligned with your corporate purpose.
- Collaborate with key partners to share goals and develop joint initiatives to reduce your emissions and accelerate progress on other targets.
- Support your sustainability strategy with clear targets for each division in your organization, and activities that outline how your employees can contribute towards these.
- Commit to research and development to meet the increasing demand for sustainable living.

The world is changing fast, so the way we work needs to change even faster. We're facing the greatest threats in history: global challenges like climate change, resource scarcity and plastic pollution are leading consumers around the world to seek a more sustainable way of living. Through our products and presence in everyday life, we know that we have an increasingly important role to play in delivering more sustainable products and empowering consumers to live more sustainable lifestyles.

Since we were founded in 1887, Kao has been committed to serving people, their families, their communities and our planet, while helping them live more sustainably – we call this philosophy the Kao Way. It's why we have developed and committed ourselves to a new ESG (Environmental, Social, and Governance) strategy called the Kirei Lifestyle Plan. 'Kirei' means beautiful and clean, both on the outside and on the inside.

As part of achieving this, we've developed a highly concentrated liquid detergent with high washing power which means only one rinse cycle is needed, reducing water and cutting energy use. Similarly, we make our dishwashing detergents with foams that lather and rinse quicker, helping our consumers reduce the amount of water they use by 20%.

Working within the beauty and personal care industry, we're also acutely aware of the serious impact of plastics on our natural environment and the need for urgent action to reduce their level of use and ensure that those we do use are always re-used or recycled. That's why we have launched refill packaging for almost 300 of our products, resulting in a 73% decrease in plastic packaging use in personal care and household in 2018, compared to a 'do nothing' scenario.

To decrease our environmental impact and reduce our carbon emissions even further, we're now using 100% renewable electricity in our manufacturing sites across Europe and the US, as well as in Ehime in Japan, and have committed to purchasing 100% renewable electricity supplies across all our sites by 2030. Through such measures, renewable energy now accounts for 20% of our global power consumption. This has resulted in an approximate 65,000-ton annual reduction in our CO₂ emissions (2018).

Another key issue we are dedicated to addressing through the Kirei Lifestyle Plan is deforestation. We have already achieved 100% in traceable paper and pulp use in Kao consumer products and packaging. And by 2020, we aim to purchase only recycled or sustainably sourced paper for use in our products, our packaging materials and our offices. Additionally, we use questions from the CDP programme to assess our suppliers, evaluate the sustainability of their practices and provide consultation to help them improve their management of these commodities. We are now in our second year of this CDP SC Forest assessment process and believe it provides suppliers with concrete ideas for building change.

Moving forward, we will continue improving our operations and reducing our environmental impacts by:

- building innovative partnerships to improve traceability of commodities that are used across our product line, such as palm oil;
- working more closely with the smallholder farmers who supply us to ensure their practices are environmentally responsible and sustainable;
- and driving further innovation in water and materials efficiency through our products, operations and supply chain.

We dedicate all our operations to enabling our consumers to live more sustainably and make a positive contribution to the world, as envisioned by the United Nations Sustainable Development Goals. Through our Kirei Lifestyle Plan, we will continue to realise our commitment to making every day more beautiful, making thoughtful choices for society, and making the world healthier and cleaner.

Dave Muenz, Executive Officer, ESG Global, Kao Corporation

L'Oréal

Manufacturing, France

In terms of sustainable production, we achieved a 77% reduction in CO₂ emissions in 2018 (compared to 2005), exceeding our 2020 target of -60%. With a production volume increase of 38% over the same period, we continue to decouple our growth from our environmental impact.

Tips for success

- ▶ A clear sustainability vision, driven by the CEO and its Management Committee. L'Oréal's strategy addresses the way we design, produce, distribute and communicate our products.
- ▶ A long-lasting commitment – for more than 25 years – to reduce your environmental footprint, through tailor-made solutions adapted to the local context of your sites.
- ▶ A worldwide sustainability program, such as L'Oréal's Sharing Beauty With All, with commitments across the entire value chain, from the sourcing of ingredients through production to distribution.
- ▶ A collective involvement of all employees worldwide, with a strong collaboration and sharing of best practices between marketing, research & innovation and operations.
- ▶ A transparent and open approach that engages suppliers, external stakeholders, NGOs, local communities in order to build, all together, the most relevant and efficient projects.

L'ORÉAL

As the leader of the beauty industry, we have a responsibility and an opportunity to help address the major challenges faced by humanity today, including climate change, biodiversity loss, resource scarcity, poverty and social inequality. Thanks to our sustainable development program, 'Sharing Beauty with All', launched in 2013, we are transforming every aspect of our value chain – all the way from the sourcing of raw materials to the consumer interaction with our products.

L'Oréal has already undertaken an in-depth transformation to reach ambitious targets set for 2020, specifically on climate protection, sustainable water management and our fight against deforestation.

Firstly, we want 100% of our new or renovated products to have an improved environmental or social footprint by the end of 2020. We had already reached 79% of our target in 2018. Whenever our teams invent or renew a product, they look for potential enhancements, for example by improving biodegradability of its formula or using responsibly sourced ingredients. The teams also look to optimize the packaging by using recycled or biosourced materials; the packaging of an increasing number of our products is already composed of 100% recycled plastic.

In terms of sustainable production, we achieved a 77% reduction in CO₂ emissions in 2018 (compared to 2005), exceeding our 2020 target of -60%. With a production volume increase of 38% over the same period, we continue to decouple our growth from our environmental impact. We improved the energy efficiency of our industrial processes, our buildings, and increased the use of renewable energy. We launched a worldwide initiative to reduce CO₂ emissions from product transportation. In December 2017, we had our science-based targets approved and committed to make all our sites carbon neutral by 2025 and decrease our CO₂ (Scopes 1, 2, 3) emissions by 25% by 2030 compared to 2016. Lastly, we signed the 1.5°C business pledge of the UN Global Compact, committing to achieve zero-net CO₂ emissions by 2050, in line with the 1.5°C climate trajectory. We are also taking action, such as on-site recycling and reuse of wastewater, to cut the water and waste impacts of our production by 60% by end of 2020. As a result of our waste optimization, our industrial sites achieved 'zero waste to landfill' in 2018.

Sharing our growth with all our stakeholders is central to fulfilling our vision. In 2018, we had helped 63,584 people from underprivileged communities find access to employment through our social inclusion programs. We have also been working with our suppliers to integrate sustainability as a key measure of performance and enhance their environmental and social policy. In particular, we have pledged that none of the ingredients and raw materials used in our products will be linked to deforestation by the end of this year. We are working at securing traceability and sustainably certified sourcing of commodities such as paper and cardboard, soy and palm, in close collaboration with suppliers, NGOs, and independent smallholders where relevant.

We want all our brands to help raise consumers' awareness of living sustainably by the end of 2020. To do this, it is vital that we 'walk the talk', and we are clearly telling our consumers how we are improving the footprint of our products.

We are working hard to reach our end of year targets and are confident in our ability to achieve them. At L'Oréal, we see sustainability as a responsibility and as a 'license to operate'. It is our consumers' growing expectation, and sustainability is therefore fully integrated with our mission of bringing beauty to all. But first and foremost, sustainability is who we want to be, a responsible business that creates a positive impact on society and the environment.

Novo Nordisk

Health Care, Denmark

circular
FOR **zero**

In September this year we joined the UN Climate Action Summit and pledged to do our part to keep global warming to 1.5°C. Being committed to zero carbon emissions from operations and transport by 2030 we take environmental actions throughout our entire value chain in order to make a real impact.

Camilla Sylvest, EVP Commercial Strategy and Corporate Affairs

Tips for success

- ▼ Develop the strategy together with key stakeholders inside and outside the organisation
- ▼ Develop governance that is anchored in the executive team, and ensure advocacy and ownership from this group
- ▼ Develop clear targets that are easy to communicate so that everyone understands what is expected of them
- ▼ Ensure strong internal communication embedding focus to allow engagement by all
- ▼ Develop strong data that enables science-based targets and monitor progress

Novo Nordisk produces life-saving medicines for millions of people living with diabetes and other serious chronic diseases.

We have for decades been focused on reducing our environmental impact and were one of the first global companies to report annually on environmental performance and improvements.

Reducing carbon emissions from our production has been our key focus since 2015 and today we are very proud to be the first pharma company to reach our RE100 target of sourcing 100% renewable power across our global production sites.

Many different solutions have been adopted to reach this goal. We have based our choices on market conditions and local examples include: sourcing wind power in Europe, hydro power in Brazil and solar power in the US.

In addition to purchasing renewable power we have implemented significant production efficiency programmes to reduce energy consumption.

"We are very proud to have achieved our 2020 target of running all our production on 100% renewable power. With this achievement we feel confident that we can push green technology even further and we are ready to set a new ambition. Circular for Zero is the most ambitious strategy we have ever had" says Dorethe Nielsen, Vice President, Corporate Environmental Strategy and continues "we know where we want to go, but we do not yet have all the solutions on how to get there".

The strategy goes beyond energy and carbon emissions. It sets the ambition to have zero environmental impact by embracing a circular mindset and guides us on designing and producing our products so that they can be recovered and re-used and it drives a change of our business practices towards minimizing consumption and eliminating waste by turning this into new resources.

With the new ambition comes a new and ambitious 2030 target: Zero CO₂ from operations and transportation.

This target covers our own production sites, over 80 global offices and laboratories, business flights, company cars and product distribution. While some solutions are feasible today, other solutions will require developing new technologies, joining partnerships and engaging with policymakers.

Eliminating emissions from company cars is a focus area for us, as solutions for zero emissions currently do not exist globally for our approximately 8,000 leased or owned vehicles. We expect that emissions from company cars will exceed the total emissions across our production sites already in 2020. Therefore, Novo Nordisk has established a new company car policy, which encourages employees to switch to hybrid or electric vehicles, along with joining EV100 to engage with policy makers on the green mobility issue.

Another key aspect of the Circular for Zero strategy is sharing our zero-impact mindset with our suppliers. We know that approximately 90% of emissions across our value chain come from suppliers, and less than 10% of emissions come from our own operations. Therefore, we need to work with our suppliers to lower their environmental impact. In 2019, eleven key suppliers already enrolled in the programme, and four suppliers have committed to achieving zero CO₂.

In September this year we joined the UN Climate Action Summit and pledged to do our part to keep global warming to 1.5°C. Being committed to zero carbon emissions from operations and transport by 2030 we take environmental actions throughout our entire value chain in order to make a real impact", says Camilla Sylvest, EVP Commercial Strategy and Corporate Affairs.

Sopra Steria Group

Information Technology, France

Our pioneering work is shaping the move to a 'net-zero' carbon economy

sopra  steria

Tips for success

- ▼ Embed sustainability at board level and integrate it into your business strategy.
- ▼ Engage your employees in a network of environmental ambassadors across your organisation who support its objectives and implement the programmes that deliver its strategy.
- ▼ Gather data about the sources of your greenhouse gas emissions, and about risks and opportunities; have the figures independently audited and report them.
- ▼ Set ambitious targets, in line with climate science, that limit the rise in global temperatures to 1.5°C. Define a route to your targets.
- ▼ Identify the sources of greenhouse gas emissions that employees can help reduce; introduce shadow carbon pricing to motivate them to do so.

Sopra Steria, a European leader in consulting, digital services and software development, has embedded sustainability in its operations, supply chain and its services to clients.

"Our ambitious environmental programme continues to drive the move to a 'net zero' economy both for our clients and for us," stated Vincent Paris, CEO of Sopra Steria. "Environmental Sustainability and Corporate Responsibility are part of our company's DNA and help us to attract new business, talent and investment," he continued.

Sopra Steria integrates sustainability into its business by engaging its employees in the implementation of its strategy. Combatting Climate Change requires the active engagement of external stakeholders too. At the invitation of the UN Global Compact, the company shared its expertise in climate action at the European 'Peer Learning Group' in Berlin in 2019.

The Science Based Targets initiative (SBTi) approved Sopra Steria's long-term greenhouse gas (GHG) emissions reduction targets initially in May 2017, and again in October 2019 when the company strengthened them in response to demands to limit the rise in global average temperatures to 1.5°C; it set a target for a reduction in emissions per employee of 85% of 2015 levels by 2040. The SBTi also approved Sopra Steria's commitment to having key suppliers representing at least 70% of its supply chain GHG emissions managing their GHG emissions, and 90% of these suppliers having GHG reduction targets in place by 2025. For a services and consulting business such as Sopra Steria, business travel represents a major part of our GHG emissions. Building on its investment in video-conferencing and remote working technologies, Sopra Steria has introduced shadow carbon pricing for business travel as a way of motivating managers and employees to reduce GHG emissions from business travel.

At the end of 2015 the Group started to define an innovative digital concept named Colibry, which it has deployed since the end of 2017 in the project "Commute", a collaborative initiative by cities, transport authorities and large companies in France developing solutions for reducing the environmental impact of commuting.

The company's strategy has been to increase the proportion of renewables in the energy that it consumes in its offices and data centres. In India, Sopra Steria pioneered the use of renewable energy certificates with PowerPlus®, and then switched to I-RECs for all of its grid electricity when they became available. In Norway the company not only procures all of the electricity that it consumes from renewable sources, but has some of it certified "Ekoenergy", thereby helping to finance renewable energy projects in the developing world. Now 78% of the electricity that the Group uses in its offices and on-site data centres around the world comes from renewable sources.

Sopra Steria offsets its remaining emissions to become CarbonNeutral® for business travel, offices and data centres. It supports carbon offsetting projects in India that increase capacity for renewable energy generation and contribute to the fight against fuel poverty, and afforestation projects in Mexico that provide employment.

Sopra Steria has committed itself to the right to water. By supporting charities and NGOs – such as Green Cross and 1001 Fontaines – working on projects in access to water, sanitation and pollution control, we support the right to water of nearly 25,000 people around the world. Sopra Steria hosted a business event on water at COP25 in Madrid in 2019.

Climate change action and protecting the environment are 'business as usual' at Sopra Steria.

CDP Contacts

Sue Howells

Chief Operating Officer

Daniel Turner

Head of Corporate Engagement

Jenny Frings

Partnerships Manager

CDP Worldwide

4th Floor Plantation Place South
60 Great Tower Street
London EC3R 5AD
United Kingdom

Tel: +44 (0)20 3818 3900
www.cdp.net
info@cdp.net

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If you're interested in sponsoring this report next year, please contact jenny.frings@cdp.net. And if you'd like to learn more about how CDP's supply chain program could help you engage your suppliers on environmental issues as it has done for some of the companies featured in this report, please contact supply.chain@cdp.net