



CENTER FOR CLIMATE
AND ENERGY SOLUTIONS



2016–2017 ANNUAL REPORT

The Center for Climate and Energy Solutions is an independent, nonpartisan, nonprofit organization working to forge practical solutions to climate change.

As one of the world's top environmental think tanks, C2ES brings together policymakers, business leaders, and others to develop ideas that will deliver lasting climate progress.

Our mission is to advance policies and actions that reduce greenhouse gas emissions, promote clean energy, and strengthen resilience to climate impacts.



A handwritten signature in black ink that reads "Theodore Roosevelt IV". The signature is written in a cursive style.

Theodore Roosevelt IV
C2ES Board Chairman

One need only scan the daily headlines to see striking evidence that the low-carbon transition is well underway. Despite a new unsympathetic administration in Washington, cities, states, and companies continue to innovate and invest in climate solutions.

C2ES is working closely with business and government leaders in the United States and abroad to help preserve the important progress made in recent years and to build stronger momentum going forward.

From our alliance with U.S. mayors to our work with international climate negotiators, C2ES is working at all levels to build common ground for common-sense solutions. An essential ingredient is our close collaboration with leading companies committed to climate action.

We are driven both by our deep concern over the grave risks posed by climate change and by our abiding belief that sound climate solutions help sustain and grow our economy as well.

We believe a nonpartisan, pragmatic approach is more important than ever. I invite you to join us in these vital efforts.

We believe a sound climate strategy is essential to ensure a strong, sustainable economy, and that environmental and economic progress go hand in hand.

Indeed, many leading companies agree. Our Business Environmental Leadership Council is the largest U.S.-based group of Fortune 500 companies dedicated solely to addressing our climate challenges.

In my many years of working for environmental progress, I've learned time and again that the path to our goal is rarely a straight line. I've been keeping this in mind as our strengthening climate effort confronts new headwinds.

What we see, thankfully, is that the enormous momentum leading to the Paris Agreement has real staying power. Though in the United States an effective federal response may now seem more distant, growing action by states, cities, and companies keeps us moving steadily in the right direction.

In this report, you'll find examples of how C2ES has helped by:

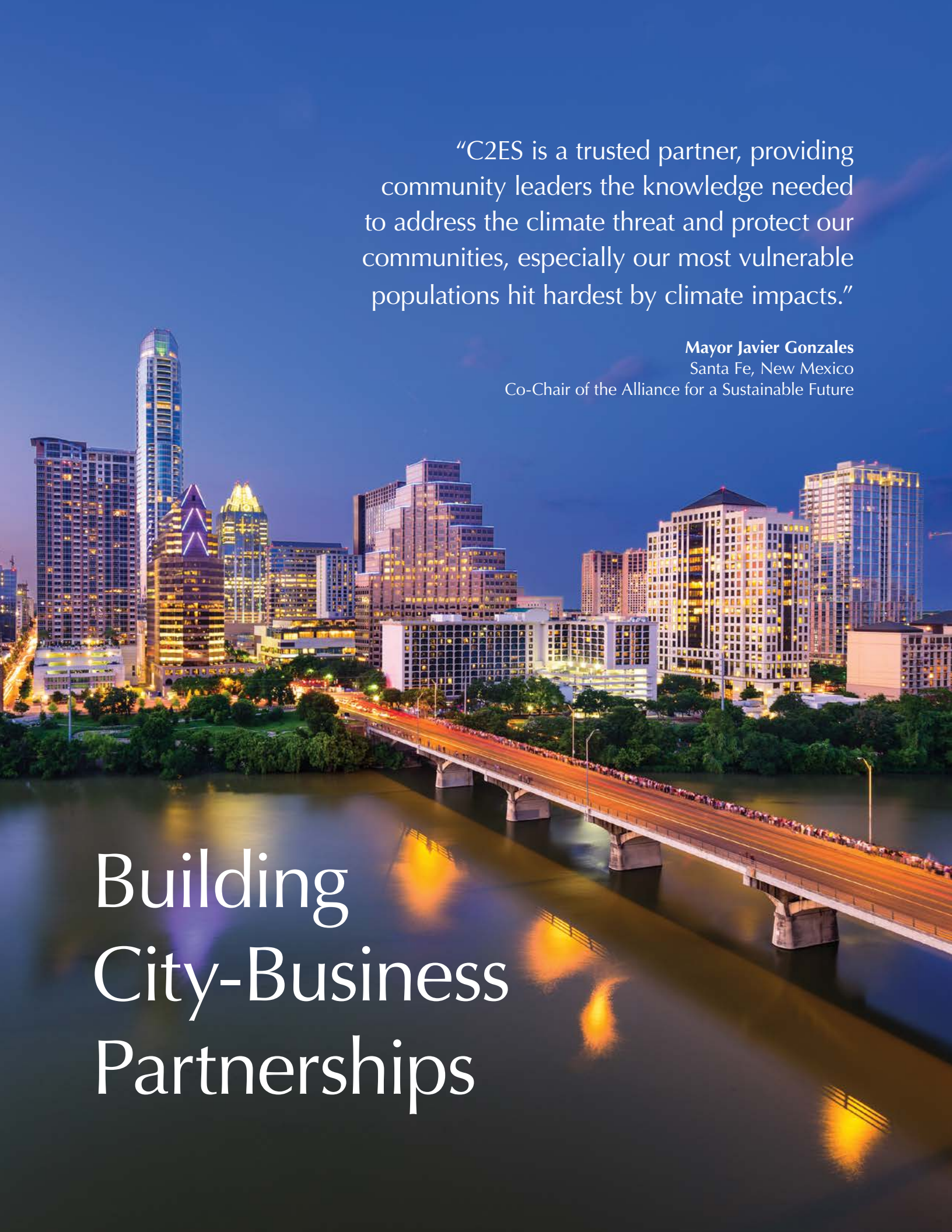
- Forging an alliance with U.S. mayors to bring cities and businesses together to address climate change.
- Working with diplomats from key countries to fulfill the promise of the Paris Agreement.
- Strengthening climate leadership among Fortune 500 companies.
- Helping communities and businesses strengthen climate resilience.

Through these and other efforts, C2ES is working to build common ground for practical climate solutions. We thank our many supporters for your continued help in our shared mission.



A handwritten signature in black ink that reads "Bob Perciasepe". The signature is written in a cursive, flowing style.

Bob Perciasepe
C2ES President

A nighttime photograph of a city skyline, likely Santa Fe, New Mexico. The sky is a deep blue, and the city lights are glowing. A prominent feature is a long bridge spanning across a river in the foreground, with many people walking on it. The bridge's lights reflect on the water. In the background, several tall buildings are lit up, including a distinctive tower with a pointed top. The overall scene is vibrant and modern.

“C2ES is a trusted partner, providing community leaders the knowledge needed to address the climate threat and protect our communities, especially our most vulnerable populations hit hardest by climate impacts.”

Mayor Javier Gonzales

Santa Fe, New Mexico

Co-Chair of the Alliance for a Sustainable Future

Building City-Business Partnerships

Climate change is a global challenge. But its impacts are felt, and many of its solutions can be found, locally—where we live and where we work. Cities and businesses are each in their own way demonstrating critical climate leadership. Working together, they can do even more.

That's why C2ES and the U.S. Conference of Mayors, which represents more than 1,400 mayors nationwide, teamed up to create the Alliance for a Sustainable Future.

Launched in 2016, the Alliance helps mayors and business leaders find ways they can together reduce carbon emissions, speed deployment of new technology, and respond to the growing impacts of climate change. We share research and best practices, provide a forum for problem-solving, and foster public-private climate partnerships.

The Alliance has brought city and business leaders together in Indianapolis, Miami, and New York City; surveyed mayors on their clean energy and transportation priorities; and produced case studies highlighting key challenges and opportunities. A steering committee led by Santa Fe Mayor Javier Gonzales includes founding sponsors AECOM, Duke Energy, and JPMorgan Chase & Co., and the mayors of Austin, Des Moines, New York City, Salt Lake City and West Sacramento.

Cities large and small are making buildings more energy-efficient, tracking electricity and water use, and encouraging clean transportation. Companies, meanwhile, are investing in clean energy, reducing emissions throughout the supply chain, and helping customers reduce their carbon footprints.

Working more closely together helps both strengthen their contributions to meeting the climate challenge.

“C2ES had the trust and skill to bring key countries together to hammer out a basic blueprint for the Paris Agreement.”

Christiana Figueres

Former Executive Secretary of the U.N. Framework Convention on Climate Change

Strengthening Global Action



Decades of concerted efforts are paying off with new international agreements to tackle climate change, and C2ES is working closely with key countries to ensure their success.

In 2016, the landmark Paris Agreement officially entered into force. Its pragmatic approach preserves nations' sovereignty while allowing them to hold one another accountable—precisely the sort of agreement U.S. lawmakers on both sides of the aisle have long advocated.

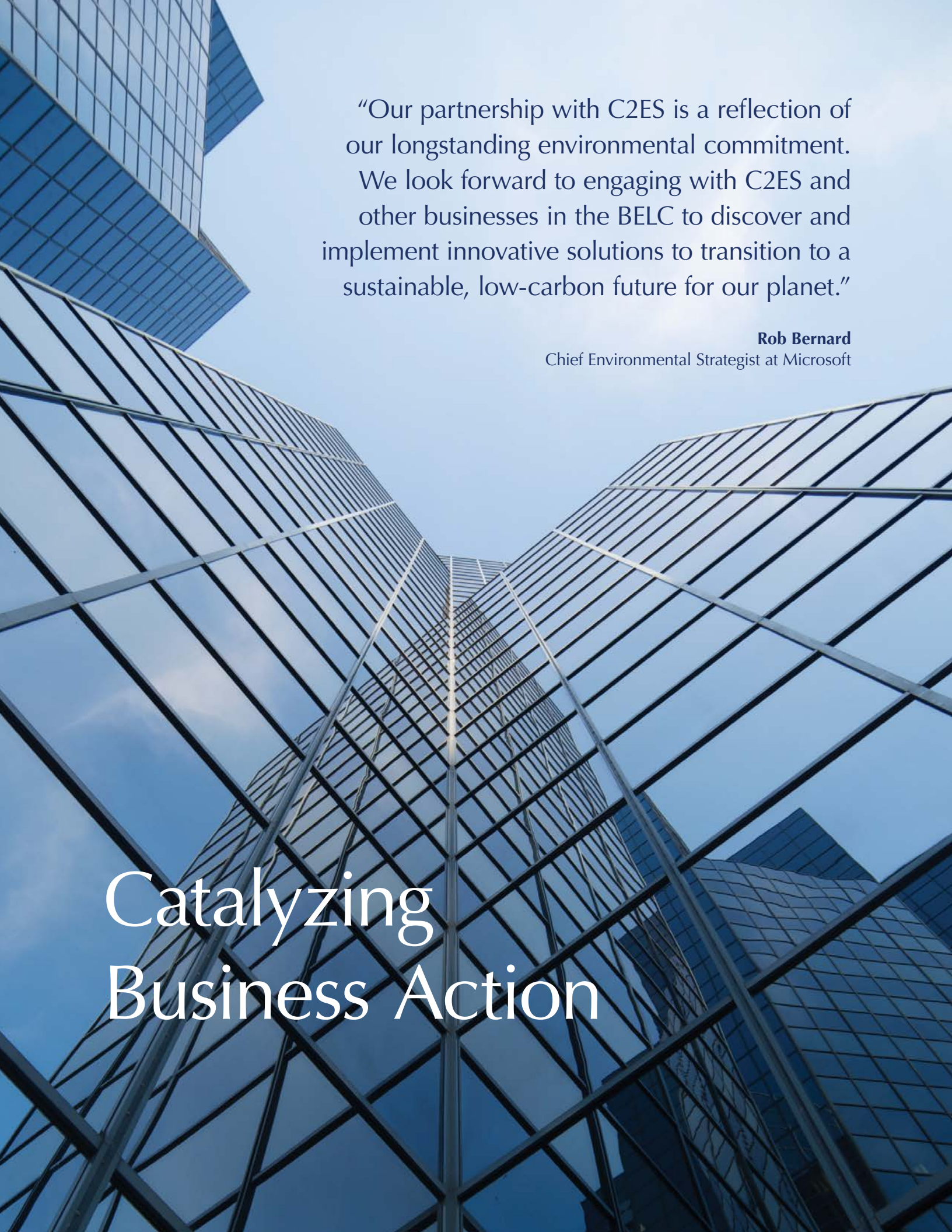
C2ES's behind-the-scenes work with negotiators helped deliver the Paris Agreement and is now supporting its sound implementation. C2ES also rallied business support for Paris, recruiting major companies for full-page ads in *The New York Times* and *The Wall Street Journal* urging President Trump to stay in the agreement.

Beyond the Paris Agreement, 2016 saw two other major international climate accords.

An amendment to the Montreal Protocol phasing down the use of heat-trapping refrigerants called hydrofluorocarbons, or HFCs, could avoid 0.5 degrees Celsius of global warming. C2ES helped address key issues in the negotiations through its detailed analysis of the role of patents, the availability of substitutes, and other technical challenges.

And, in the first-ever climate agreement addressing an entire sector of the global economy, countries adopted a new market-based strategy to cap emissions from international aviation.

Even as U.S. leadership recedes, international climate cooperation continues to strengthen. But even stronger efforts will be needed in the years ahead to ensure that the promise of Paris is fulfilled.



“Our partnership with C2ES is a reflection of our longstanding environmental commitment. We look forward to engaging with C2ES and other businesses in the BELC to discover and implement innovative solutions to transition to a sustainable, low-carbon future for our planet.”

Rob Bernard
Chief Environmental Strategist at Microsoft

Catalyzing Business Action

In the nearly 20 years since C2ES began working with companies on climate change, business leadership has grown ever stronger. It is now more critical than ever.

Even in the absence of federal leadership, more and more companies are preparing for climate impacts and are seizing the opportunities of a clean energy economy. Their shareholders, customers, and employees expect it. At C2ES, we highlight these climate leaders, help them learn from one another, and lift their voices on critical climate policy issues.

At public events we organized in New York City, Washington, D.C. and at the United Nations climate talks, top company executives outlined why they are investing in efficiency and clean energy and have no plans to stop. As Berkshire Hathaway Energy Senior Vice President Cathy Woollums said, "It's a win for the environment; it's a win for our customers; and it's a win for us."

At our sixth annual Climate Leadership Conference and Awards in Chicago, hundreds of climate, energy, and sustainability professionals exchanged ideas on policy, innovation, and business solutions. Microsoft, IBM, and Mars were among the Climate Leadership Award winners, joining more than 100 other recipients recognized since 2012 for outstanding climate efforts.

C2ES is continually helping companies do more. We contributed to new guidelines to help companies clearly and consistently disclose how climate risks and opportunities affect their bottom line. And we're advising companies on ways they can use an internal price on carbon to reduce emissions and costs and to steer investment toward clean energy and efficiency.

There is no solving the climate crisis without the energies, ingenuity and investment of the private sector. That's why we're committed to helping all business leaders become climate leaders too.

“We simply can’t afford to kick the can down the road. By planning ahead we can make wiser investments ... to minimize our risk and enhance resilience.”

Mayor Jorge Elorza
Providence, Rhode Island

A photograph of a residential street with a row of brick houses. The street is flooded with muddy water, reflecting the sky and the buildings. A black street lamp stands on the sidewalk. The houses have red shutters and white trim. The sky is overcast and grey.

Promoting
Climate Resilience

As climate change has evolved from a looming threat to a present reality, preparing for climate impacts has become an inescapable necessity. At C2ES, we're working with states, cities, and businesses to help them assess—and address—their growing climate risks.

At workshops across the state of Maryland and in Chicago, Kansas City, Miami Beach, Phoenix, and Providence, we helped public and private sector leaders understand where to find climate data, how to use it, and how they can partner to build and finance climate resilience.

Providence is one of countless communities finding itself on the front lines of climate change. Already experiencing increased flooding, the city also faces rising sea levels, more heat waves, and more intense storms. C2ES helped state and city officials, local businesses, universities, hospitals, and utilities begin examining the risks and ways to respond. As the mayor put it, "We simply can't afford to kick the can down the road."

Cities and businesses have long collaborated in responding to natural disaster. What's needed now is closer collaboration before the fact. For communities across the country working to better prepare themselves for climate impacts, C2ES provides valuable resources and strategies for engaging businesses large and small in strengthening climate resilience.

Business Environmental Leadership Council

The C2ES Business Environmental Leadership Council—including top companies in the power, manufacturing, transportation, technology, oil and gas, finance, and other sectors—is the largest U.S.-based group of companies devoted solely to addressing climate change. Over the past year, we welcomed new members Amazon, Apple, Arizona Public Service Company, and Statoil. C2ES works with these business leaders to understand and pursue the policies and technologies that will help us reach our climate goals.

Council members agree to the following principles:

- 1** We accept the scientific consensus that climate change is occurring and that the impacts are already being felt. Delaying action will increase both the risks and the costs.
- 2** Businesses can and should incorporate responses to climate change into their core corporate strategies by taking concrete steps in the U.S. and abroad to establish and meet greenhouse gas emission reduction targets, and/or invest in low and zero greenhouse gas products, practices, and technologies.
- 3** The United States should significantly reduce its greenhouse gas emissions through economy-wide, mandatory approaches, which may vary by economic sector and include a flexible, market-based program. Complementary policies may also be necessary for sectors such as buildings, electricity generation, forestry, agriculture, and transportation that will help drive innovation and ease the transition to a low-carbon economy.
- 4** Climate change is a global challenge that ultimately requires a global solution. An international climate framework must establish fair, effective, and binding commitments for all developed and major developing economies.

MEMBERS (2016–2017)

AECOM	Dow Chemical Company	Microsoft
Alcoa	DTE Energy	National Grid
Amazon	Duke Energy	NRG Energy
Apple	Entergy Corporation	PG&E Corporation
Arconic	Exelon Corporation	PSEG
Arizona Public Service Company	GE	Rio Tinto
Bank of America	General Motors	Sempra Energy
Berkshire Hathaway Energy	HP Inc.	Shell
BHP	IBM	Statoil
BP	Intel Corporation	Toyota
CBRE Group	JPMorgan Chase & Co.	
Dominion	LafargeHolcim	

C2ES Funders (FY 2016–2017)

The Center for Climate and Energy Solutions (C2ES) welcomes and appreciates the generous support of charitable foundations, governments, individuals, and businesses. As a fully independent organization, C2ES is solely responsible for its positions, programs, and publications.

\$100,000 to \$500,000

Bank of America Foundation

Trammell Crow

Energy Foundation

Entergy Corporation

German Federal Ministry
for the Environment, Nature
Conservation, Building and
Nuclear Safety

The William and Flora
Hewlett Foundation

The JPB Foundation

JPMorgan Chase & Co.

Pisces Foundation

Swiss Federal Office
of the Environment

Town Creek Foundation

\$25,000 to \$99,999

AECOM

Alcoa Foundation

Leslie Carothers

ClimateWorks

District of Columbia
Department of Energy and
Environment (through Coalition
for Green Capital)

Duke Energy

GE Foundation

Microsoft

Norwegian Ministry of Climate
and Environment

US Department of Energy
(through MELE Associates)

\$10,000 to \$24,999

BP

Canadian Embassy

DGA

George Washington University's
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John Manley

Rosamund Palmer

Bob Perciasepe

John Schmitz

Andrew Shaw

Time Warner Cable

United Nations
Environment Programme

US Department of Energy
(through Envision Charlotte)

Martha J. Weiner
Charitable Foundation

Fiscal Year 2016–2017

April 1, 2016–March 31, 2017

Statement of Activities

REVENUES

Grants and Contracts	2,818,008
BELC Membership Dues	872,757
Conference Sponsorships	221,193
Conference Registration Income	165,583
Contributions	257,761
Interest Income	1,006
Other Income	12,438
TOTAL REVENUES	4,348,746

EXPENSES

Education Outreach	1,620,849
Domestic and International Policy	900,254
Innovative Business	878,947
Management and General	387,767
Fundraising	171,527
TOTAL EXPENSES	3,959,344

NET ASSETS

Change in Net Assets	389,402
Net Assets, Beginning of Year	823,007
Net Assets, End of Year	1,212,409

Statement of Financial Position

ASSETS

Cash	1,901,162
Grants Receivable	21,312
Accounts Receivable	68,217
Prepaid Expenses	51,676
Property and Equipment, Net	8,123
Deferred Compensation Investments	158,102
Deposits	28,522
TOTAL ASSETS	2,237,114

LIABILITIES

Accounts Payable	160,399
Payroll Liabilities	45,121
Accrued Expenses	130,383
Deferred Membership Dues	530,700
Deferred Compensation Obligation	158,102
TOTAL LIABILITIES	1,024,705

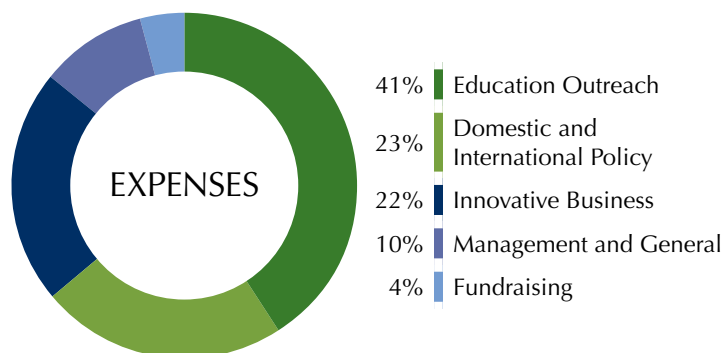
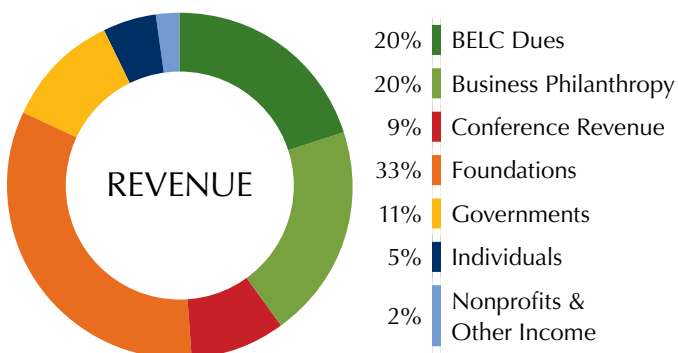
NET ASSETS

Unrestricted	473,046
Temporarily Restricted	739,363
Total Net Assets	1,212,409

TOTAL LIABILITIES AND NET ASSETS **2,237,114**

Note: Net assets at the beginning of the year included funds that were reserved for FY 2016–2017.

Our fully audited financial statements are available at www.c2es.org or upon request by writing to the C2ES Development Department, 2101 Wilson Boulevard, Suite 550, Arlington, VA 22201.



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Join Us

DONATE at www.c2es.org/about/support-our-work/ or contact Development Director Brian Kelly at 703-516-4146 to help us advance strong policy and action to address climate change. C2ES is a nonprofit, tax-exempt charitable organization (tax identification number 54-1892252) under Section 501(c)(3) of the Internal Revenue Code. Donations are tax-deductible as allowed by law.

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