

# ENVIRONMENT SOCIAL & GOVERNA REPORT

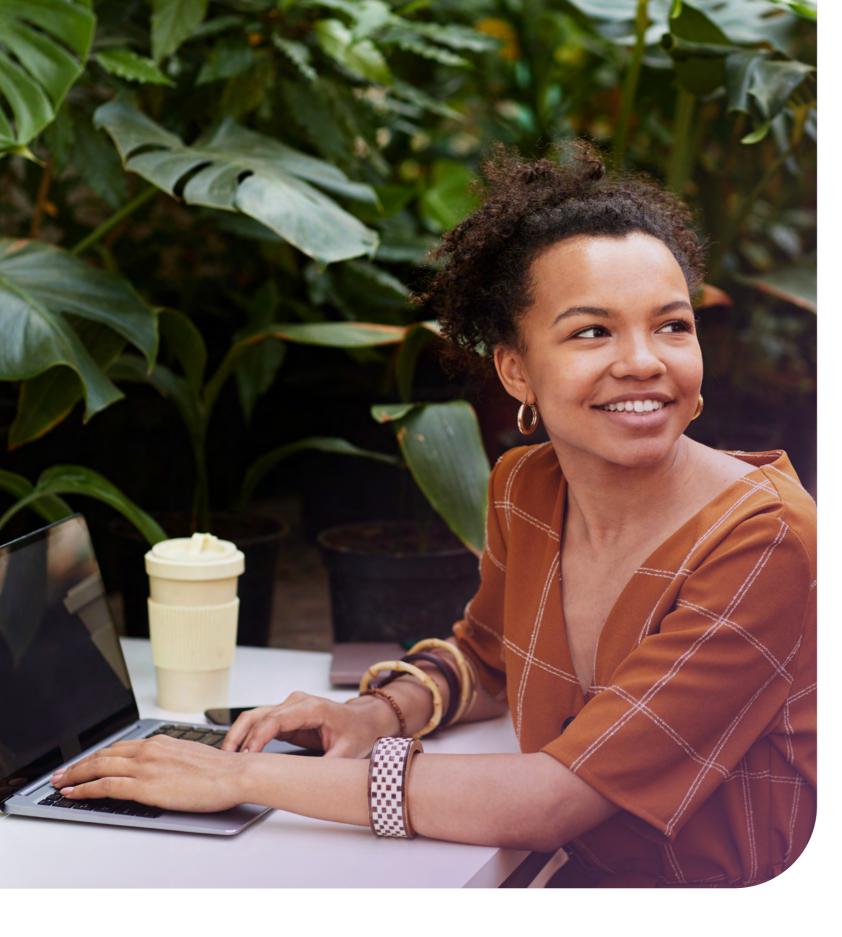
FY22 1<sup>ST</sup> AUGUST 2021 – 31<sup>ST</sup> JULY 2022











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# WHOWEARE

employees worldwide

Softcat is a leading provider of IT infrastructure,

with more than 20 years' experience, delivering

solutions to both the corporate and public sectors,

technology solutions, designed to complement and

supplying bespoke and innovative end-to-end



12,500 longstanding customers

We are now one of the largest resellers in the UK with nearly 2,000 employees serving more than 12,000 UK business customers and generating over £1.4bn of gross-invoiced revenue in the last financial year. Our HQ in the UK is also supported by teams in Washington DC, Singapore, Hong Kong, Sydney, Amsterdam and Dublin.



assist the workforce.

satisfaction

We pride ourselves on the excellent service we provide to our customers. Our success is measured by our primary business objectives: customer service paired with employee satisfaction. More than 94% of Softcat customers have indicated they are either satisfied or very satisfied with the service they have received.

#### Founded in 1993

#### HEADQUARTERED IN MARLOW, WITH NINE OFFICES ACROSS THE UK AND IRELAND



# WHAT WE DO

#### **Our Mission Statement**

'As an organisation, Softcat cares passionately about two things – outstanding employee satisfaction and world-class customer service. It believes the former drives the latter.'

# OUR GOAL ISN'T TO BE THE BIGGEST PROVIDER, BUT WE AIM TO BE UNDOUBTEDLY THE BEST.

We strive to be the leading IT infrastructure solutions provider in terms of employee engagement, customer satisfaction, and shareholder returns. By implementing a drive for success at every level, we hope to inspire meaningful growth and provide an outstanding experience for everyone in our network.

We take pride in our sustainable and responsible approach by recognising our unique position in the IT industry.

We strive to continue reducing our environmental impact and promoting social value through our customer and employee relations.

Our main areas of specific activity include client computing, data centre infrastructure, software licensing, security and networking, connectivity, cloud aggregation, professional consultancy, and managed services.

# 

#### Gaining science-based target approval

We've worked incredibly hard to create a net zero plan that will make an impact. These efforts have been recognised by the Science Based Targets initiative (known as SBTi), and our net zero targets have been approved. What's more, we were the first IT company in Europe to receive SBTi approval.

#### **Releasing inaugural Diversity & Inclusion report**

People are at the heart of everything we do at Softcat. In launching our first ever Diversity & Inclusion report in 2022, we shine a light on the objectives and achievements of our communities, and share, transparently, our inclusion initiatives to embed diversity in all aspects of our work.

#### **Improving CDP score**

CDP credits businesses for disclosing carbon data to measure and manage environmental impact. We are delighted to have improved our rating to B in 2022, and endeavour to achieve A-grade status in the coming years.

#### **Developing and creating Enexo**

Enexo is sustainability through intelligence – exactly what Softcat's about. We've poured our efforts into creating the latest cloud-based sustainability platform, which provides carbon emissions intelligence for 100 UK organisations, making understanding emissions data that little bit easier. Once it's understood, then it's time for action.

#### **EcoVadis Silver status**

In FY22, we maintained our Silver status for EcoVadis, which assesses a business' overall sustainability, from labour and human rights to ethics and sustainable procurement. We're aiming to achieve Gold status in the next few years by working on our identified improvement areas.



# AMESSAGE FROM OUR CEO

Every year, the world generates around 50 million tonnes of electronic waste (e-waste). Only 17% of it is disposed of in an environmentally considerate and secure way. It's headlines like this that started us thinking sustainably many years ago. In 2022, Softcat's commitment to minimising e-waste saw us save almost a quarter of a million kilogrammes of IT from landfill. That's not just good news in terms of landfill. It's good news in terms of the earth that wasn't mined, the CO2e and water saved, and the toxic metals not released into the earth.

It also shows that when you start thinking and working sustainably, the benefits can quickly add up.

We're a socially responsible company. We do good and we support our partners and customers in doing good too. The wellbeing of our people is at the very centre of what we do, and what could be more central to all our wellbeing than the sustainability and protection of the planet?

Yet when you're a growing company, it's not always easy to stay true to your values. Softcat is leading the industry in reducing carbon emissions and we're working to lead the industry in many other aspects of sustainability too.

In this, our first sustainability and Environmental, Social and Governance (ESG) report, you'll discover that our activities cover far more than e-waste and emissions. They are about fairness, representation and reducing inequality. They are about fostering partnerships of mutual benefit. They are about not only ensuring we are a carbon neutral operation, but that everyone in our supply chain is too.

We are immensely proud of the progress we have made. We were the first FTSE 250 company to achieve 5\* accreditation by Support the Goals. We're one of just five UK resellers to achieve 5\* status in the HP Amplify Impact Awards. We were ranked 4th in the UK's Great Places to Work for Women and third in the UK's Best Workplaces for Wellbeing. We won CRN's Diversity Employer of The Year Award and Cultural Inclusion Award. Yet we know

there's so much more to do, which is why we have plans and commitments in place for the short and long term. In this report, we bring all those commitments together.

Our progress is a testament to the hard work and commitment of our people. I see real, genuine passion for working sustainably at every level of our organisation. You see it in the amounts Softcat people raise for charity. You see it in the enthusiasm for our Allyship programme. And you see it in the development of Enexo, our cloud-based platform designed to help organisations measure, manage, and minimise their carbon footprint.

It's all connected. It's all part of one plan to work towards a greener, fairer, better future for all of us. As this report shows, we're making progress.



**Graeme Watt** Chief Executive Officer

#### INDUSTRY AWARDS AND AFFILIATIONS



**HP Amplify Impact Awards** In awarding 5-stars, its highest accreditation, HP recognised Softcat's commitments and efforts to driving sustainability and creating positive change. This makes us only the second HP partner to achieve this recognition globally.



Sustainable IT Solutions Provider of the Year We are thrilled to receive this sustainability accolade for the second consecutive year. In 2022, we received specific recognition for our S3 framework that incorporates Softcat, Solutions and Supply Chain within our sustainability strategy.



Candefero Sustainability Partner of the Year '22 Won at the Canalys EMEA Channels Forum, this shows that the work we're doing is being recognised by the industry. We hope that by sharing our contributions to a better world, more in the IT sector will be inspired to act.



CRN Diversity Employer of The Year Award Softcat was recognised as an industry leader for diversity and inclusion. In a sector where disparity is significant, it is empowering to be identified as a pioneer within the industry.



LGBTQ+ Best Employer Award The North West LGBTQ+ Business Awards aim to recognise the creativity, ingenuity, and resilience of the LGBTQ+ community and its contribution to the economy of the North West of England.



**CRN Cultural Inclusion Award** Achieved for our outstanding commitment to curating a workplace environment and culture where all employees feel appreciated. We are delighted that our five values, designed to embed inclusivity into our business (Intelligence, Responsibility, Fun, Passion, and Community), have been recognised.



5-star SDG Rating A 5-star rating recognises Softcat's commitment to the Sustainable Development Goals, and puts us in the top 4% of businesses for SDG support.



**CRN LGBTQ+ Inclusion Award** This award is for the employer that has shown outstanding commitment in supporting LGBTQ+ individuals in their company and the wider IT industry.



Great Place to Work 2022 In the 2022 UK's Best Workplaces in Tech list, Softcat was ranked 2nd in the Super Large size category. This drives our determination to provide positive work experiences and help our employees reach their full potential.



Microsoft Partner Pledge Softcat has signed up to the Microsoft Partner Pledge to contribute the industry's sustainability journey, as businesses work together to make digital innovation a force for good. It aims to grow more tech talent, enhance diversity and inclusion, and help to deliver a sustainable world.



**UN Global Compact** Softcat are signatories of the UN Global Compact, an initiative driven by CEO commitments to implement universal sustainability principles and achieve the UN Sustainable Development Goals.



**Techtalent Charter** Created to improve the UK tech ecosystems inclusivity and diversity, signing this charter represents our commitment to tackle this challenge.



Race at Work Charter

As a signatory, we are dedicated to transparency, zero tolerance, tackling ethnic disparities, and race inclusion allyship.



Social Mobility Pledge This pledge guides us to be a truly purpose-led organisation, wholly committed to social mobility through our apprenticeship opportunities, to our recruitment process and work with schools.



**Stonewall Champions Programme** Supporting this programme helps us further embed LGBTQ+ inclusion in our workplace, as we ensure our best policy, and practice, for our people.



**Disability Confident Employer** The disability confident scheme promotes change within business, encouraging organisations to think differently about disability. Our accreditation as a Disability Confident Employer represents our commitment to this.



# OUR APPROACH

Sustainability and doing the right thing continue to be a priority for our key stakeholders and for everyone within the company.

Through continuous promotion and discussion within the office, we are engaging our people and highlighting the urgency of our response to climate issues. We are making good steps with our approach to environmental matters and there is a deeply held belief on the Board that this is the right thing to do.

#### Sustainability Committee of the Board

The Board retains ultimate responsibility and accountability for the oversight of the company's strategy, approach and compliance in respect of sustainability and climate change, including the approval of material environmental targets.

During 2022, the Board established a Sustainability Committee that is responsible for setting Softcat's sustainability strategy, including goals, targets, and objectives, and monitoring performance against these. The Committee has seven members, including the Chairman and CEO, and meet biannually.

Softcat operates a top-down, tiered governance approach to ensure all aspects of sustainability are covered, and to focus on what is required to support Softcat, our supply chain and our customers in achieving our vision.

In 2022, we instructed expert sustainability advisors to educate the Board on sustainable development. The ESG topics covered included a specific focus on the Global Goals and strategic priorities. This workshop advanced the collective knowledge and skills of the Board regarding sustainability and promoted effective ESG oversight within Softcat.

#### Our sustainability governance structure

#### Board

Overall strategic direction

#### **Sustainability Committee**

Board-delegated responsibility for oversight of sustainability strategy and policy

Board-delegated responsibility for monitoring climate-related risks, opportunities and targets

Oversight of key climate-related compliance and disclosures

#### Sustainability Leadership Team

Comprises the CFO, Business Development Director, Sustainability Lead and Company Secretary

Responsible for providing Executive-level direction and support on climate-related risks, opportunities, targets and compliance

#### **Sustainability Delivery Team**

Comprises the Sustainability Leadership Team plus selected senior representatives responsible for key climate-related stakeholder management

Responsible for operational management of key environmental targets and engagement with stakeholders

Responsible for operational requirements from a sustainability perspective

#### **Green Teams**

Comprises a Green Team Executive Committee and local Green Teams

Responsible for local delivery of environmental initiatives

Raises awareness and champions the importance of environmental issues

**ABOUT APPROACH** STRATEGY SUPPLIERS APPENDIX

#### THE UN SUSTAINABLE DEVELOPMENT

# GOALS

#### The UN Sustainable **Development Goals**

In 2015, 193 world leaders agreed 17 Sustainable Development Goals, otherwise known as the Global Goals or SDGs. These goals have the power to create a better world by 2030, by ending poverty, fighting inequality, and addressing the urgency of climate change.

The SDGs are a global action plan, and the only universally established framework to save people and planet. It is the responsibility of businesses, governments, and civil society to support the goals, and develop a better future for everyone.

The goals help organisations understand what truly matters. We have been awarded a 5-star business SDG rating because we recognise our duty and unique industry position to really make a difference to the Sustainable Development Goals, and tackle the urgent economic, social, and environmental challenges of the world.

#### **Our priority goals**

The global goals have guided our targeted and ambitious sustainability strategy. To ensure that our actions have the greatest impact, we have identified and committed to the six goals most relevant to our business.

Still, we understand the importance of all 17 goals, and will contribute to them, where we can.







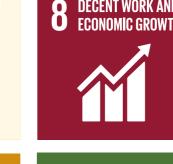








12 RESPONSIBLE CONSUMPTION





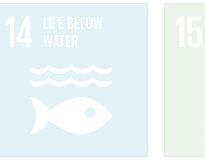


















# OUR SUSTAINABILITY STRATEGY

At Softcat, we believe we can be a successful business, and do good to protect our people and the planet, for future generations.

Our sustainability strategy consists of 4 pillars, that reflect the core values of our business. We're passionate about how we take care of our planet, how we champion diversity and inclusion, how we have a positive impact on the communities around us, and how we take care of our people.

We are committed to drive change within our own organisation whilst working with our partners and suppliers, and supporting our customers on their socially responsible journey through the technology we provide.

We want to make our industry more responsible, more efficient, more inclusive; more sustainable.



We recognise our responsibility to protect the planet and its resources, and ensure we are on tack to meet our net zero commitments.



**ABOUT** 

APPROACH

Our community is at the heart of everything we do. We are committed to being a diverse and inclusive business and developing a supporting and energising culture for our people.



Happy and healthy employees know no bounds, so we are dedicated to prioritising mental, physical, and social wellbeing amongst our people, and endeavour to develop this work in the future.



We have developed strong partnerships with charities and organisations to support out local communities and the environment.



# ENVIRONMENTAL SUSTAINABILITY

From being the first IT company in Europe to gain SBTi approval for our net zero targets, to our global naturebased investments, Softcat is driving the industry in taking meaningful climate action and encouraging responsible consumption and production.



Al Wynn **Business Development Director** 

"We are committed to doing all we can to create a sustainable future and a truly circular economy; a place filled with product innovation, data to drive customer choice and a responsible value chain, maximising product lifecycle and minimising digital poverty."



The technology channel's mission to be future facing isn't just about producing and distributing innovative technology, it means adapting our processes to ensure there is a future to face. As an industry, our activities account for 2%1 of global emissions, so our actions have a chance to make a real difference.

By incorporating climate action into our everyday functions, we are empowering our employees to take responsibility and educate themselves on their impact. We want to make sustainability accessible, so office-based solutions are key, together with educational resources that help us build a culture of care in our offices.

**Graham Charlton** Chief Financial Officer

"We're continuing to work to make our operations sustainable, help our customers achieve the same, and work with our supply chain to create a better future for all of us. Our S3 framework for sustainably reflects this, with three channels (Softcat, Supply Chain and Solutions) across which we focus our efforts. Our people are at the heart of those efforts. We work sustainably for our people. And we work sustainably with our people. They are the ones who show the determination to do more and go further. They are the ones driving our awardwinning change. They are the ones helping us to lead our sector in sustainability."

SUPPLIERS ABOUT APPROACH STRATEGY APPENDIX



#### **SOFTCAT**

We will make sustainability a core element of our business and embed it in our operations. We will focus on our priority goals, and continue to drive and develop a more efficient, low carbon technology industry.



#### **SUPPLY CHAIN**

We will work with our partners, suppliers, and vendors to ensure they are working to our values and doing what they can to enable, deliver and support a sustainable supply chain.



#### **SOLUTIONS**

We will review all services and solutions offered to new and existing customers. We will enable our employees to create and deliver sustainable products to assist our customers on their own sustainable journey.



## **OUR CARBON** FOOTPRINT

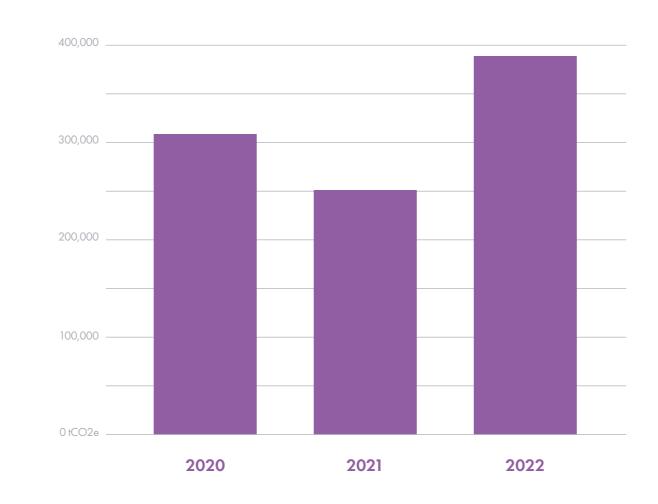
#### **Emissions total:**

383,581 tCO2e

#### Our carbon footprint

As a leading IT infrastructure solutions provider, it's not unusual for indirect greenhouse gas emissions to constitute over 99% of our carbon footprint.

Accounting for both direct and indirect greenhouse gas emissions (Scope 1, 2 and 3), our total emissions for 2022 were 383,581 tCO2e.





SUSTAINABILITY

**ENVIRONMENTAL** 

#### **Emissions total: GHG protocol breakdown**

The Greenhouse Gas (GHG) Protocol defines 3 'scopes' of carbon emissions. Scopes 1 and 2 refer to emissions directly from operations that are owned or controlled by Softcat, plus indirect GHG emissions from the generation of purchased electricity and heating. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in Softcat's value chain.

2022 breakdown					
Scope 1	Scope 2	Scope 3			
<b>229</b> tCO2e	334 tCO2e	383,018 tCO2e			

	FY20	FY21	FY22	% change
Scope 1	68	82	229	179%
Scope 2	258	304	334	10%
Scope 3	304,350	249,051	383,018	54%
Purchased goods and services	280,152	212,577	301,148	42%
Fuel and energy-related activities	36	39	71	82%
Upstream transportation and distribution	66	102	149	46%
Business travel	271	73	511	600%
Employee commuting	273	277	328	18%
Waste	1	1	4	300%
Use of sold products	23,472	35,907	80,697	125%
End of life treatment of sold goods	43	76	109	43%
Downstream leased assets	37	0	-	-
Total	304,676	249,437	383,581	54%

All figures in tCO2e. Change calculated between FY21 & FY22.

GHG emissions for Scope 1 are calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard. The activity data for Scope 1 GHGs emission includes emissions from stationary combustion (natural gas and onsite fuel usage), mobile combustion (fuel usage by fleet vehicles) and fugitive emissions (refrigerants). Gas consumption emissions are calculated using a volume-based approach, and company-owned vehicles emissions are calculated using a volume-based approach.

Scope 2 emissions were calculated in accordance with the Scope 2 Guidance amendment to the GHG Protocol Corporate Accounting and Reporting Standard. Scope 2 emissions were calculated using the location-based method. This method reflects the average emissions intensity of national or regional electricity supply networks. An emission factor is selected representing the average emissions intensity of one kWh of electricity supplied to a consumer from the national/regional electricity supply network where each facility is located.



Our total emissions for 2022 have increased by 54% since 2021. For Scope 1 and 2, this is due to employees returning to the office following COVID-19. There's nothing better than having our talent all together, collaborating and supporting one another, but it must not be to the detriment of the environment.

Scope 3 emissions have continually had the greatest contribution to our total carbon footprint, due to the nature of our business. This year's 54% increase reflects the challenge

that all businesses face, that is, how to increase profit whilst minimising environmental impact. We're confident that our 10 in 10 plan, which primarily supports our partners, suppliers, customers and vendors in developing their own carbon reduction plans, will significantly decrease our overall carbon footprint.

**ABOUT** 

Further to this, Softcat has invested in credible nature-based programmes to capture carbon from the atmosphere. We recognise the importance of securing and enhancing

the natural ecosystems, to support the fight against climate change. For 2022, our nature-based investments balance out our Scope 1, 2, and Operational Scope 3 emissions, which includes business travel, other fuels, employee commuting and waste.

As we embark on our net zero journey, any residual emissions that remain following the reductions made in our strategy will be countered with such nature-based investments and initiatives, in line with SBTi's guidance on Beyond Value Chain Mitigation (BVCM).

#### **Scope 3 emissions**

Our Scope 3 footprint encompasses all 'indirect' emissions, such as those deriving from the hardware and software we sell. Hence, we've identified that this is where we must concentrate our efforts.

This is why working with our suppliers and vendors is a crucial step on our net zero journey. Softcat is in a unique and powerful position to drive climate action through our value chain. Plus, we're providing the guidance and tools required to do so. Learn more about carbon reduction through our value chain here.

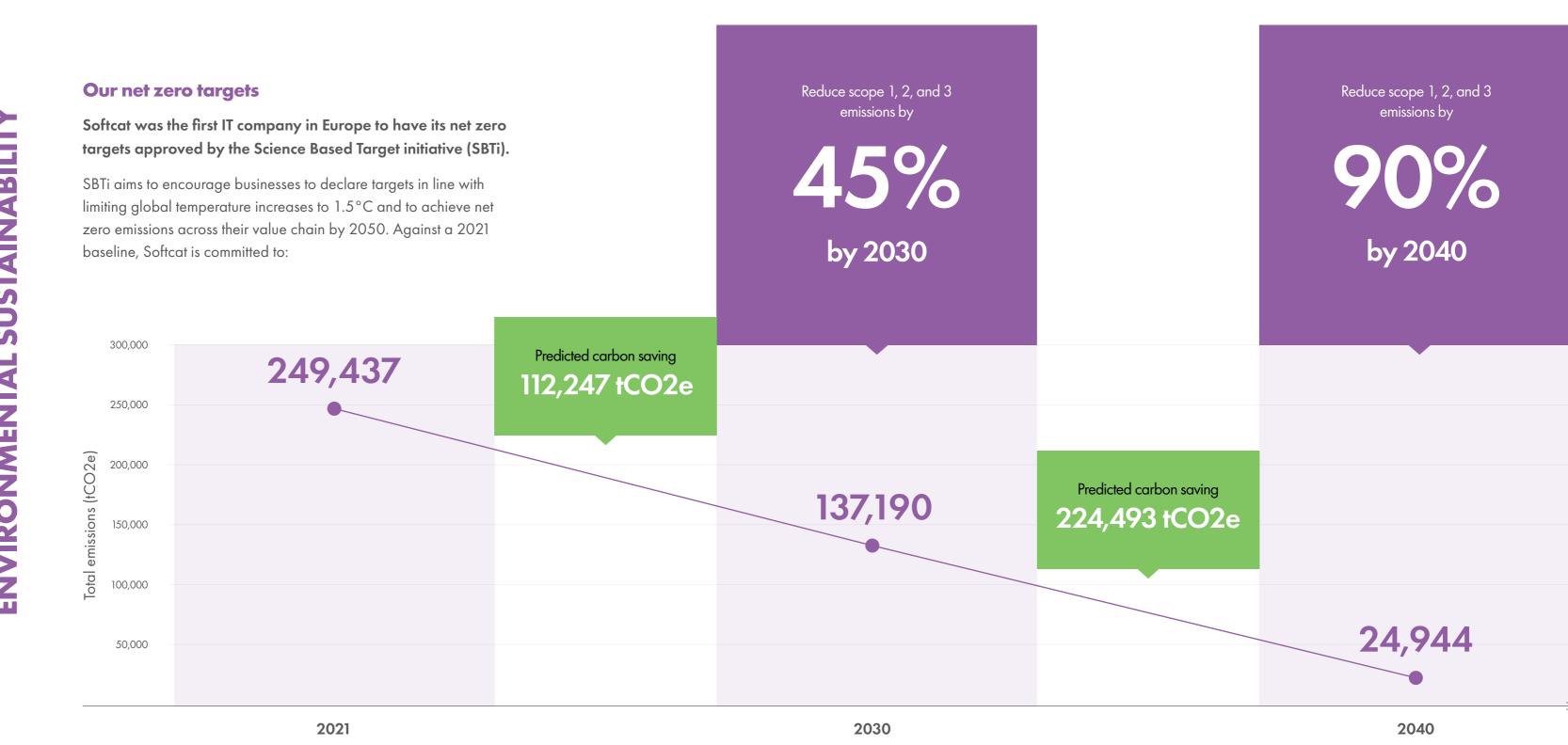
#### **Scope 2 emissions**

In 2022, Softcat made renewable energy purchases backed by REGO (Renewable Energy Guarantees of Origin) to cover 17% of total office electricity consumption. A market-based approach accounts for our renewable energy consumption, therefore, produces a figure that reflects our efforts and aligns with our science-based target. We strive to invest in more renewable energy projects by 2024, to reduce our Scope 2 footprint.

Scope 2 market-based 264 tCO2e



**REDUCTION** IN SCOPE 2 **EMISSIONS** 



APPROACH

# SUSTAINABILITY **ENVIRONMENTAL**

### OUR TEN TARGETS. PLAN TEN YEARS.

#### THE IT INDUSTRY ACCOUNTS FOR 2% OF GLOBAL EMISSIONS.<sup>2</sup>

We are passionate about driving down our carbon emissions as we continue to invest in and build our sustainable business. In doing so, we can encourage and empower our sector and value chain to do the same.

**ABOUT** 

To keep it simple, we created our 10 in 10 - 10 ambitious carbon reduction targets to achieve in 10 years - all to contribute towards a healthy, fair, and sustainable future.

To achieve our own environmental goals, we must ensure that our suppliers are on a similar sustainability journey. For this, we'll provide technological solutions that make sustainability accessible throughout our value chain, reducing Softcat's environmental impact and making the IT industry more sustainable.

2023

**FULL MIGRATION TO EV POOL** CARS.

In 2022, 21% of our carpool was electric vehicles. This will reach 100% by the end of 2023, significantly reducing our travel-related emissions, and supporting our net zero transition. 2024

RENEWABLE ENERGY ACROSS ALL SOFTCAT LOCATIONS + RENEWABLE ENERGY GENERATION PROJECT.

In 2022, 70% of our office locations were using certified green energy, and all offices switched to energy efficient lighting and installed power meters to manage energy consumption. For electricity consumption, kWh energy per employee has flatlined since FY21, and kWh per £M gross profit has reduced.

2025

MAJOR SUPPLIERS / PARTNERS TO HAVE NET ZERÓ PLANS + SBTI WHERE APPLICABLE.

Ensuring our suppliers supply sustainable products and services is key to achieve environmental sustainability. We aim to get net zero plans and/or carbon reduction plans for all suppliers, and use Enexo's supply chain module to measure our sustainability position.

2026

SOFTCAT SERVICES TO BE CERTIFIED 'CARBON NEUTRAL' (PAS 2060).3

PAS 2060 is an internationally recognised standard for carbon neutrality, developed by the British Standards Institution (BSI). To achieve this, we have already adopted a lifecycle assessment process (LCA) when designing new services, to more accurately measure service-related carbon emissions.

2027

100% OF DELIVERABLES TO BE COMPLETED USING LOW EMISSION DELIVERY SERVICES.

We use carbon neutral delivery services where possible. We offer a consolidated delivery option to reduce packaging and have introduced planet-conscious delivery services that ship directly from supplier to customer; reducing logistics emissions. Obtaining accurate data is key to this target, and something we're working on.

APPENDIX



"Softcat has its 2030 and 2040 SBTi goals, however it is key that we have other clearly defined sustainability goals to work to, giving our external stakeholders the visibility of our Net Zero journey."

#### John Gladstone Sustainability Lead



2028

>80% OF CUSTOMERS WILL BE PURCHASING SUSTAINABLE PRODUCTS OR SERVICES FROM SOFTCAT<sup>3</sup>.

We will work hard to provide the sustainable services required for a greener future. This will bring us closer to a circular economy as more customers are given more opportunities to choose planet-friendly solutions.

2029

SUPPLIERS TO BE USING 100% RENEWABLE ENERGY ACROSS THEIR OPERATIONS.

We will encourage our suppliers to use 100% renewable energy, where possible. If they cannot purchase at source, we'll educate them on purchasing renewable energy credits. This will reduce our Scope 3 emissions, and support our net zero transition.

2030

45% REDUCTION IN GROSS EMISSIONS IN LINE WITH NET ZERO TARGETS (FY21 BASELINE)

ABOUT

Softcat's near term science-based target requires reducing carbon emissions across our supply chain by almost 50%. We then have 10 years to achieve a 90% carbon emission reduction against our 2021 baseline. 2031

APPROACH

ZERO TO LANDFILL (OPERATIONAL WASTE)

All single use plastic cups and cutlery have been removed from our 9 UK offices. Plus, integrating printing software solutions saved 2.5 tons of paper in 2022. We are developing more comprehensive methods of data collection to determine our progress towards this target.

2032

>80% OF CUSTOMERS USING RENEWABLE ENERGY.

We will work with our customers to ensure they use renewable energy where possible. This promotes sustainability through the IT channel, as well as reducing our Goods in Use Scope 3 emissions, in line with our net zero target.



# OUR ACTIONS

#### Nature-based investment and impacts

We're always seeking ambitious ways to reduce the emissions connected with operating a business. One way we're doing this is by balancing the emissions we produce with financial contributions towards carbon sinks.

We operate a rigorous selection process to ensure we use only approved Verified Carbon Standard ('VCS') schemes. This ensures that all projects are accredited to a gold standard, materially align with our priority SDGs, and promote environmental and community wellbeing across the world.

In the UK, trees are typically planted across school grounds, parks, farms, woodlands and other biodiversity sites, providing wildlife habitats and often bringing educational and community benefits.

#### Our actions globally:

Softcat has invested in the Rimba Raya Biodiversity Reserve in Central Kalimantan, Indonesian Borneo, one most ecologically diverse areas in the world. We are proud to be a financial contributor to this community-based forest programme, to protect one of the most endangered ecosystems globally.

The project encourages community development of 2,500 households and biodiversity conservation through the protection of 105,000 endangered orangutans.

The Reserve is the largest REDD+ peat swamp forest project, protecting the largest natural terrestrial carbon sink. By investing in Rimba Raya, we are ensuring our actions have the greatest impact possible.

#### Our actions in the UK:



6,000

TREES/BUSHES PLANTED



OF OUR PUBLIC SECTOR **ENGAGEMENTS HOSTED REMOTELY** 



OF OUR VEHICLE FLEET IS ELECTRIC



#### Increasing access to electric vehicles

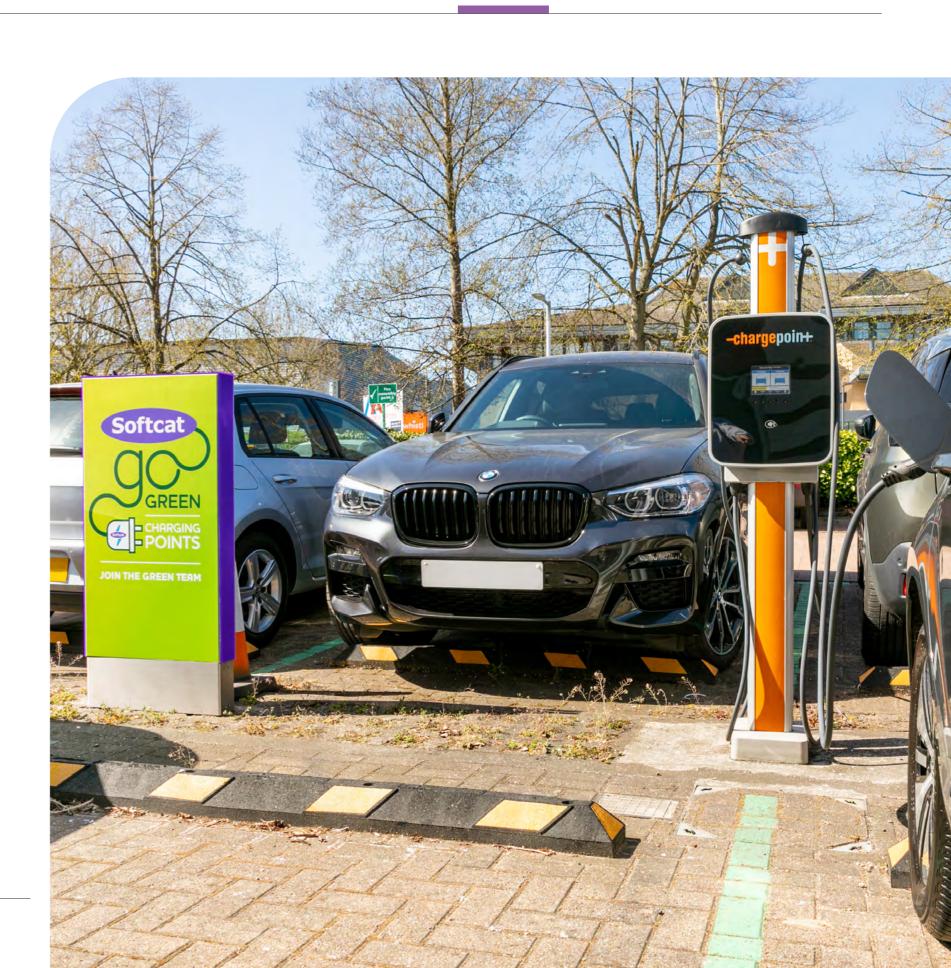
In 2022, we introduced a salary sacrifice EV scheme for our staff. To date, 23 employees have opted in. This scheme provides our team with access to better travel alternatives, with no upfront cost. It allows our employees to pay for the lease of an EV before taxes, saving them money while enabling them to get a shiny new EV.

We've also installed 12 EV chargers at our Marlow HQ, meaning that 24 vehicles can be charged at any one time allow Softcat's staff and visitors to charge their personal EVs all day. These perks are encouraging more and more people to undertake the transition to EVs, while reducing our (and their) carbon footprint.

"Our electric car salary sacrifice scheme is another step forward to helping make the world greener and allows our employees to join with us in our commitment to a more sustainable future with an easier and cheaper way to access electric cars."

#### **Kirsty Smith**

Reward, Payroll, & HR Operations Manager



APPENDIX

# SUSTAINABILITY

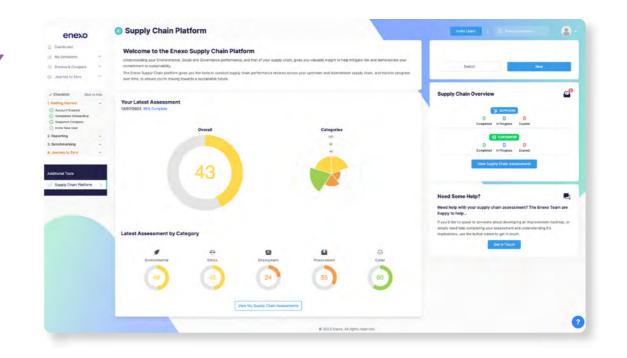
#### THROUGH enexo INTELLIGENCE

Being a successful business and doing good to protect our people and the planet for future generations aren't mutually exclusive goals; in fact, the two go hand in hand. Many businesses understand the need to reduce emissions, but don't know how. That's where Softcat's biggest commitment to sustainability comes in.

In 2022, we launched Enexo, a cloud-based platform designed to help organisations measure, manage, and minimise their carbon footprint. At Softcat, we use, invest in, and develop this unique tool to help businesses decarbonise their operations. It's about us sharing our experience of working towards net zero by providing 12 million data points to help businesses understand where and how they can reduce their carbon footprint across their supply chain and investments.

Enexo's smart software also enables businesses to easily benchmark against other organisations in the same industry. This level of transparency and competition promotes resource efficiency and climate action more than ever.

It was important to us that the platform should be accessible to all, whether SME or multinational organisation, sustainability manager or employee. With 137 users from 100 organisations using Enexo in 2022, we're confident the platform will grow, and that its impact will support an increasing number of businesses as they plan their net zero journey of carbon reduction and mitigation.





John Gladstone Sustainability Lead

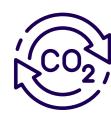
**ABOUT** 

APPROACH

"Technology has a huge part to play in achieving Net Zero. With the creation and development of Enexo we can make a huge impact; helping our customers and partners on their sustainability journeys."



# SUSTAINABILITY **ENVIRONMENTAL**



30,732,115kg **CO2 SAVED THROUGH REUSE** 



212,424kg **CO2 SAVED THROUGH RECYCLING** 



22,015,616,667 litres **WATER SAVED** 



122,928,459 tonnes **EARTH NOT MINED** 



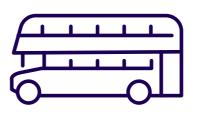
223,579kg **E-WASTE DIVERTED FROM LANDFILL** 

#### Reduce and resell

We don't just provide tech; we also use it. To maintain control over the full lifecycle of the products we use, we have implemented the secure Waste Electrical and Electronic Equipment recycling (WEEE) process with a variety of IT recycling partners.

For example, we have partnered with Greensafe, an accredited Environmental Agency (EA) approved recycling facility, for WEEE disposal collections. Each collection of redundant IT is tracked using hazardous waste consignment notes, ensuring correct reporting by weight to the EA.

Each year, Greensafe provides an environmental impact report, which helps us keep track of our performance and areas for improvement. With just one of our partners, we have achieved:







**x22** 

x6.3K

**x39** 

#### 55,296 **ASSETS REUSED**

that's the equivalent weight of 22 red London double decker buses!

#### 445kg **TOXIC METALS REDUCED**

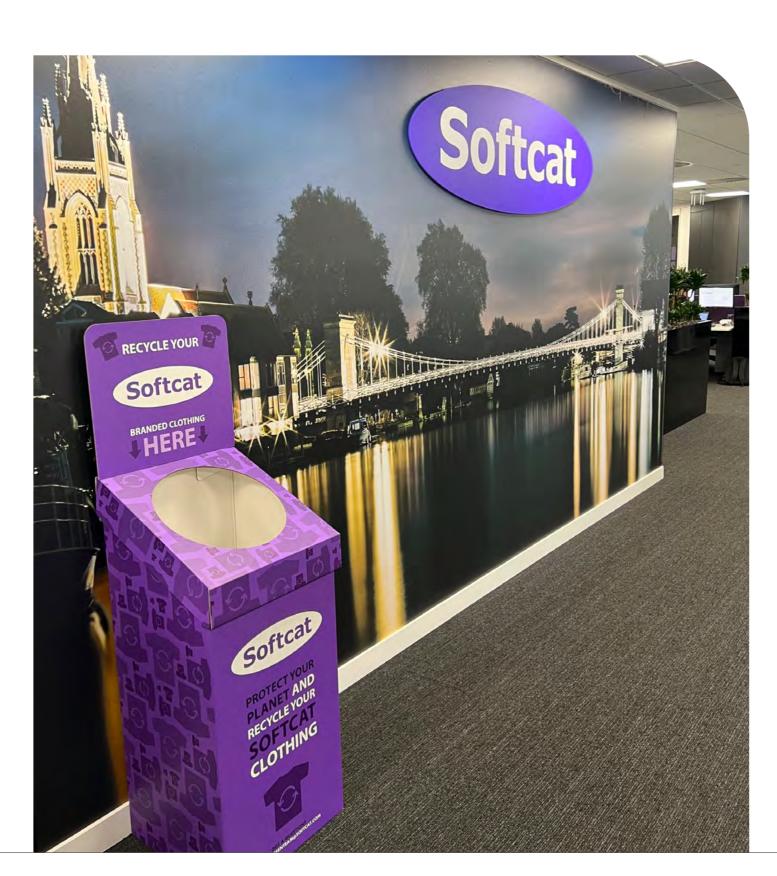
that's the equivalent weight of 6,357 AAA batteries!

#### 303,105.5kg **GHG EMISSIONS REDUCED**

equivalent to the emissions produced from 39 detached homes electricity consumption for a year!

STRATEGY





#### Keeping waste from landfill

**ABOUT** 

Zero to landfill is a waste management method that prevents waste reaching landfill through prevention, reuse, recycle and recovery. In 2022, our Marlow offices achieved 94% diversion from landfill, and the Bristol office achieved 92%.

Softcat only has accurate waste management measurement for 33% of its UK offices. In 2023, we will place more efforts on collecting waste stream data for a more comprehensive understanding and enforce stronger policies to achieve our 2031 target.

#### **Corporate clothing bins**

Softcat's t-shirts and jumpers are important indicator of employee belonging. When our people wear them, it shows that they're proud to be a part of Softcat. Yet with a growing workforce, we know our community emblems must not be a detriment to the planet.

In 2022 we placed corporate clothing bins in every office to collect pre-loved, and worn out Softcat employee apparel. Donated clothing is professionally cleaned and repurposed, or upcycled into rags, quilts, and small animal bedding.

To ensure the process is as environmentally responsible as possible, the bins themselves are made from recycled corrugated carboard which can be recycled at end of life.

#### **Sustainable clothing suppliers**

Being selective about the clothing we purchase means we can ensure responsible consumption by choosing materials that can be recycled. We know that mixed fibre materials, like polyester, cannot be recycled into new clothing, so we try to use organic cotton wherever possible.

We acknowledge the human rights issues associated with the garment industry, and endeavour to only use suppliers that adhere to the highest ethical standards. This ensures that Softcat's clothing champions all people, not just our people.

**SUSTAINABILIT** 

**ENVIRONMENTAL** 

#### Our approach to TCFD

In 2022, we began working towards full compliance with the Task Force on Climate-related Financial Disclosures (TCFD) to support our ongoing net zero journey. You can find our first report aligned to the requirements of TCFD on pages 43 – 59 of our 2022 Annual Report.

TCFD helps us understand of how global challenges will affect our business, specifically the climate-related financial risks that arise from the urgent need to combat climate change and its impacts.

Within Softcat, the Board is responsible for sustainability, and is supported by a Sustainability Committee that meets biannually. Sustainability is prioritised throughout the organisation from Board level to those responsible for local delivery of sustainability initiatives. This established governance structure achieved full TCFD compliance.

TCFD encourages businesses to assess the impact of climaterelated risks on their operations. Softcat has identified a range of risks caused by climate change that pose a threat to future business. These span reputational risks, market risks and resource efficiency risks, and include:

- Our suppliers may be unable to transition to a low carbon economy at the same pace as us.
- A carbon-illiterate workforce could reduce customer satisfaction.

• New policies and regulations will place new requirements on Softcat, that could present the risk of fines, reputational damage, and business partnerships.

In 2023, we will undertake a financial impact assessment of such risks, and share outcomes with our employees, customers, suppliers, and vendors. This will enhance appropriate risk monitoring and management to achieve full compliance.

Softcat has publicly disclosed its Scope 3 emissions and our net zero targets have been approved by SBTi. However, we still need to develop climate-related performance metrics, and opportunity metrics for our low carbon products and services to make our plan for net zero more robust and manageable within any climate scenario. Our efforts to promote sustainability through our value chain are established and we are always working on new initiatives to enhance these.

Sustainability is at our core. We are passionate about pioneering technological innovation to develop software solutions for a greener future. Our disclosures have highlighted the impact that the climate crisis could have upon our strategy. In 2023, we will continue to review how climate change will impact our business and amend our strategy for increased resilience, ensuring risk is prioritised in future strategic planning sessions.



APPROACH

# OUR GREEN TEAM TAKEOVER



**OUR GREEN TEAM IS AN INTERNAL, EMPLOYEE-LED GROUP OF CLIMATE-CONSCIOUS** INDIVIDUALS.

The team's mission is to spread awareness about environmental concerns, educating others on how to make meaningful changes both at home and in the office.

Through activities and initiatives such as local litter picks and the organisation of our annual Green Week, the Green Team are a vital drive for change and awareness in our cohort.

#### **Objectives**

Raise awareness among Softcat employees about the importance of sustainability and how they can contribute

Encourage and inspire others to find new ways to reduce Softcat's environmental impact

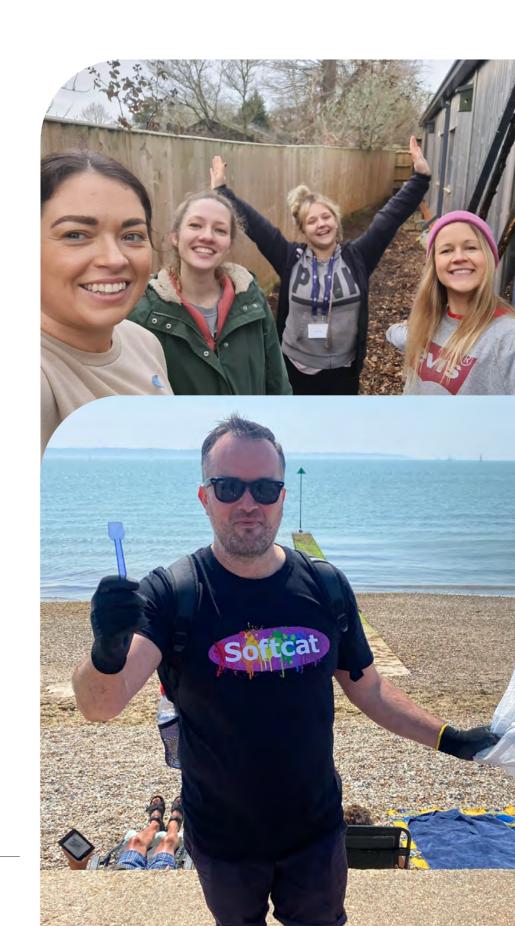
Collaborate with external organisations to support environmental initiatives

Setting up local volunteering initiatives for team members and the wider office to partake in

**ABOUT** 

Educating Softcat employees on how to recycle correctly

Providing educational resources to help our employees to think and behave more sustainably



ENVIRONMENTAL





#### **Achievements by the Green Team**

Our Green Team network has accomplished several environmental initiatives to encourage Softcat employees to engage in climate action.

Our annual Green Week is a key sustainability event in Softcat's calendar. This year, the theme was 'Celebrating and Protecting Our Environment', encouraging Softcat employees to engage in thought-provoking activities. In the office, 'clothes swap' and 'charity shop drop' initiatives were offered alongside e-waste bins for employees' personal technology, provided by our partners Greensafe and Vyta. We also built a bug hotel in Marlow to support the growth of local biodiversity, and the team ran a series of engaging competitions and talks, providing a wide range of options for the whole cohort to get involved with.

SUPPLIERS ABOUT APPROACH STRATEGY APPENDIX

#### THANKS TO THE DEDICATION OF OUR GREEN TEAM, WE ARE MAKING A POSITIVE IMPACT ON THE PLANET.

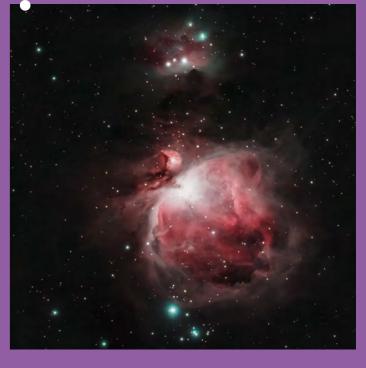
#### Winning shots from the 2022 Green Week -Photography hobby group collaboration competition.

Irish Dedication by Eamon Al-Hato (1st place)





The Orion Nebula by Dan Collett (3rd place)



**Bar Saloon Red Squirrel** by Tara Carter (2nd place)



# DIVERSITYAND INCLUSION

At Softcat, our community is at the heart of everything we do. We have five values that guide our organisation's diversity and inclusion (D&I) strategy: Intelligence, Responsibility, Fun, Passion, and Community. These reflect our promise to our people.





RESPONSIBILITY













We are committed to developing an energising culture that encourages collaboration and support, and thrives on enthusiasm and ambition.

We have identified SDGs 5: Gender Equality, and 10: Reducing Inequalities to help us on this drive.

Our strategy makes everyone responsible and accountable for D&I within Softcat, to improve the sector. We care deeply about helping our people, customers, and partners reach their full potential. Besides being the right thing to do, being a diverse and inclusive business helps us retain the best talent and strengthen our industry position.



"Building a sustainable future begins with nurturing our greatest asset - our employees. Creating a culture of growth, purpose, and inclusivity ensures we are retaining top talent but also attracting exceptional candidates who share our Softcat values"

Rebecca Monk Chief People Officer

# OUR AIMS

We aim for women to make up 35% of our workforce by 2030.

Progress: Currently, women represent 33% of our people. Our overall gender balance has not changed since 2021, but we've made good progress in reducing gender disparity throughout Softcat. For example, the proportion of women at Board level has increased to 57% in 2022, from 50% in 2021.

We aim that our management team will reflect the female representation of our total workforce.

**Progress:** In 2022, our management team increased to 27% women from 25%, in 2021. While this is behind our overall target, we're striving to recruit and retain more women in all divisions through our initiatives.

We aim that our ethnic minority representation will be above the national average for the working age population (14%).

**Progress:** We have achieved this aim, as ethnic minority representation within our workforce is 15%. We will maintain, if not surpass, this figure by addressing inequalities from within our apprenticeship opportunities right through to our leadership roles.

#### We aim to collect more identity data across all employees.

**Progress:** Our seven network groups have enabled us to obtain 100% of our employee's ethnicity data in 2022. However, we know that diversity goes beyond ethnicity, and strive to considerately and securely gain more information about our employees' gender, sexual orientation, disabilities, faith, and family status. This will help us better understand our people and ensure everyone is catered for and championed within our organisation.

	All Company	Board	Leadership	Management
Men	67%	43%	77%	73%
Women	33%	57%	23%	27%
White	85%	96%	86%	-
Ethnic minority	15%	4%	14%	-

We aim that our management team will reflect the ethnic minority representation of our total workforce

**Progress:** 6% of our management team identify as ethnic minority, which is 9% less than levels of ethnic minority representation within our total workforce. We are committed to minimising barriers that prevent ethnic employees from progressing to more senior roles and balancing out ethnic minority representation in all positions.

**DIVERSITY & INCLUSION** 







APPROACH

Anushka Davies

Head of Employee
Engagement, Diversity
and Inclusion

"Our people have inspired us to make a difference when it comes to diversity and inclusion. The continued work we do as a company, and through our community groups on creating an inclusive culture for everyone to thrive in, is a commitment for now and the future. Our people continuously challenge us to make a difference, and whilst we have made great strides in raising awareness and promoting inclusivity, we also appreciate there is more work to be done. We are committed to continuous improvement when it comes to making Softcat a truly inclusive organisation."

# SEVEN NETWORKS. ONE COMMUNITY.

#### Our seven networks represent, empower and celebrate different communities within our workforce.

They provide a safe space for employees that enable them to bring their whole selves to work and include those who identify with the network and allies who seek to support and learn more.

Our groups work hard to educate the rest of the business about their community and the challenges they face, through events and awareness days. This education helps to reduce any unconscious bias in Softcat and promotes equal opportunity for all. It's all part of creating an inclusive and supportive culture.



#### **Supporting Women in Business (SWIB)**

SWIB is Softcat's longest-standing network. It aims to improve members' confidence, recognise their equality with men and facilitates a space to share experiences, understand different challenges and network. SWIB also works with senior management to understand how they can support the retention and progression of women in Softcat.



#### **EDN Network**

Our 'Empowering Disability and Neurodiversity' network aims to empower and support our members and colleagues through education and awareness of visible and hidden disabilities. We are a Disability Confident employer as a result of the progress we have made in such a short period of time.



190 MEMBERS

#### **Ethnic and Cultural Diversity Network**

The Ethnic and Cultural Diversity Network celebrates, educates and collaborates on topics and important cultural events relating to our culturally diverse Softcat community.



#### **Pride Network**

Our Pride Network creates a supportive and inclusive work environment for all sexual orientations, gender identities and marginalised or under-represented LGBTQ+ groups.



200 MEMBERS

#### **Family Network**

The Family Network ensures that, as an organisation, we focus on creating a culture that enables our employees to balance family commitments with work responsibilities.



#### **Faith Network**

The Faith Network ensures that we live out Softcat's commitment to our employees in enabling them to bring their whole selves to work, by creating a safe space and place to support anyone practising their religion.



15 MEMBERS

#### **Armed Forces Network**

Veterans have fought for our right to freedom. We recognise the importance of that commitment and embrace the skills our veterans can bring to the workplace - bravery, strength and hard work. Our network supports those who have led or have connections to a military life.

**DIVERSITY & INCLUSION** 

APPROACH

# OUR ACTIONS

#### **Kick-starting female careers**

Our Women Tech Starter programme is a key element of our Supporting Women in Business community network. Gender bias is an important issue, and our Tech Starter programme was created to encourage women returners to re-start or kick-start a career within technology.

The programme aims to create an equal playing field in the sector through professional and technical upskilling, and providing tailored advice to those seeking permanent and more technical positions within Softcat following a career break.

Since 2021 we have recruited 18 participants via three cohorts, and retained 95% of candidates to help us close the internal and global digital skills gap.

100% of the total workforce across all locations receive career- or skills-related training.

#### **Inclusive job adverts**

We need to attract and recruit more female talent to reduce gender inequality.

Our job adverts emphasise the inclusion of diversity, open opportunities, and inclusive training. Plus, we promote job opportunities on female-targeted platforms, to ensure that our vacancies are shown to a wide range of women.

In 2022, women represented 19% of all new recruits to technical and services-based roles in comparison to 14% in 2021. This 5% increase proves our actions are creating change, and we are excited to continue this growth.

Our Technology Onboarding Manager, Nina Webhra, found her role through the Women Returners website, noting the focus on diversity which drew her to the company.

#### **Focussing on families**

We support all our people with families and understand that our employees' lives outside of work are just as important as – and an integral part of – what they do at work. Our Family Network initiative ensures that our people can maintain a good balance between work responsibilities and family commitments.

For example, during Covid-19, Softcat hosted online activities for our employees' children, and instructed home-schooling advice during the challenging times. Since then, the network has focused on understanding the working parents' commitment to family, and raises awareness on important topics, like baby loss, fertility, and dementia.



**DIVERSITY & INCLUSION** 



#### **Starting in STEM**

Gender disparity within the IT channel starts with education, so promoting STEM (Science, Technology, Engineering and Mathematics) education is important to develop female professionals within the sector.

We partner with schools with high female and BAME representation to ensure that young people recognise a career in IT sales is a valid career choice for women. Following such partnerships, we have seen a 5% increase in the gender balance of our apprentice cohorts.

#### **Supporting young talent**

Investing in young talent is a key mechanism to securing the next generation of Softcat innovation. It provides valuable experience for young people and introduces fresh perspectives and ideas within the Softcat sphere.

We work closely with schools and colleges local to our offices to showcase the wide variety of career paths available to young people, often highlighting ones they had not considered.

In particular, the Softcat sales apprenticeship scheme has been recognised as 'outstanding' by numerous awards bodies, including the CRN Sales & Marketing Awards, and the National Apprenticeship Awards.

We also award an 'Apprentice of the Year' each year, to reward outstanding performance. In 2022, Kian Briggs was the recipient, and now holds a Corporate Account Manager role at Softcat.

#### **App-roved mentoring**

We believe that technological innovation can contribute to a more sustainable future. Softcat has developed a Mentoring App to encourage the progression of female talent within the industry.

It matches Softcat mentors and mentees based on similar interests and passions, as well as by areas of strength and weakness, to provide coaching and career advice on a personal level and upskill more women into senior positions at Softcat.

100% of the total workforce across all locations receive regular performance and career development reviews.





"The company culture is truly like no other! Softcat ensures they make the offices feel as small as possible, and for everyone to feel like friends. My short-term goal is to become an Apprentice Manager, the idea of managing a team really excites and motivates me - especially if they have gone through similar experiences as me."

**Kian Briggs** 





#### We are a Disability Confident Employer

Our healthy culture of includes continues to develop as we learn from, and champion, our EDN Network of more than 100 members. We are committed to recruiting and retaining those with disabilities and became a Disability Confident Employer in 2022. Our responsibility is prominently reflected in our job adverts to support all our people equally, and target to become a Disability Confident Leader within the next few years.

100% Softcat's total workforce have received training on diversity, discrimination, and/or harassment during the employee induction process, across all locations.



Technology Community for Racial Equality

#### Reducing industry inequalities: TC4RE

When it comes to racial equality, we can all do better. We are on a journey to ensure that there is no racial discrimination within Softcat, or in the wider IT industry. In 2021, we were one of the nine founding organisations of the Technology Community for Racial Equality (TC4RE), which supports every business in the technology sector on their diversity and inclusion journeys.

In 2022, we have continued to work with TC4RE to create opportunities to foster inclusive talent in the technology channel. We know that technology affects everyone, and we must ensure that the technology workforce is representative of the demographics it caters to.

Our actions in respect of this have included producing blog posts and training videos for the platform and creating six podcasts to encourage conversations about all aspects of diversity, from ageism to under representation of ethnic backgrounds. We are committed to transparency in our efforts to drive equality and are working with other organisations to make change.

#### **#STRONGERTOGETHER**

APPROACH

#### Softcat is #StrongerTogether

We are dedicated to building an allyship culture, in which allies lend their voices to the support and elevation of minority groups. This means actively encouraging all our people to have a growth mindset, show empathy and be curious.

We launched our company-wide #StrongerTogether Allyship Programme in 2021, which normalises allyship and embeds it into our everyday work culture. It creates a safe and encouraging environment to host transparent conversations, covering topics such as privilege and power, microaggressions, discrimination at work, EDI and more.

During 2022, more than 1,000 Softcat employees completed the programme, and participants include key figures, like CEO Graeme Watt and Chief People Officer Rebecca Monk. Having important conversations within the leadership teams helps empower allyship throughout our whole team. We intend that all employees will complete #StrongerTogether during their time at Softcat.



HEALTH & WELLBEING

# HEALTH & WELLBEING



Our people are our biggest investment. That's because it's a two-way street.
We provide our people with the skills, tools, and resources to be their best, and they provide our customers with excellent experiences.

At Softcat, we are committed to creating a healthy and collaborative culture, underpinned by respect and support. Sustainable Development Goal 3: Good Health and Wellbeing signposts the changes required for a future of healthy lifestyles and accessible healthcare.



STRATEGY

# OUR ACTIONS

#### A great place to work

ABOUT

Softcat is consistently ranking highly in the Great Places to Work Awards. In 2022, we were ranked third in the UK's Best Workplaces for Wellbeing, and fourth in the UK's Best Workplaces for Women.

Softcat's HR team, along with an impressive team of Health & Wellbeing Reps, host a biannual Health & Wellbeing Week for all the company, with unique activities created for each office location. Ran in January and June every year, these Health and Wellbeing Weeks encourage our people to take a break from their busy working days to undertake sessions from a carefully created programme, designed to equip them with the knowledge, skills and tools to manage their own health and wellbeing.

#### Mental health matters

Since 2018, Softcat has been a signatory of the #TimetoChange pledge, declaring our commitment to end the stigma surrounding mental health. The pledge encourages businesses to treat mental ill health and physical illness the same. We promote an open culture, with designated mental health first aiders to support colleagues when they need it.

Alexander Lewis, Services Insights Manager at Softcat, was awarded Mental Health Champion of the Year 2022 by CRN for showing "a real understanding of what mental health means and how this can be proactively supported in the workplace."

We're proud that the amazing work of Softcat's people is recognised and rewarded within the channel.



"We understand that to experience a true sense of positive Health & Wellbeing (H&W), there's a lot that needs to be fulfilled. Our biannual H&W week is a cornerstone of our sustainability journey, nurturing the health of our people which allows them to thrive in a supportive workplace. That is why we have a diverse offering in place - from developing a connection with others to physical, emotional, and financial wellbeing and more. We strive to do as much as we possibly can to help our employees achieve their full potential."

#### **Kirsty Smith**

Reward, Payroll, & HR Operations Manager

WELLBEING

HEALTH

#### **Health and safety**

The health and safety of our employees, and those who work within our supply chain, is of utmost importance to us at Softcat. We are committed to ensuring the highest level of physical, mental and social wellbeing to all our staff, reducing chances of work-related ill health, and promoting non-workrelated health through voluntary programs.

All Softcat employees have access to a health and safety policy and employee handbook, which provides a comprehensive understanding of health and safety management and responsibility at Softcat. In addition, occupational health and safety assessments are completed at least annually, via an external provider, and all facilities staff are trained by external consultants.

Beyond this, Softcat promotes employee health and wellbeing and embeds it into day-to-day business operations. Our Employee Assistance Programme (EAP) provides staff with 24/7 access to a free helpline, to receive confidential advice, information and counselling on personal, professional or wellbeing issues.

#### **SOFTCAT HAS A FLEXIBLE** SHARE INCENTIVE PLAN, WHEREBY EMPLOYEES CAN BUY UP TO £1,800 IN SOFTCAT SHARES EVERY YEAR, **INVESTING FOR THE FUTURE** AND SAVING ON TAX.

#### **Perklife**

We designed our unique 'Perklife' platform as a thank you to our people. We know they make Softcat everything it is. Perklife is an accessible and interactive way for employees to explore the world of benefits they're entitled to as part of our community, no matter if they're full time or part time.

This includes benefits to protect their future, such as our Share Incentive Plan; keep them happy and healthy with private medical insurance, a cycle to work scheme, and a healthcare cash plan; and help them enjoy life for less with restaurant discount cards and activity passes for all the family!

#### **Accredited Living Wage Employer**

Since 2018, Softcat has been an accredited Living Wage Employer. For the fourth year, Softcat has paid all post-apprenticeship staff, including third-part contractors, at least the real Living Wage. As of April 2021, this was a minimum hourly wage of £10.00, or £10.95 for employees in London. Both figures are significantly greater than the government National Living Wage of £8.91.

As a responsible employer, we voluntarily commit to pay our people more than the government minimum, to ensure all our employees earn enough to live on and no-one goes short. The real Living Wage is the

only wage rate based on what people need to live; calculated according to the cost of living, based on a basket of household goods and services.

Considering the recent economic challenges faced throughout the UK, this accreditation is even more important to us, and our people. We want to ensure everyone gets a wage representative of their importance to us. We will maintain our Living Wage Employer accreditation in 2023 along with 12,000 other UK businesses and continue our ongoing commitment to decent work and economic growth.



4,030.5 HOURS OF HEALTH AND SAFETY TRAINING

(Including training of first aiders, fire marshals, and mental health first aiders)

# VOLUNTERING & CHARITY



Softcat understands its responsibility to surrounding communities and the environment. With over 1,900 employees, we know we can make real change. We actively encourage our people to move away from their computers, and get involved in a range of activities, from fundraising to dog walking!

We have great aspirations for the ways in which our employees can give back communities local to our offices, and the environment. But we've learned that we can't do this alone. Sustainable Development Goal 17: Partnerships for the Goals emphasises the importance of partnerships to make a difference, so we've followed that road.

That's why we've partnered with amazing charities and organisations, to support a better and fairer world for all.





# OUR ACTIONS



Members of our South Coast office at Green Team's Beach Clean.

### Litter picking power

Across our offices, we hold a number of litter picking sessions throughout the year. These are an opportunity for our employees to use their volunteer days to get involved in local communities and make a difference.

More than eight million pieces of rubbish enter the oceans every day. That's why we've developed strong partnerships with Surfers against Sewage, a community dedicated to the protection of oceans.

By teaming up with this organisation, our employees and the Green Team hold beach clean-ups to get stuck in and do good.

#### We Love 2 Volunteer

The benefits of volunteering are well recognised, and two-way. We launched our 'Love2Volunteer' programme to encourage staff to get involved with those most in need.

It's important to us that supporting the communities within which we operate is core to our business. That's why each employee receives 2 days' worth of company time to give back to the community and environment.

### A new era of volunteering

At Softcat, we believe in technological solutions for a sustainable future. In practising what we preach, we've partnered with two innovative, online volunteering platforms to help our people do good, and feel good about it.

The onHand app connects people to simple tasks, based on location. From dog walking to food drops, onHand has helped Softcat employees support their local communities. In 2022, we achieved:

377 SIGN UPS **269 EMPLOYEES REGISTERED 310 MISSIONS COMPLETED** 

Matchable is a platform that enables puts our people's skills to use through volunteering projects, supporting nonprofits and start-ups. These tasks include admin support for charities, or marketing for organisations supporting BAME women. In 2022, there were:

**167** SIGN UPS **69** EMPLOYEE PICKED PROJECTS **63** EMPLOYEES MATCHED

We're working to increase the enrolment to these platforms and prioritise employee engagement at Softcat.



#### We Love 2Give

Love2Give is a resource Softcat employees can use to support the same good causes and projects, together. In 2022, our staff helped raise more than £96,000 for a range of charities aligned to the 17 Global Goals. This was achieved by staff taking full advantage of their two volunteer days each year, plus internal fundraising activities. For example, we raised £9,000 by offering to make a charitable donation for every customer satisfaction survey completed.

Each of our seven network communities identify a charity to support throughout the year. Here are just some of the charities we supported in 2022:

















**David Morgan-Frith** Head of Asset Intelligence Services

"Softcat's Love2Give network brings together all of our many charity endeavours, from volunteering to fundraising, across all of our UK offices and internationally. It's a real demonstration of our core values in action and enables Softcat to have a positive impact on the communities around us.

The Love2Give network has raised millions of pounds since its inception and we encourage our staff to get involved in all activities, events and opportunities by offering them two free charitable days a year."

#### **Wood4Trees**

In 2022, Softcat partnered with Marlow-based charity, Wood4Trees, to support its work with local schools to plant a million native trees to help fight climate change. So far, the charity has collaborated with four schools in the Buckinghamshire region to, not only plant trees, but foster a relationship with nature, as each child is given a native tree to take home and care for.

We donated £2711.50 to this cause, since it aligns with both our environmental responsibility values, and aspiration to support young people. Our donation facilitated the planting of 850 trees. Plus, some of Marlow's Green Team members utilised their allocated volunteering time to plant and pot a further 450 trees at Sir William Borlase's Grammar School and Harleyford Estate, Marlow.

The Green Team will continue to support Neil and the team at Wood4Trees with future maintenance once a woodland has been established.

#### Species planted:



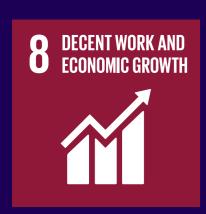




Common Oak Black Poplar Silver Birch



# INVOLVING OUR SUPPLIERS



We have made sustainability a core element of our business, as we work to drive and develop a more efficient low carbon technology industry.

This cannot be achieved without involving our suppliers. We are committed to working with our partners, suppliers, and vendors, to ensure they align with our values, and are actively working to enable, deliver and support a sustainable supply chain.

### Softcat's Sustainability Partner of the Year

**ABOUT** 

APPROACH

Our Partner Forum event is an annual celebration between Softcat and its vendors and partners across the sector. It provides an opportunity to share our targets and commitments, to ensure our partners are onboard with us.

Typically, this award ceremony recognises our partners for their quality of service, but we introduced a new award in 2022: Sustainability Partner of the Year. This rewards our partners' efforts to commence or drive forward their sustainability journeys.

We felt such an award deserved a sustainable trophy too, so we made the most of existing connections with a local sixth form college and gave students the chance to take on this project.

The winning trophy, presented to Lenovo, Softcat's Sustainability Partner of 2022, and designed by a talented student was made from recycled materials. We were impressed by the creativity of the students and delighted to share their passion for sustainability with our value chain.

### **Prioritising sustainable procurement**

We strive to be a great place to work, where employees are motivated, rewarded and celebrated. This extends from own operations to our supply chain. Every person that works for, and with, Softcat should benefit from an environment where freedoms and rights are respected.

Our thorough documentation ensures that everyone connected with Softcat meets the highest standards of environmental sustainability and human rights.

100% of targeted suppliers that have signed our supplier code of conduct and completed a CSR questionnaire during on-boarding.

**View Modern Slavery Statement** 

**View Supplier Code of Conduct** 



### **Our suppliers Support the Goals**

Support the Goals is an initiative to reward businesses for supporting the UN Sustainable Development Goals. In 2022, we partnered with Support the Goals to examine the sustainability of our suppliers. Support the Goals rates each of our suppliers against their public support for the Global Goals.

As the only universally agreed plan for a better future, determining which of our suppliers are working towards the Global Goals assists our mission of a sustainable supply chain. In recognising that many suppliers showed no efforts towards the SDGs, we campaigned with Support the Goals for our top 20 partners to adopt them. This was successful and has driven our value chain to embark on their own ESG journeys. We look forward to developing this partnership further in 2023, to encourage more businesses to support the SDGs.

### **Auditing our suppliers**

After the launch of Enexo, we recognised the potential for the platform. In late 2022, we developed an ESG module within the platform to enable businesses to gain greater insight into their suppliers' sustainability credentials. The questionnaire-based feature overviews the breadth of sustainability, from environmental assessments to labour and human rights issues, to ethical challenges.

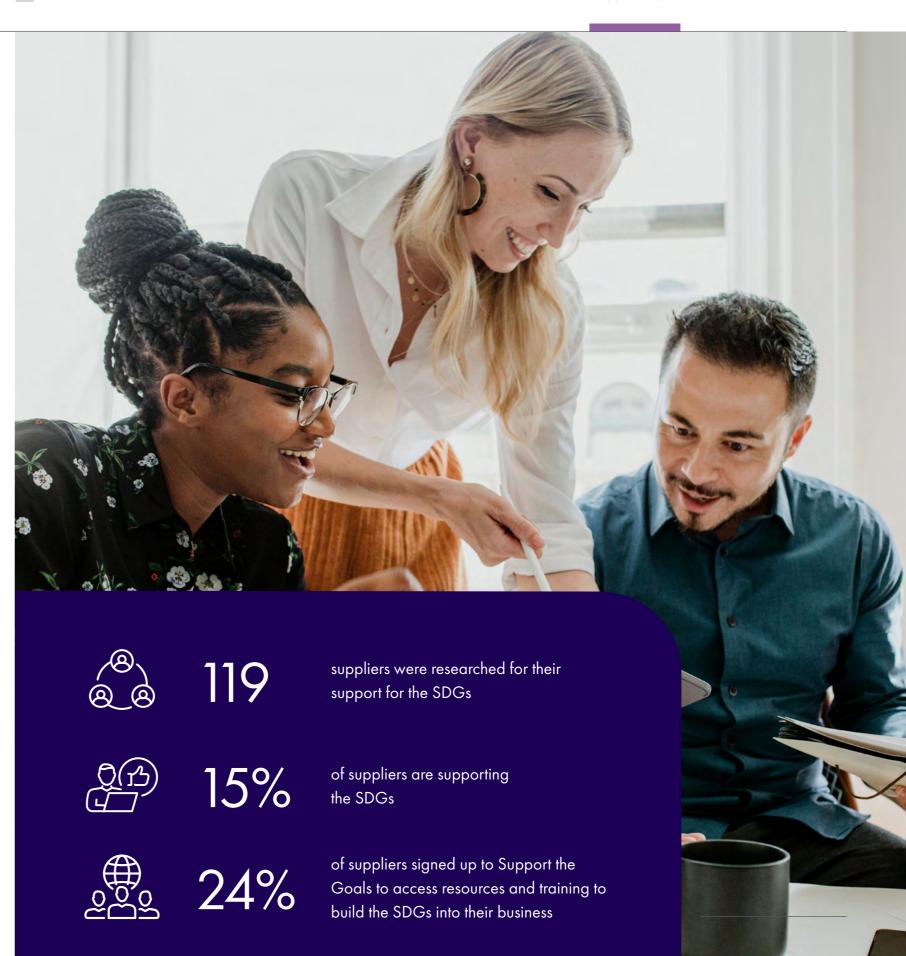
Introducing this tool will help screen suppliers against environmental and social criteria and identify negative impacts on our supply chains. We hope to launch the ESG module in 2023, and Softcat will be the first (but not last) organisation to audit suppliers using Enexo.





"Delivering sustainable solutions is a central part of our mission and a pivotal step towards meeting our mutual objectives. In these partnerships, we sow the seeds of change, fostering a green economy and making strides towards a sustainable future."

**Rhys Lawson** Services Sales Director



# APPENDIX

- **42** Environmental metrics
- **46** Social metrics
- 48 Ethical business metrics
- 49 Material topics
- 50 GRI index



# **ENVIRONMENTAL METRICS**

# Energy consumption within the organisation

Energy	Renewable sources (MWh)	Non-renewable sources (MWh)	Total Energy Consumed (MWh)
Consumption of fuel (excluding feedstock)	0	1,061.79	1,061.79
Consumption of purchased or acquired electricity	1,692.11	0	1,692.11
Consumption of purchased or acquired steam	0	0	0
Consumption of self-generated non-fuel renewable energy	0	0	0
Total energy consumption	1,692.11	1,061.79	2,753.9

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Fuel type	For self-generation of electricity (MWh)	•	For self-generation of steam (MWh)	For self- cogeneration or trigeneration (MWh)	Total fuel consumed (MWh)
Gas	0	1,061.79	0	0	1,061.79
Total energy consumption	0	1,061.79	0	0	1,061.79

Renewables	2022
Energy consumption from renewable source including electricity (%)	61.45
Energy consumption from renewable source excluding electricity (%)	0
Electricity from renewable source (%)	100

# **ENVIRONMENTAL METRICS**

# Greenhouse Gas ('GHG') Emissions

Metric	FY20 (tCO2e)	FY21 (tCO2e)	FY22 (tCO2e)
Direct (Scope 1) GHG emissions	68	82	229
Indirect (Scope 2) GHG emissions (location)	258	304	334
Indirect (Scope 2) GHG emissions (market)	-	-	264
Indirect (Scope 3) GHG emissions	304,350	249,051	383,290
Total GHG emissions *	304,676	249,437	383,581

<sup>\*</sup> based on Indirect (Scope 2) GHG emissions (location)



# **ENVIRONMENTAL METRICS**

# Scope 3 GHG Emissions breakdown

\* Calculated using a volume-based approach for FY22.

	EV20 /±CO2-1	EV21 (#CO2~)	EV22 /±CO2-1
	FY20 (tCO2e)	FY21 (tCO2e)	FY22 (tCO2e)
Scope 1	68	82	229
Scope 2	258	304	334
Scope 3	304,350	249,051	383,018
Purchased goods and services ***	280,152	212,577	301,148
Capital goods	-	-	-
Fuel and energy-related activities *	36	39	71
Upstream transportation and distribution *	66	102	149
Business travel * *	271	73	511
Employee commuting **	273	277	328
Waste generated in operations *	1	1	4
Upstream leased assets	-	-	-
Downstream transportation and distribution	-	-	-
Processing of sold products	-	-	-
Use of sold products *	23,472	35,907	80,697
End of life treatment of sold goods *	43	76	109
Downstream leased assets	37	0	-
Franchises	-	-	-
Investments	-	-	-
Total	304,676	249,437	383,581

<sup>\*\*</sup> Calculated using a distance-based approach for FY22.

<sup>\*\*\*</sup> Calculated using a spend-based and volume-based approach for FY22.



# **ENVIRONMENTAL METRICS**

### **Intensity ratios**

Denominator	Emissions/Energy	FY2021 (base year)	FY2022
Revenue (£m)		1,938.00	2,507.50
tCO2e/£m	Emissions (Scope 1 & 2)	0.20	0.21
No. of Employees		1,681	1,921
tCO2e/employee	Emissions (Scope 1 & 2)	0.23	0.28
Area Occupied (m2)			117,042
kWh/m2	Energy (fuel & electricity)	-	17.05
kWh/m2	Energy (fuel- gas)	-	2.59
kWh/m2	Energy (electricity)	-	14.46

### Standards & audits

	% of operational sites covered
ISO 14001:2015 Environmental Management	100
ISO 50001:2018 Energy Management	100
Environmental risk assessment conducted	100

# **SOCIAL METRICS**

# **Employee data**

Employees, employee hires and employee turnover in FY22\*.

\* based on head count at end of reporting period

	Female	Male	Total
Total number of employees	629	1,292	1,921
Full-time	545	1,244	1,789
Part-time	57	5	62
Fixed term	23	39	62
Part-time/Fixed term	2	0	2
Temporary	2	4	6
Non-guaranteed hours	0	0	0
Total number of employee hires	207	421	628
Employee age under 30	147	326	473
Employee age 30-50 years	56	76	132
Employee age over 50	4	19	23
Rate of new employee hires	30% increase	60% increase	49% increase
Total number of employee turnover	127	257	384
Employee age under 30	96	167	263
Employee age 30-50 years	30	80	110
Employee age over 50	1	10	11
Rate of employee turnover	21.6%	21.2%	21.3%



# **SOCIAL METRICS**

### **Employee diversity**

Employee gender and ethnicity breakdown for FY22.

Metric	Unit	FY2022
Board of Directors	% female	57
	% ethnic minority	14
Leadership	% female	23
	% ethnic minority	4
All employees	% female	33
	% ethnic minority	15

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Metric	Unit	FY2022
UK pay reporting		
Average (mean) gender pay gap	Percentage	33
Average (median) gender pay gap	Percentage	27
Average (mean) ethnicity pay gap	Percentage	23
Average (median) ethnicity pay gap	Percentage	11
CEO pay ratio		
25th percentile pay ratio	Ratio	100:1
Median pay ratio	Ratio	64:1
75th percentile pay ratio	Ratio	36:1

The data shows how the CEO's single figure remuneration for 2022 (as taken from the single figure remuneration table) compares to equivalent single figure remuneration for full-time equivalent UK employees, ranked at the 25th, 50th and 75th percentiles. More information on page 110 of the 2022 Annual Report.

STRATEGY

# ETHICAL BUSINESS METRICS

### **Customer privacy**

### **Confirmation in respect of customer privacy**

"Softcat plc operates policies and procedures designed to safeguard data, including customer data. Our internal procedures require management to report any relevant instances of data loss so that it may be further investigated and to ensure appropriate actions have been taken. I can confirm, as Company Secretary, that there have been no such reported incidences in respect of the last financial year and up to the date of this confirmation."

Luke Thomas, Company Secretary. Softcat plc, 25 January 2023

### **Anti corruption**

### **Confirmation of Corruption Instances**

Softcat plc operates an Anti-Bribery and Corruption policy which has been approved by the Audit Committee of the Company and has been circulated to all of its employees. Our internal procedures require management to report to the Audit Committee any instances of corruption for review and to ensure appropriate actions have been taken. I can confirm, as Secretary to the Audit Committee, that there have been no such reported incidences of corruption in respect of the last financial year and up to the date of this confirmation.

Metric	FY2022
Total number of substantiated complaints received	0
Received from outside parties	0
Complaints from regulatory bodies	0
Total number of identified leaks, thefts, or losses of customer data	0

Metric	Unit	FY2022
Softcat's governance body members and employees that have had anti-fraud policies communicated to them	%	100
Softcat's governance body members and employees that have received anti-fraud training	%	100
Total number and nature of confirmed incidents of corruption	No. of incidents	0

# **MATERIAL TOPICS**

To understand where we can make the greatest impact, Softcat assessed a range of topics to determine how material they were to our business and our stakeholders.

We conducted interviews with internal and external stakeholders. including suppliers, partners, vendors, and customers. In addition to the qualitative information gathered through these interviews, we gathered quantitative data through surveys.

Data from stakeholders was combined with results from a business impact assessment to determine which topics are most material. These topics guide our strategy and approach and form the basis of our reporting, in-line with the Global Reporting Initiative (GRI).



IMPACT ON OUR BUSINESS



# **GLOBAL REPORTING** INITIATIVE

Softcat PLC has reported the information cited in this GRI content index for the period 1<sup>st</sup> August 2021-31<sup>st</sup> July 2022, with reference to the GRI Standards.

GRI Standard	Disclosure	Page No
GRI 2: General Disclosures 2021	2-1 Organizational details	3
	2-3 Reporting period, frequency, and contact point	1,51
	2-6 Activities, value chain and other business relationships	3
	2-7 Employees	46
	2-9 Governance structure and composition	7
	2-12 Role of the highest governance body in overseeing the management of impacts	7
	2-13 Delegation of responsibility for managing impacts	7
	2-17 Collective knowledge of the highest governance body	7
	2-21 Annual total compensation ratio	47
	2-22 Statement on sustainable development strategy	5
	2-23 Policy commitments	39
GRI 3: Disclosures on material topics	3-1 Process to determine material topics	49
	3-2 List of material topics	49
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	29-32
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	48
	205-3 Confirmed incidents of corruption and actions take	48
GRI 302: Energy 2016	302-1 Energy consumption within the organization	42
	302-3 Energy Intensity	45
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	18
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	13-15, 43
	305-2 Energy indirect (Scope 2) GHG emissions	13-15, 43
	305-3 Other indirect (Scope 3) GHG emissions	13-15, 43,44
	305-4 GHG emissions intensity	45
	305-5 Reduction of GHG emissions	14
GRI 306: Waste 2020	306-2 Management of significant waste related impacts	21,22
	306-4 Waste diverted from disposal	5,21,22
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	34,35
	403-5 Worker training on occupational health and safety	34,35
	403-6 Promotion of worker health	34,35
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	31
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	47
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development program	ms 36,37
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	39
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer da	ta 48

APPROACH

ABOUT



TO FIND OUT MORE ABOUT SOFTCAT'S CURRENT AND FUTURE COMMITMENT TOWARDS SUSTAINABILITY, EMAIL SUSTAINABILITY@SOFTCAT.COM