Softcat

SUSTAINABILITY REPORT FY23

Softcat

WELCOME

MESSAGE FROM OUR CEO

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Over the last few decades, technology has completely changed the way we live and do business. But for all the advantages, it has also had some environmental consequences.

Everyone in the IT channel knows we must work smarter and collaboratively to ensure a more sustainable future for all - focusing on environmental and social responsibility, and the transparency of good governance. This report aims to form part of that.

I believe Softcat is making great progress. Our approach is simple: to operate profitably while providing customer excellence at a competitive price, but at the same time safeguarding the best interests of both our people and the planet.

This year, I'm delighted that we've made meaningful strides in reducing our carbon emissions. We now have 100% renewable energy implemented across all of our locations and are installing solar panels at our Marlow HQ which will generate 80% of that site's annual energy usage.

Our 'reuse, refurbish, recycle' mission provides our customers with the best possible technological solutions while avoiding unnecessary e-waste and driving down costs. We want to be at the forefront of the drive to create a truly circular economy.

Softcat was founded more than 30 years ago to be, first and foremost, a great place to work. This remains our true purpose to this day and a highly motivated, healthy and happy workforce will always be the basis of our success.

We have worked hard to build an inclusive culture where people can really be their authentic selves - building the foundations for their careers, whether as a new apprentice or a more mature hire, and supporting their wellbeing at the same time. We also do great work within the communities in which we are based, and you can read more about that later.

None of our achievements would be possible without the dedication and enthusiasm of our people. I'd like to thank every single member of the Softcat team for their commitment to our sustainable development, and to every partner and customer who has supported us and been inspired to take more action in their own operations.

I hope you enjoy this report, and that we continue to drive positive change together.

Graham Charlton, CEO

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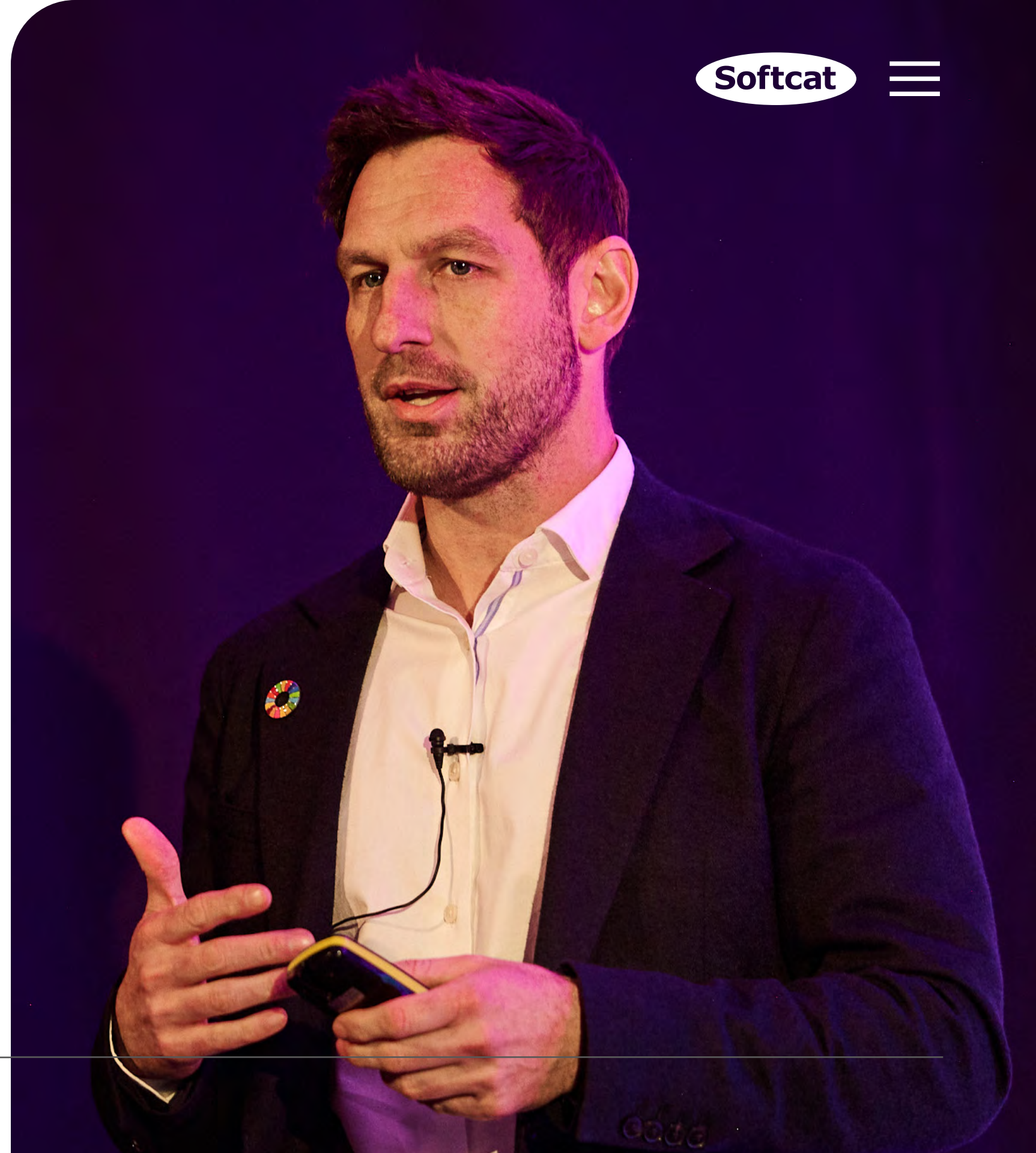
WORKING TOWARDS A BETTER FUTURE

Last year, we released our first Environmental, Social & Governance (ESG) report.

Our continuing journey requires commitment and dedication, but also acknowledgement of our progress. Being able to share our achievements with you, our stakeholders, is not only a source of pride but also a means of accountability. Since our last report, we:

Increased female representation on the management board to 57% and ethnic representation to 29%.

Achieved a 100% EV carpool fleet across our offices.

Delivered 20 workshops to further the #StrongerTogether Allyship Programme, alongside facilitating bespoke workshops for more than 130 managers.

Continued to monitor risk and resilience in line with the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

Championed e-waste reduction even more and diverted more than 190,000kg of e-waste from landfill.

Encouraged more of our partners to embark on their own ESG journeys through developing Enexo.

It's a pleasure to be part of the driving force behind Softcat's sustainability efforts. This company repeatedly displays sincere resolution to do better, and our community inspires us every day. I look forward to seeing what we can achieve in the next year, but for now, I'm excited for you to read what we've been up to over the past 12 months.

**John Gladstone,
Sustainability Lead**

WHO WE ARE

Softcat is a leading provider of IT infrastructure, delivering solutions to both the corporate and public sectors, supplying bespoke and innovative end-to-end technology solutions designed to complement and assist the workforce.

We are one of the largest resellers in the UK and generated more than £900m revenue in the last fiscal year. Our HQ in Marlow, UK, is also supported by international teams in Washington DC, Singapore, Hong Kong, Sydney, Amsterdam, and Dublin.

We deliver outstanding service to our customers and we gauge our success by our core business goals, which prioritise customer excellence and employee satisfaction. Through a culture of success, we aim for significant growth and an exceptional experience for everyone in our network.

We take pride in our conscientious and sustainable approach, striving to reduce our environmental impact and promote social value.

OUR MISSION

As an organisation, Softcat cares passionately about two things: outstanding employee satisfaction and world-class customer service. We believe the former drives the latter.

WHO WE ARE

FOUNDED IN
1993

97%
★★★★★
CUSTOMER
SATISFACTION

+10,000
LONGSTANDING
CUSTOMERS

+2300
EMPLOYEES

HEADQUARTERED IN MARLOW
WITH NINE OTHER OFFICES ACROSS THE UK AND IRELAND

HQ

MAKING AN IMPACT

Over **FIVE** years of continuous **BUSINESS GROWTH** and ongoing **CO2 REDUCTION**

+£1.5BN Gross invoiced income increase
900+ ADDITIONAL EMPLOYEES

50% reduction in
CO2 EMISSIONS
(Scopes 1 & 2)

Softcat

WHAT SUSTAINABILITY MEANS TO US

At Softcat, sustainability isn't just a buzzword; it's ingrained in our company's DNA.

The roots of our commitment to sustainability can be traced back to the principles on which we were founded. Softcat was established with a vision that extends beyond technological solutions — we want to make a positive impact on the world.

Sustainability is a broad term. But the one thing we can all agree on is that sustainability is about protecting our planet so that the future generations can enjoy it in the same way we have. Whether that's through protecting resources, investing in the replenishment of nature, or creating an inclusive culture that welcomes all forms of diversity, the people of Softcat are passionate about creating a better future.

In my exciting, multifaceted role, I help develop and implement strategies to ensure Softcat's practices are aligned with our environmental goals, remaining compliant to legislation, and building sustainability awareness internally.

Success to me is finding where I can uplift and empower our employees to want to make that change to become more environmentally responsible in their behaviours both at work and at home. I'm driven by our sustainability strategy and by getting our stakeholders involved in initiatives that reduce our environmental impact such as energy efficiency, waste reduction, and employee engagement.

Rachel Moorthy, Sustainability Executive

Softcat

INDUSTRY AWARDS AND AFFILIATIONS

Canalys

Our partnership with Canalys gives us access to channel and tech analysis, global data, and key events to continue to grow our business.

CDP (Carbon Disclosure Project)

Each year, we submit our environmental disclosure survey to CDP. This process ensures we remain vigilant and transparent in our progress towards net zero.

Disability Confident Employer

The Disability Confident scheme promotes change within business, encouraging organisations to think differently about disability. Our accreditation is recognition that we are 'Disability Confident Committed'.

EcoVadis

EcoVadis assesses four key business themes: environment, labour and human rights, ethics, and sustainable procurement. We have submitted to EcoVadis annually since FY14.

HP Amplify Impact Award 2023

The Amplify Impact Global Leader Award recognises the partner who demonstrates the best overall sustainability performance.

ISO 14001 – Environmental Management

ISO 14001 is an internationally agreed standard that sets out the requirements for an environmental management system. Our compliance means we use resources efficiently and reduce waste where possible.

ISO 50001 – Energy Management

The ISO 50001 framework requirements mean we have a robust policy for optimising energy use, with clear targets and objectives.

Lenovo Accelerate – ESG Partner of the Year

Softcat received two awards at Lenovo's partner event, Accelerate. We were awarded 'As One Partner of the Year', and 'ESG Partner of the Year'.

Microsoft Partner Pledge

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

Race at Work Charter

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

Science Based Targets Initiative (SBTi)

Softcat was the first IT company in Europe to have its net zero targets approved by SBTi. We continue to work tirelessly towards reaching our goals.

Social Mobility Pledge

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

Stonewall Champions Programme

Supporting this programme helps us develop policy and best practice that further embeds LGBTQ+ inclusion in our workplace.

Support the Goals

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.

Techies Go Green

Softcat is part of this movement of IT and tech-oriented companies who are committed to decarbonisation and boosting verifiable sustainability.

UN (United Nations) Global Compact

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

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2015, 193 world leaders agreed to 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.

No business can change the world alone. We know that by joining the world's largest action plan we can help to make the biggest difference. Every aspect of our strategy is influenced by the SDGs, and we integrate their values into our everyday operations.
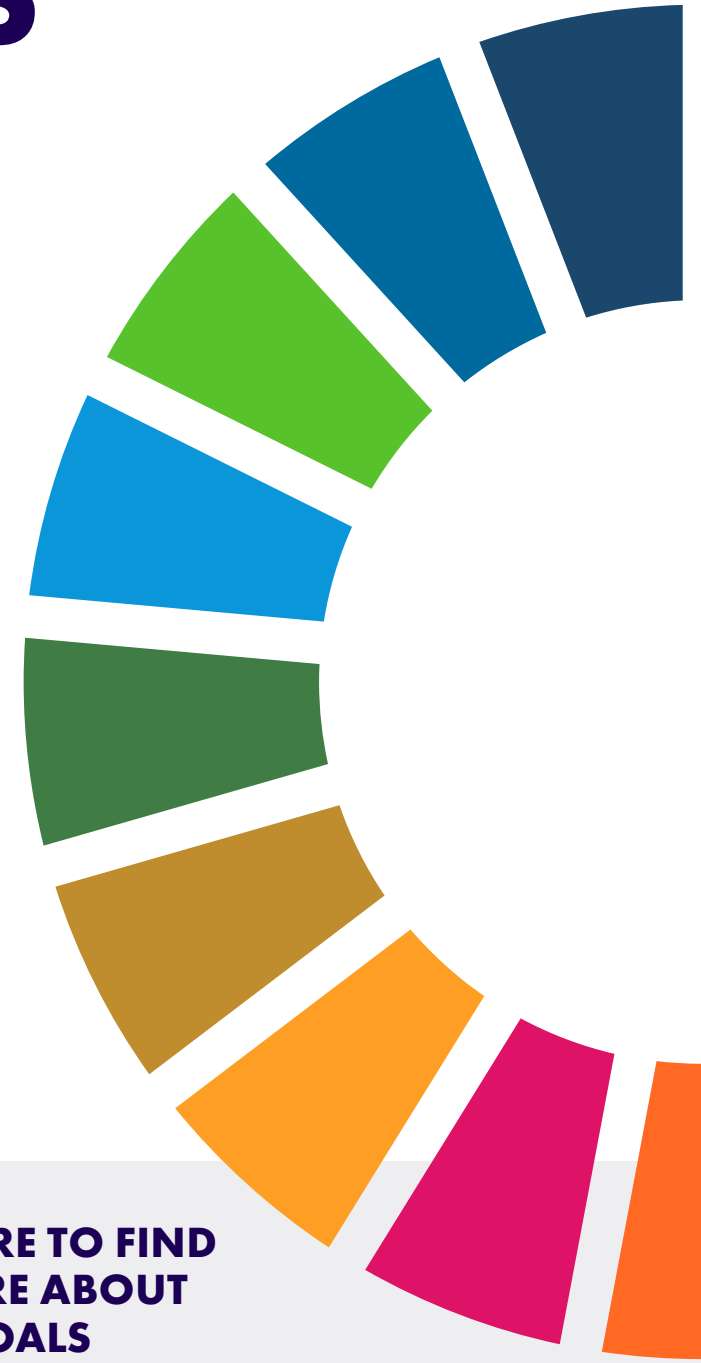
CLICK HERE TO FIND OUT MORE ABOUT ALL 17 GOALS

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OUR PRIORITY GOALS

As we enter the second year of our commitment to annual sustainability reporting, we are excited to share our progress with you.

Our strategy has been guided by the six SDGs that we selected as priorities for our business:

ENVIRONMENTAL SUSTAINABILITY

SOCIAL SUSTAINABILITY

GOVERNANCE AND ORGANISATIONAL SUSTAINABILITY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns.

13 CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

5 GENDER EQUALITY

Achieve gender equality and empower all women to achieve their goals.

10 REDUCED INEQUALITIES

Reduce inequality within and among countries.

8 DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

17 PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalise the global partnership for sustainable development.

S3: OUR FRAMEWORK FOR SUSTAINABILITY

Developing bespoke solutions is one of our main priorities at Softcat, and this extends to our internal operations.

Operating sustainably requires us to connect our internal strategy, our supply chain, and the solutions we offer to our customers. We do that via the S3 framework.

SOFTCAT

We're committed to making sustainability a core element of our business and embedding it in our future. We will support all our priority goals and continue to drive and develop a more efficient, reduced-carbon 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 do to enable, deliver, and support a sustainable supply chain.

SOLUTIONS

We will review all services and solutions that are offered to our customers (new and existing) and enable our employees to create and deliver sustainable products that aid our customers on their own sustainability journeys.

Softcat

ENVIRONMENTAL
SUSTAINABILITY

The environment. It's the first thing everyone thinks of when we talk about sustainability, and it's a huge part of our strategy. Everything we do has an impact on the environment around us, and we're passionate about minimising the negative and boosting the positive.

THE UN SUSTAINABLE DEVELOPMENT GOALS

SDGs 12: Responsible Consumption and Production, and 13: Climate Action have been key parts of our sustainability strategy for several years, holding us accountable to responsible and efficient processes with the planet in mind.

Every recycled asset. Each tonne of carbon saved. Every kilogramme of e-waste diverted from landfill. Our scope of influence across these and other measures is complex, but by maintaining control of the full lifecycle of the products we use, we can create bigger and more meaningful waves of change.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

ENVIRONMENTAL SUSTAINABILITY

OUR CARBON FOOTPRINT

As a leading IT infrastructure solutions provider, a significant amount of our carbon is associated with our indirect emissions.

That's why we continue to focus our efforts on identifying hotspot areas, implementing initiatives, and working with our suppliers to lower emissions.

Our total direct and indirect greenhouse gas emissions (Scopes 1, 2 & 3) for 2023 were 357,849 tCO2e, a 7% reduction from our previous year. Between FY21 and FY22 our total emissions increased owing to colleagues returning to office-based work following removal of COVID-19 restrictions, alongside a range of other environmental factors. Softcat has continually undertaken new projects to continue reducing these emissions and remove carbon from the atmosphere where possible. For more detail on the FY22 increase, please see page 14 of our FY22 ESG Report.

FY21   249,437 tCO2e

FY22   383,581 tCO2e

FY23   357,849 tCO2e

EMISSIONS TOTAL: 357,849 tCO2e

Softcat

ENVIRONMENTAL SUSTAINABILITY
FY23 EMISSIONS BREAKDOWN

Every year we calculate our emissions in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard.

The GHG Protocol defines emissions within three scopes. Scopes 1 & 2 define the direct emissions from operations owned and controlled by Softcat, as well as indirect emissions from purchased electricity and heating. Scope 3 covers all other indirect emissions associated with Softcat's value chain.

2023 breakdown

Scope 1: 184 tCO2e

Scope 2: 379 tCO2e

Scope 3: 357,286 tCO2e

	FY21	FY22	FY23	% CHANGE
Scope 1	82.30	228.55	184.19	-19%
Scope 2 (location-based)*	304.00	334.38	378.80	13%
Scope 2 (market-based)	0.00	0.00	0.00	0%
Scope 3	249,051.18	383,017.96	357,286.00	-7%
Purchased goods and services	212,577.00	301,148.07	291,567.88	-3%
Fuel and energy-related activities	39.38	71.32	52.59	-26%
Upstream transportation and distribution	101.93	148.75	184.19	24%
Business travel	72.57	511.36	849.44	66%
Employee commuting	276.72	328.09	896.67	173%
Waste	0.79	4.00	3.80	-5%
Use of sold products	35,906.76	80,697.04	63,602.07	-21%
End-of-life treatment of sold goods	76.03	109.33	129.36	18%
Total	**249,437.48**	**383,580.89**	**357,848.99**	**-7%**

All figures in tCO2e. Change calculated between FY22 and FY23.

*Scope 2 (market-based) emissions is 0 tCO2e as we purchase renewable energy credits.

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ENVIRONMENTAL SUSTAINABILITY

OUR SCOPE EMISSIONS

SCOPE 1

Scope 1 GHG emissions include emissions associated with natural gas and onsite fuel usage, and fuel used by our company fleet vehicles. They are calculated using a volume-based approach.

Compared to FY22, our Scope 1 emissions have decreased by 19%. This is due to a reduction in our gas consumption as we increase our efforts to transition away from gas. As a result, three of our locations (London, Manchester and Lunar House building at our Marlow HQ) have now switched to 100% electricity usage.

SCOPE 2

Scope 2 emissions are calculated using the location-based and market-based method outlined by the GHG Protocol. This method reflects the average emissions intensity of national or regional electricity supply networks.

Our Scope 2 location-based emissions have increased, with a 13% increase in electricity consumption. This is due to the acquisition of a new office in Newcastle, resulting in higher electricity consumption compared to last year.

The increase has been compounded by the installation of EV chargers across 27% of our office locations as part of our ongoing decarbonisation strategy, with these chargers also increasing continual energy consumption as they are used to charge our EV fleet.

SCOPE 3

Like most companies in the IT sector, Scope 3 makes up most of our carbon footprint, as we sell services and products that consume a lot of energy throughout their lifecycle.

That's why our innovative '10 in 10 Plan' focuses on working with vendors, suppliers, customers, and colleagues to guide them on their sustainability journey and, in turn, help us on ours.

Since FY22, we have reduced our Scope 3 emissions by 7%. We have also improved data collection by obtaining primary data across all our company locations. As a consequence of this, together with improving our modelling approaches and using the latest emission factors, our employee commuting and business travel emissions have increased.

This represents a more accurate figure than was previously available, but we're continuing to implement hybrid working throughout our offices to keep increases to a minimum. Having accurate data that captures the full picture makes sure there aren't any hidden emissions in our value chain, and that we can continue to meet our 10 in 10 targets.

Softcat

ENVIRONMENTAL SUSTAINABILITY

OUR NET ZERO TARGETS

We became the first IT company in Europe to receive approval from the SBTi and we're working hard to achieve net zero emissions across our value chain by 2040.

Going forward, we're focusing on using technology to reduce our emissions and accelerate progress towards our targets.

In 2023, we continued to use technology and implement initiatives that actively supported our progress in reducing emissions.

Reduce scope 1, 2, and 3 emissions by

45%

by 2030

Reduce scope 1, 2, and 3 emissions by

90%

by 2040

Predicted carbon saving
112,247 tCO2e

Predicted carbon saving
224,493 tCO2e

249,437

137,190

24,944

Total emissions (tCO2e)

300,000
250,000
200,000
150,000
100,000
50,000

2021   2030   2040
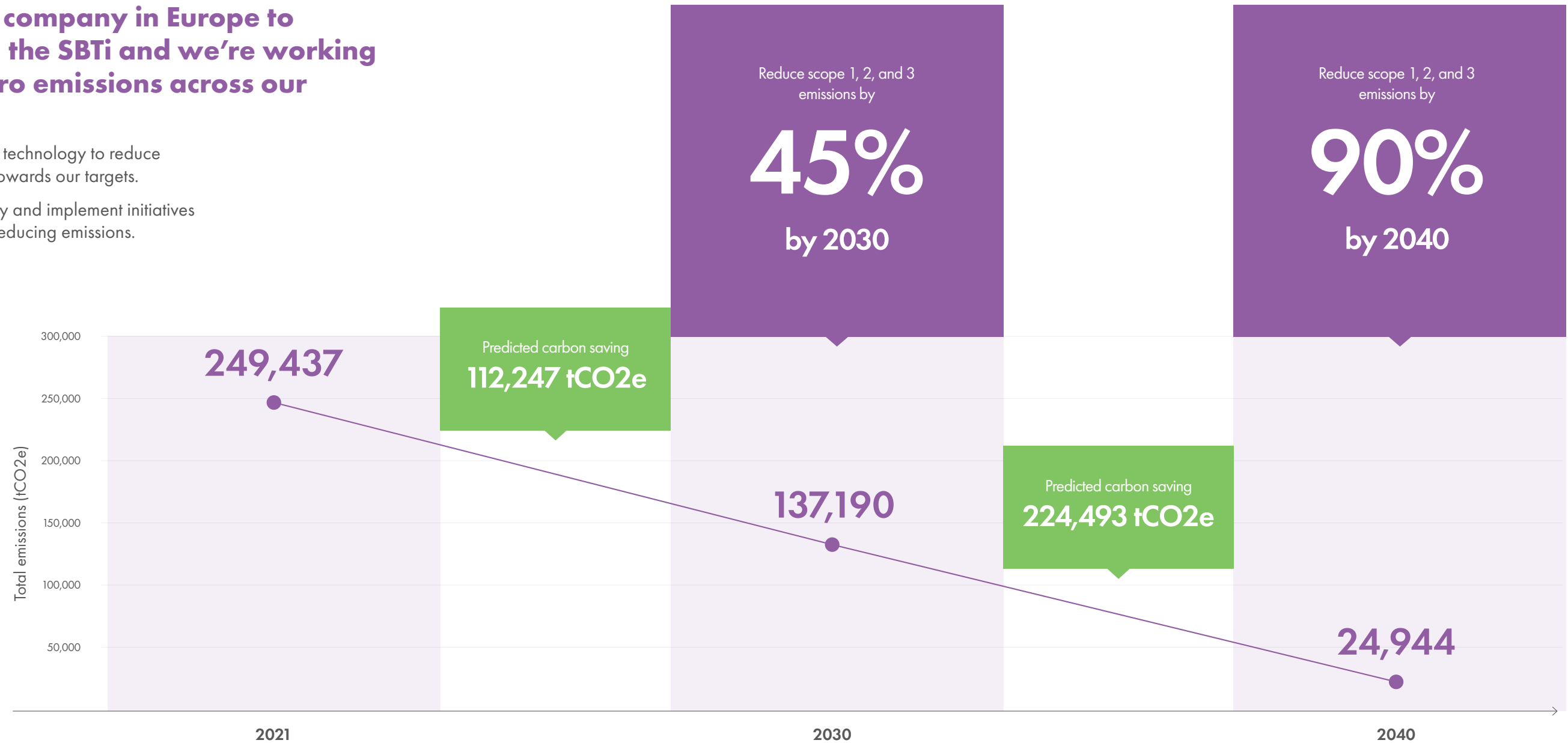
OUR 10 IN 10 PLAN

TEN TARGETS. TEN YEARS. ONE PLAN.

TARGETS	PROGRESS	STATUS	YEAR
Full migration to EV pool cars.	We have successfully migrated all pool cars to EV.	COMPLETED ✓	2023
Renewable energy across all Softcat locations + renewable energy generation projects.	100% of the energy we use is now renewable. We have successfully completed this a full year ahead of the deadline. Where offices are unable to procure renewable energy, we purchase Renewable Energy Guarantees of Origin or Guarantees of Origin (REGOs/GOs).	COMPLETED ✓	2024
Major suppliers/partners to have net zero plans + SBTi where applicable.	Using the Enexo ESG platform we have reviewed all tier one suppliers and are now working to review our partner network and remaining suppliers in the coming FY.	ON TRACK	2025
Softcat services to be certified 'carbon neutral' (PAS 2060).	We have four pilot services currently in progress to help us reach carbon neutral status, so we're making good strides towards achieving this.	ON TRACK	2026
100% of deliveries to be completed using low emission delivery service.	We are in the process of collecting comprehensive data for this target.	ONGOING	2027
>80% of customers will be purchasing sustainable products or services from Softcat.	We are in the process of collecting comprehensive data for this target.	ONGOING	2028
Suppliers to be using 100% renewable energy across their operations.	We are in the process of collecting comprehensive data for this target.	ONGOING	2029
45% reduction in gross emissions in line with net zero targets (FY21 baseline)	Softcat achieved a 7% reduction in our gross emissions in 2023 compared to 2022.	ON TRACK	2030
Zero to landfill (operational waste)	We are in the process of collecting comprehensive data for this target.	ONGOING	2031
>80% of customers using renewable energy	We are in the process of collecting comprehensive data for this target.	ONGOING	2032

ENVIRONMENTAL SUSTAINABILITY

NATURE-BASED INVESTMENT AND IMPACTS

We use carbon offsetting to operate as a carbon neutral business alongside other initiatives to reduce our carbon emissions.

Softcat's FY23 carbon offset covers our Scope 1, 2 and operational Scope 3 emissions, which includes business travel, fuel and energy-related activities, employee commuting and waste.

In our journey to net zero and commitment to our validated science-based targets, we work with accredited offsetting partners to purchase high quality carbon removal credits. More importantly, this has been certified to a Verified Carbon Standard ('VCS') with Verra, meaning we can be assured of its integrity.

This year, we made the transition to carbon removals and have selected a reforestation of degraded farmland project in India.

The 30-year reforestation project spans across three Indian states – Odisha, Andhra Pradesh, and Chhattisgarh. This project has seen 14,970 hectares of eucalyptus trees planted and funds a seven-year harvest and replenishment scheme. Our support in nature-based solutions helps with protecting the land which was severely degraded or degrading and would otherwise be wastelands due to sever soil erosion without considerable flora.

In addition to increasing the forest cover, the project also provides enhanced sources of livelihood and income in rural areas by generating large employment opportunities as a result of the seven-year plantation program, enabling each strata to be harvested between 3-6 times over a 30-year period. Not only does this fast-growing plantation project encourage carbon sequestration and carbon credit generation,

but it also supports the communities within which the planting takes place. Most of the degraded land is owned by tribal farmers or farmers in poverty who lack the capital to sustain the replenishment of their land. Our aid supports silviculture activities such as:

- Nursery raising
- Site preparation
- Seedling transportation
- Planting
- Fencing
- Plantation maintenance

This directly contributes to the significant reduction in topsoil losses due to wind and water erosion and biodiversity conservation. The annual average GHG emission reduction from the project activity is estimated to be 146,998 tCO2e equivalent per annum.

This project also supports the following SDGs:

3 GOOD HEALTH AND WELL-BEING
Improving air quality and supporting local farming communities

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Managing a harvesting programme

15 LIFE ON LAND
Protecting natural habitats and improving biodiversity

Softcat

ENVIRONMENTAL SUSTAINABILITY

LAUNCHING COMPANY-WIDE SUSTAINABILITY TRAINING

One way we're investing in the planet is by advocating for climate literacy.

We have identified that climate awareness education is key to not only improving our industry position but ensuring our business is driven by individuals dedicated to making change.

Every year, Green Week at Softcat is an opportunity to raise awareness about the importance of sustainability and environmental responsibility in our community. But we took things a step further this year and used the week to launch our inaugural sustainability training course.

The course covers the basics of climate change and shares what actions Softcat is taking to counter this. It acts as an important call to action to develop ways to incorporate sustainability into our work and personal lives. With a 98% completion rate, we're thrilled about the response to the training and the outcomes from it.

INCREASING SUSTAINABILITY AWARENESS

Employees developed a deeper understanding of environmental, social, and economic issues and how to apply sustainability principles within their roles, regardless of department.

DRIVING POSITIVE BEHAVIOURAL CHANGE

Employees learned how to adopt sustainable behaviours at home and at work. Examples included increasing rates of recycling, transportation choices, purchasing decisions, and waste reduction.

IMPROVING STAKEHOLDER ENGAGEMENT

Employees can now engage with customers, suppliers, and communities about sustainability, further embedding our reputation as an environmentally responsible business.

MEETING COMPLIANCE AND REGULATORY REQUIREMENTS

The sustainability training is aligned to Energy Management Systems ISO 14001 and 50001. It meets the requirements that employees are made aware and educated on the relevant environmental certifications and standards Softcat upholds, which reduces the risk of non-compliance.

IDENTIFYING POTENTIAL COST SAVINGS

Employees now recognise the opportunity for resource efficiency, waste reduction, and energy conservation, all of which will help reduce cost and improve resource management.

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ENVIRONMENTAL SUSTAINABILITY

SUSTAINABLE SOLUTIONS

It is so important that we collaborate with customers to understand what can be done to reduce the emissions across their estates and supply chain.

We work with our customers to educate and assess the environmental statuses of their current and future estates, and have a very simple approach to delivering sustainability:

ASSESS

We review past, current, and future solutions. Sustainability assessments allow organisations to understand the energy being consumed by their IT estate and the emissions generated. Once an assessment has been carried out, we work closely with the customer to ensure that anything purchased moving forward is more sustainable than the previous solution. This will ensure reduction of emissions across the customer's estate and maximise the value delivered by Softcat.

REVIEW

Softcat account teams work with customers to review the products and services being purchased and investigate more sustainable alternatives where applicable. Our specialist teams can look at how product standardisation could be implemented, reducing the number of product lines purchased - resulting in ease of ordering and cost reduction (based on quantity). Other areas for review may include logistics consolidation which can help reduce delivery emissions.

OPTIMISE

We will work with the customer to make sure that anything from the review is delivered and successful, to ensure efficiency across the account. There are several other areas of optimisation to consider, including existing services being delivered and existing solutions in place. An example of this could be wireless infrastructure – minimising power usage by switching off during out-of-hour periods.

RETIRE

Organisations are under increased pressure to ensure they are maximising the life of their assets and managing disposal when they are finished with them. Softcat's circular services ensure IT hardware is retired legally and ethically. If equipment is 'end of life' and cannot be reused or repaired, we ensure it is disposed of in line with WEEE legislation using our global partner network. If the equipment has a value or can be reused, then we can offer many options including buy back, redeployment and donation services. All the disposal and recycling services include logistics as well as secure data erasure services.

Softcat

ENVIRONMENTAL SUSTAINABILITY - CASE STUDY

SUSTAINABLE SOLUTIONS: KENT COUNTY COUNCIL

THE CHALLENGE

The pandemic highlighted digital exclusion, where people lacked access to a device when most services moved online, and then stayed online. Kent County Council (KCC) wanted to tackle this social disadvantage so needed a partner to support its Hardware Access Scheme (HAS) and recycling service plans which needed to be cost-effective and sustainable.

THE SOLUTION

We offered a solution which used remanufactured products (restored to 'as new' condition) so Kent citizens receive a better-quality device with a longer lifespan, as well as being sustainable from request, by local authority referral, to delivery. This has helped KCC maximise project value, reduce supply chain emissions and increase the amount of e-waste being recycled across the county. The team worked fast to learn and understand KCC needs, being adaptable at every turn to improve the process in real time. This included bringing reporting of requests in-house to speed up the process and meet the needs faster.

THE IMPACT

- 6,836 devices supplied to date
- This has prevented 2,262 TONNES of CO2 emissions, saved 1.2 BILLION litres of water (that's 1,400 25m swimming pools!) and 1.2M TONNES of earth being mined*

Kent resident Alfie was struggling at secondary school due to being autistic and having dyspraxia. Writing by hand was difficult, sometimes painful, due to other muscular conditions so Alfie received a remanufactured laptop - enhancing lessons, homework and a social life.

"Having the laptop has really helped me. I enjoyed my subjects but found it hard to write, so having a laptop I can type on or dictate on, means I am able to write essays and do well in my subjects. I also enjoy socialising with my friends after school online." Alfie, 18

THE FUTURE:

KCC wanted Softcat to develop the service further with a zero to landfill Device Recycling Scheme for its community, public sector organisations and businesses. Launching in June 2023, this project recycles hardware including laptops, tablets and computers, as well as creating revenue for KCC to reinvest back into tackling digital exclusion. These are securely wiped to government-approved standards, with a certificate of confirmation supplied, and then repurposed for those most in need or recycled.

"The Softcat team have been outstanding. It wasn't just about selling a service to us; it was about customer care and the bigger digital exclusion picture. We have been able to start addressing digital exclusion in an environmentally friendly and cost-effective way. Additionally, the recycling scheme will allow us to continue to fund the access scheme as well as other initiatives like raising awareness about social tariffs for broadband." Sam Lain-Rose, Digital Lead (Inclusion & Capabilities) at KCC.

"

The impact of having the laptop has been excellent. Teachers often told us how bright Alfie is, but the difficulty of writing meant his grades were not reflecting his full potential. Since having the laptop, his grades have improved, and his overall wellbeing is better.

Alfie's mum

"

Softcat

ENVIRONMENTAL SUSTAINABILITY - CASE STUDY

SUSTAINABLE SOLUTIONS: MORRISONS

THE CHALLENGE

Morrisons, one of the UK's leading grocery retailers, needed to implement a hardware refresh programme to ensure its device estate was up to date, fully supported and providing the performance it needed to face the future with confidence. With more than 500 sites encompassing retail, manufacturing, logistics and central functions, it was a hugely complex task. More than 10,000 devices needed to be upgraded where possible or replaced entirely and its success was deemed as mission critical by its Executive team.

THE SOLUTION

Working closely with Morrisons project team, comprehensive site audits took place to define the project scope, enabling Softcat to provide an end-to-end solution. Softcat then established a centralised and secure hosting facility at Greensafe, where the team could configure and build replacement devices. The project involved replacing old devices where necessary and repurposing existing devices whenever possible, adding a sustainable angle to the project.

Each device was configured to Morrisons exact specifications, with close attention paid to ensuring they would integrate seamlessly with Morrisons existing IT infrastructure and critical business processes. Hypercare support, to ensure application integrity and help users familiarise themselves with the new devices, was also provided for every user across every location. The device rollout was completed well before Microsoft's deadline for end of support for Windows 7 and, as an added bonus, was finalised before Morrisons' peak trading time at Christmas.

THE IMPACT

- 19,600kg of IT equipment recycled
- 4,000,000kg of CO_2 saved through device reuse
- 10,000kg of CO_2 saved through recycling

Over 3,500 suitable existing devices were re-purposed and re-configured to upgrade from Windows 7. Any devices that were unsuitable for re-configuration were also recycled to ADISA standard.

"

The tri-party agreement between Morrisons, Softcat and Greensafe was excellent and categorically underpinned the success of this project. From project managers to coordinators and engineers, all the way through to the executive sponsorship, by the end of the project the Softcat & Greensafe team members felt like Morrisons colleagues. They were genuinely passionate about meeting the timeline and ensuring the handover to our stores and sites was as seamless as possible.

Colin Featherstone, Senior Technology Manager/ Tech Sustainability Lead at Morrisons

Read full Morrisons case study here.

Softcat

ENVIRONMENTAL SUSTAINABILITY

CREATING A BUZZ AROUND BUCKLEY'S BEES

We're always looking for innovative and exciting ways to give back to our environment.

For the last couple of years, we have sponsored ten beehives — one to represent each of our thriving offices — with Buckley's Bees, as part of our commitment to sustainability and making a positive impact on the environment.

We receive quarterly updates from Buckley's Bees about our hives and how our swarms are getting on, and this year we're pleased to see them flourishing! The team at Buckley's also provide us with tips on how to promote bee-friendly environments elsewhere, such as which flowers to plant.

This year Laura Milkeviciute, our Corporate Internal Client Manager and Green Team Sustainability Representative for Glasgow, took on a passion project to design labels for our very own Softcat honey jars.

"
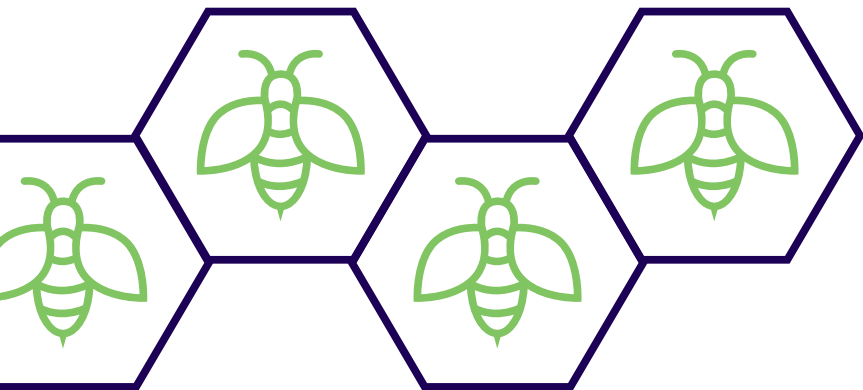
This is one of the most fun projects I had the pleasure to work on this year. After work I am an artist and illustrator with a 3D and animation background. For the honey jar label, I wanted to create a fun and colourful design, so I chose to use plant and bee motifs along with our signature purple colour.

Laura Milkeviciute, Corporate Internal Client Manager

"

Softcat

ENVIRONMENTAL SUSTAINABILITY

MAKING OUR VOLUNTEERING DAYS GREEN

This year our South Coast colleagues teamed up with our longstanding partner Lenovo, to promote environmental-focused volunteering days.

Ten Softcat colleagues, two of our partners from Lenovo, and a colleague from AMD headed out into the local area with our Waterhaul litter-picking equipment and a strong sense of resolve.

Originally, the team planned to help clean up the local Southampton and Portsmouth beaches. Severe weather conditions on the coast made this impractical

so, undeterred, the team headed to Whiteley Copses, a local nature reserve of dog walking trails, copious woodland, and a scattering of lakes.

By the end of the day, the team had hauled five bin bags of cigarette butts, assorted rubbish and even a single Apple AirPod, back to the van. The rain-soaked team were treated to a hearty pub lunch, and a few weeks later managed to get back to the beach for some paddleboarding.

Softcat

ENVIRONMENTAL SUSTAINABILITY

REDUCING EMISSIONS WITH

enexo

No matter how clued up a business is about sustainability and reducing emissions, everyone needs a helping hand now and then.

That's especially the case when it comes to collecting data and making calculations, which can be a minefield of sources and conflicting, complex information. That's where Enexo, our flagship cloud-based platform, comes in.

Last year, we launched Enexo to help organisations measure, manage, and minimise their carbon footprint, and support them on their journey towards net zero.

With more than 12 million data points and hundreds of trusted calculations, we are investing in Enexo to help our partners, customers, and suppliers to better understand their carbon footprints. In part, this involves measuring performance against industry competitors, which is why the software enables businesses, including us, to benchmark their data against other similar users. This level of transparency and communication encourages businesses to act in new ways.

A TOTAL OF 101 USERS JOINED THE PLATFORM IN 2023, AN INCREASE OF 74% SINCE THE PLATFORM LAUNCHED IN 2022.

ENVIRONMENTAL SUSTAINABILITY

SCRAPPING THE LINEAR ECONOMY

Our commitment to responsible management and disposal of IT waste supports the flourishing circular economy of technology.

We partner with several accredited, Environment Agency (EA) approved recycling facilities for our waste electrical and electronic equipment (WEEE) disposal. Each collection of IT designated for recycling is tracked using hazardous waste consignment notes, ensuring correct reporting by weight to the EA.

This year with just one of our partners, Greensafe, we achieved the following:

27,023.7

TONNES CO2 SAVED THROUGH REUSE

That's the equivalent to the emissions produced by 3,406 family homes' entire energy use for the year

237.6

TONNES CO2 SAVED THROUGH RECYCLING

That's the same weight as three space shuttles

17,078,751,667 LITRES WATER SAVED

108,094,725.3 TONNES EARTH NOT MINED

490,501.5kg IT NOT DESTINED FOR LANDFILL

Softcat

ENVIRONMENTAL SUSTAINABILITY

Start date:
01-Aug-22

End date:
31-Jul-23

Total assets processed**
83,969

Total weight processed
314,600kg

% Resold for reuse
# 62.4%

% Recycled
# 37.6%

We aim to run our operations as close to a 100% recovery rate and zero landfill process as physically possible.

To promote the most sustainable consumption and production patterns, we ensure we maintain as much control as possible over the lifecycle of the products we deal with.

Softcat's Asset Recovery Service is designed to provide a safe, secure and ethical approach to extending the lifecycle of IT. We encourage refurbishment and reuse as the primary focus and, where this is not possible, ethical recycling practices to close the loop on a circular economy.

UNITS RESOLD FOR REUSE

Asset Type	Qty	Weight (KG)
Desktops	6,379	54,720
Laptops/Tablets	15,258	23,163
Printers/photocopiers	1,084	12,051
Monitors	5,102	69,298
Servers/storage/network	2,345	45,356
Misc/HDD	22,263	18,849
TOTALS	**52,431**	**223,437**

UNITS RECYCLED (WEEE DISPOSAL)

Asset Type	Qty	Weight (KG)
Desktops	1,483	10,415
Laptops/Tablets	3,820	5,190
Printers/photocopiers	355	4,173
Monitors	1,354	16,266
Servers/storage/network	2,154	30,810
Misc/HDD	22,372	24,309
TOTALS	**31,538**	**91,163**

**An asset is an item it could be a component through to a server.

In 2023, 58% of technology that passed through the Asset Recovery Service was reused, with a further 38% recycled and 4% refurbished. In total, we resold nearly 35,000 units for reuse out of more than 56,000 assets processed.

ENVIRONMENTAL SUSTAINABILITY

GREEN TEAM: GIVING TIME, MAKING CHANGE

Now 83 members strong, Softcat's Green Team is a group of environmentally passionate employees, promoting greener habits around our offices and inspiring awareness of environmental issues to the Softcat community.

LUNCHTIME LITTER PICKS

Taking action for the climate can be as simple as a half-hour session removing litter from your local area. From the South Coast to Glasgow, four offices worked through the seasons to remove litter surrounding their buildings or cluttering their local beaches. Our employees got fresh air, exercise, and removed about ten bags of litter each, providing a cleaner, safer space for everyone.

Next year, we will provide more Waterhaul litter pickers for our people. These are made from 100% recycled polypropylene fishing gear that would otherwise have ended up in the ocean. We also aim to provide recycled high-visibility vests and improve our data collection to determine specific volumes of litter removed from our environments.

LITTLE GREEN THUMBS AT LITTLE MARLOW C OF E SCHOOL

Inspiring the next generation of climate change champions is one of the biggest reasons we do what we do. The future we are fighting for belongs to them, so getting stuck in with the kids at one of our local primary schools means the world to us.

Little Green Thumbs is an initiative to grow a generation of passionate environmentalists. By helping clear the area behind the school building and rearrange some raised beds, we have created space for a vegetable garden for the children to grow their own produce, learn more about nature, and become a generation of environmental champions.

PLANTING BLACK POPLARS FOR THE BEES

Just beyond Harleyford Lane in Marlow lies a large expanse of wet meadow bordering the Thames. The meadow is a haven for wildlife including a UK-native wake (flock) of buzzards. Despite nestling between Marlow and Maidenhead, the area feels like a remote but spectacularly biodiverse wilderness.

In February, we visited the site to plant a new grove of black poplars — Britain's rarest native tree — and install protective fences to prevent farm animals from damaging the trees. Black poplars provide lots of value to the local wildlife. Many species of caterpillar use them as a source of food and the catkins provide an early-season source of pollen and nectar, a much-needed boost for the declining bee population!

> "
> We were very impressed [on the day]; it is a very slick and well-oiled machine. We turned up with our wellies and gloves and we were given everything we needed to get stuck in. Everyone had their jobs, so we all got involved (old and young) and nobody was left standing around. It was a very satisfying morning.
>
> **Grace Lee, Multinational Services Partner Manager, Green Team Co-Chair**
> "

Softcat

ENVIRONMENTAL SUSTAINABILITY

GREEN TEAM: GOING GREENER, GETTING STRONGER

Practising what we preach. Leading by example is one of the key aspects of our Green Team's mission. Here are just a few of the exciting ways we did that this year.

12 DAYS OF SUSTAINABLE CHRISTMAS

Spreading holiday joy often means creating a lot of waste, from uneaten food to an unwanted toy. To combat this, our Green Team created the interactive Softcat Digital Advent Calendar to make sure the planet feels the festive cheer too.

The interactive guide offered daily sustainability tips and gift ideas throughout the festive celebration. Behind the 12 doors were:

- Exclusive discounts from local sustainable brands.
- Planet-friendly tips for the festive season.
- Sustainable shopping and gift suggestions.

SPREADING KNOWLEDGE WITH SPEAKER SESSIONS

We brought in various speakers across the year to encourage eco-conscious behaviours and celebrate the year's key environmental awareness dates. Speakers included the developers of a personal carbon footprint measurement app, an interactive demonstration on how to use our volunteering app from onHand, and a competitive LitterLotto to encourage the responsible recycling and disposal of rubbish.

INVESTING IN OUR PLANET

Softcat's Green Week is always a huge hit, with fantastic speaker sessions, prizes, and on-site activities. In 2023, we hosted the week in alignment with Earth Day on 22 April, with the theme of 'Investing in our Planet'. This year, some highlights included:

- Measuring our carbon footprint with Enexo.
- Putting the 'buzz' in sustainable buzz-iness with Buckley's Bees.
- Welcoming our EV scheme partner, Tusker, to our Marlow office.
- Participating in a five-ingredient food challenge.
- Understanding eco-anxiety across generations.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

COMMITMENTS AND RESPONSIBILITIES

We are committed to aligning success with corporate responsibility. We are also motivated to drive change within our own organisation, work with our partners and our supply chain and, through the technology solutions we provide, support our customers on their socially responsible journeys.

The Board takes ultimate responsibility for Softcat's sustainability and formally delegated authority to our Sustainability Committee to provide a more focused Board-level oversight on this aspect of our business. The Board remains committed to Softcat's responsibilities to the environment.

We recognise that climate change is having an impact on our planet and that we have a role to play in mitigating our contribution to that impact. The Board also recognises that climate change has potential business and financial impacts. These include risks and opportunities for Softcat, and it is our responsibility to lessen and take advantage of these, respectively.

ADOPTING TCFD

We are taking steps to make our business more resilient to climate change and we continue to make progress against the ambitious environmental targets we set in 2020. The Board fully supports the adoption of TCFD, considering it an aid to Softcat, our stakeholders, and other organisations in focusing efforts and ambitions on achieving net zero. We continue to focus on enhancing our understanding of the climate-related risks facing us and the opportunities that may be available to Softcat as a result.

TCFD DISCLOSURES

Our disclosures have been made in our annual report for 2023 and are aligned to the four thematic areas of the TCFD: governance, strategy, risk management, and metrics and targets. The disclosures are as required by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. They also meet the requirements of Listing Rule 9.8.6R in respect of TCFD, in which we have concluded that we fully comply with nine of the 11 recommended disclosures.

For full details of Softcat's compliance with these disclosures, please see pages 52-53 of the Softcat plc Annual Report and Accounts 2023.

The rest of this section will highlight the main details of Softcat's disclosures for the four thematic areas of governance, strategy, risk management, and metrics and targets.

Softcat

GOVERNANCE

THE SUSTAINABILITY COMMITTEE

In 2022, the Board established the Softcat Sustainability Committee. It meets twice each year and is chaired by Vin Murria. On behalf of the Board, the committee is responsible for setting the sustainability strategy of Softcat, including goals, targets, and objectives, and monitoring management's performance against these.

Monitoring the effectiveness of management's processes for identifying, assessing, and responding to climate-related risks and opportunities has also been delegated to the Sustainability Committee.

To successfully manage sustainability and implement associated initiatives effectively, Softcat operates a tiered governance approach, designed to emphasise what is required to support Softcat, its supply chain and its customers in achieving our vision. Our approach ensures all areas of sustainability (including risks and opportunities) get the required level of focus throughout the business.

THE SUSTAINABILITY LEAD AND BUSINESS TRANSFORMATION DIRECTOR

Katy Mecklenburgh is the executive lead for sustainability, and she is supported by various managers and employees. In particular, Al Wynn, the Business Transformation Director (who is a member of the Senior Leadership Team) provides executive-level support on strategy and direction. Both Katy and Al are supported by the Sustainability Team, which has full-time responsibility for the day-to-day implementation of sustainability initiatives.

The Business Transformation Director and Sustainability Lead attend each meeting of the Sustainability Committee to ensure it engages with those who have responsibility for operational management of sustainability throughout the company. The Sustainability Lead provides updates on climate-related performance and initiatives at each meeting of the Sustainability Committee.

THE SUSTAINABILITY TEAM

This team, together with the Company Secretary, take responsibility for monitoring changes in regulation or required disclosures. They discuss any such changes with the Sustainability Committee together with any plans required in response to changes.

The Sustainability Team works in collaboration with other teams as necessary to ensure the effectiveness of the climate-related risk assessment process and to explore opportunities and organise initiatives. The team also works with external stakeholders, in particular the Softcat supply chain on the planning and co-ordination required to realise opportunities.

IMPACT ASSESSMENT

We have undertaken a financial impact assessment of our climate-related risks and opportunities to improve our understanding of potential implications over the short, medium, and long term. Our process for assessing the materiality of our climate-related risks (on a gross and a mitigated net basis) is consistent with the process for other corporate risks. Any material risks (including any material climate-related risks) together with plans to mitigate or manage such risks will be presented and reviewed by the Audit Committee as part of its responsibility for risk management oversight.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

STRATEGY

Softcat's purpose is to help customers use technology to succeed.

Our overarching strategy is to build relationships with existing customers and to grow our customer base. Our approach to climate change is well aligned to both our strategy and purpose.

As an IT reseller, we do not manufacture products. Our exposure to climate-related risks and opportunities is through our ability to procure goods and services from our vendors, and add value as our employees apply their IT expertise to provide services, products, and support for our customers. To enable Softcat to keep delivering value for its stakeholders, we must ensure that sustainability is embedded in our business operations. Each year, the Board conducts a formal strategy review which this year integrated a review of sustainability. This gave the Board a more holistic view of Softcat's

strategy, including the resilience of the business to climate change and other sustainability challenges, as well as highlighting potential opportunities for sustainable growth.

We operate our S3 framework for sustainability, as mentioned on page 11 which defines our approach, guides our actions and supports the steps we take to mitigate the impacts of climate change. This framework also supports our overarching strategy to grow our customer base and build our relationship with existing customers, as we expect the importance of sustainability to our customers will continue to increase. The simple framework methodology allows us to focus on relevant internal and external factors, better manage our Scope 1, 2 & 3 emissions, and work closely with stakeholders.

SCENARIO ANALYSIS

In line with the TCFD recommendations, we conducted a climate scenario analysis in 2022 to assess potential impacts and opportunities for Softcat against possible climate futures. During 2023, working with our external advisers, we carried out a refresh of our scenario analysis to ensure it was up to date and that potential business impacts reflected the latest climate scenarios. We considered three key variables: the appropriate physical and transitional climate scenarios, geographical scope of the analysis, and time horizons.

To ensure the scenario analysis remains effective, we have followed the TCFD recommendations to use a diverse range of scenarios.

For full details of the scenario analysis, please see pages 57-58 of the Softcat plc Annual Report and Accounts 2023.

Softcat

RISK MANAGEMENT

Managing our risks effectively will enable Softcat to deliver on its strategy.

Our risk management framework helps us to identify, assess, manage, monitor, and act on risks, including those related to climate change. We recognise that climate change may have an impact on our strategy and operations and have considered these as part of our risk management process.

We capture our climate-related risks and opportunities, and their associated business and potential financial impacts, in our climate change risk and opportunities register. The register provides a framework to identify, assess, manage, and monitor the impacts of climate change on our business. We identify current or future mitigation and control measures to reduce the likelihood of risks arising and to mitigate their effect when they do.

This year, we updated our assessment of climate change risks and opportunities with a potential financial impact on the business. The primary purpose of the updated assessment was to determine whether the risks and opportunities already on the register were still relevant since the last assessment, as well as to consider new risks against revised climate scenarios.

No new material risks were identified or added. We incorporated the identification and assessment of climate-related risks into our overarching corporate risk management framework using our current corporate risk framework.

We validated and scored climate-related risks and their potential financial impacts through a risk review workshop. The workshop was attended by senior managers in the business, including the Chief Financial Officer, Commercial Finance Director, Business Transformation Director, and Sustainability Lead.

Representatives from our Group Risk and Compliance Team (which is responsible for day-to-day management of the corporate risk register) also attended the workshop to ensure alignment of the approach between climate change risks and corporate risks. A summary of the key risks and opportunities was reviewed by the Sustainability Committee, which has oversight of the climate change risk.

For further information on our risk management process and our detailed consideration of climate-related risks to our business.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

METRICS AND TARGETS

As we evolve our sustainability strategy, we continue to review our metrics and targets to ensure the data we measure is relevant and meaningful to the business and aligns with our overarching strategy, culture, and values.

The data we measure and disclose also allows our stakeholders to effectively monitor Softcat's environmental performance over time.

The Softcat Board has approved three key target commitments, and the Sustainability Committee regularly monitors progress against these. Our metrics focus on our GHG emissions, and these are assessed through the intensity measurements set out on page 70 of our annual report. The Sustainability Committee has also endorsed the GHG emissions reduction targets approved by the SBTi.

Achieving the following key targets is the focus of our sustainability initiatives:

- To use carbon offsetting to operate as a carbon neutral business and to implement initiatives throughout the business to reduce emissions

- To use, where possible, renewable energy across all office locations (by 2024)

- To work with our supply chain to help it become net zero (by 2040); and

- To reduce GHG emissions by 45% by 2030 for Scopes 1, 2 & 3, and to reduce GHG emissions by 90% by 2040, relative to a FY2021 base year. These targets have been approved by the SBTi.

We are committed to improving the measurement of our carbon footprint and engaged an external firm specialising in sustainability for our FY2023 carbon footprint calculation.

For more details of our metrics and targets, please see pages 65-66 of the Softcat plc Annual Report and Accounts 2023.

Softcat

SOCIAL SUSTAINABILITY

Our thriving Softcat community, with offices full of passionate and enthusiastic people and a culture of collaboration and support, continues to inspire us to do more. The people we employ bring our Softcat values to life and we believe that, in return, they deserve excellent compensation and a fun, safe workplace.

INTELLIGENCE | RESPONSIBILITY | FUN | PASSION | COMMUNITY

THE UN SUSTAINABLE DEVELOPMENT GOALS

We have incorporated the values of SDGs 5: Gender Equality, and 10: Reduced Inequalities into our social strategy, championing the fight against inequalities of all kinds within our community. From intelligence to responsibility, to fun, passion, and community building, these values are what guide our social strategy.

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

Softcat

SOCIAL SUSTAINABILITY

DIVERSITY AND INCLUSION

It's estimated that women make up just 28% of the technology workforce in the UK. Members of ethnic minority groups comprise just 25%, and this almost halves at senior levels.[1]

The tech industry faces a serious diversity and inclusion crisis and improving equal access is at the forefront of our mission.

Diversity encompasses differences in race, gender, ethnicity, age, sexual orientation, abilities, and more. Inclusion, on the other hand, involves creating an environment where all employees, regardless of their differences, are respected, supported, and have equal opportunities to contribute and succeed.

A commitment to diversity and inclusion not only aligns with our ethical principles but also makes good business sense, driving long-term success and better sustainability in our rapidly evolving tech industry.

[1]https://report.techtalentcharter.co.uk/diversity-in-tech

Softcat

SOCIAL SUSTAINABILITY

OUR AIMS

TARGETS	PROGRESS	STATUS
We aim for women to make up 35% of our workforce by 2030.	We have met this ambition ahead of target date with women comprising 35% of our workforce.	**COMPLETED** ✓
We aim for our ethnic minority representation to be above the national average for the working age population (14%).	We have exceeded this ambition ahead of target date as ethnic representation is at 17% for the entire company.	**COMPLETED** ✓
We aim that our management team will reflect the female representation of our total workforce.	We have met this ambition ahead of target date. Our management team comprised 34% women at end of FY23 — on target. Our Senior Leadership Team comprised 33% women at end of FY23 — on target.	**COMPLETED** ✓
We aim to collect more identity data across all employees.	We collate data for gender, ethnicity, socio-economic background, age, sexual orientation, and disability/neurodiversity.	**ONGOING** ○
We aim that our management team will reflect the ethnic minority representation of our total workforce.	Aim not yet met. We are still working towards 17% at management level to reflect ethnicity across our wider employee pool. We do this through talent conversations that impact individual succession plans. We also ensure that diverse talent is represented at Management and Senior Management during the hiring stage. Our management team comprised 7% ethnic minorities at end of FY23.	**ONGOING** ○

"

I am pleased to see that with the additional members of our leadership team and with the more comprehensive development programmes in place, we have increased the number of women coming through to management and senior level roles. We are committed to seeing the same representation for ethnicity over time of our overall ethnic balance across the company.

Anushka Davies, Head of Employee Engagement, Diversity & Inclusion

"

Softcat

OUR DIVERSITY AND INCLUSION NETWORKS

WOMEN IN BUSINESS

ETHNIC & CULTURAL DIVERSITY

PRIDE

FAMILY

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.

The EC Network celebrates, educates, and collaborates on topics and important cultural events relating to our culturally diverse Softcat community. We recently changed the name of this network from BAME (Black, Asian, and Minority Ethnic), to be more inclusive of all ethnic communities individually, rather than grouping them together. We are proud that 99% of our employees have informed us of their ethnicity to help us better support those we represent.

Our Pride Network creates a supportive and inclusive work environment for all sexual orientations, gender identities and marginalised or under-represented LGBTQ+ groups. It isn't enough to simply recognise what equal opportunity means; we must embed our efforts into ensuring LGBTQ+ people within Softcat are given the same chances at success. The benefits of feeling accepted are immeasurable and we want all Softcat employees to experience that.

This network ensures that, as an organisation, we focus on creating a culture that enables our employees to balance family commitments with work responsibilities. This group advocates for many employees within the business, not just those who have children. At its heart, the Family Network is made up of individuals who are passionate about listening, and providing support to those struggling to balance work commitments with family life.

Softcat

OUR DIVERSITY AND INCLUSION NETWORKS

EDN

FAITH AT WORK

ARMED FORCES & VETERANS

Our Empowering Disability and Neurodiversity Network (EDN) aims to empower and support members and colleagues through education and awareness of visible and hidden disabilities. We have become a Disability Confident employer because of the progress we have made in such a brief period. The network leaders have worked without any barriers to share personal stories with the aim of normalising conversations around disability and neurodiversity, helping the Softcat community to celebrate differences and embrace what makes people different and unique.

This network ensures that we live out Softcat's commitment to our employees in enabling them to bring their whole selves to work, and by creating safe spaces to support anyone practising their religion. Recognising, acknowledging, and accepting the importance of faith, religion, and belief is a key part of an inclusive workplace. Thanks to the efforts of this network, Softcat has been able to create faith rooms within offices and at external events so that those who wish to pray feel comfortable doing so.

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. Over the years, we've supported many key national and local events, such as wreath-laying and Poppy Appeals. The network's continued focus has earned us the Silver Award for the Defence Employee Recognition Scheme.

Softcat

SOCIAL SUSTAINABILITY

DRIVING FORWARD OUR D&I MISSION WITH MICROSOFT

Only by working together can we conquer the world's toughest challenges.

That's why we partnered with Microsoft to host a joint celebration of our efforts to increase equity, diversity, inclusion and belonging within our industry. Our people and network groups strive to make Softcat a better place, so it's important we recognise their impact and celebrate their achievements. The event was all about showing our appreciation for everything our networks do that contributes to making Softcat a better place to be.

After a lunchtime networking session with senior Microsoft leaders and network leads, attendees received an engaging talk on the power of collaboration. TC4RE is a key initiative that Microsoft and Softcat partner on, and really showcases how much power there is in coming together to achieve a shared objective. This was followed by an interactive workshop, prompting the group to celebrate their 'wins' and identify some of their pride points for the year:

- A well-received Allyship programme that is run in-house.

- Our progress on collaboration and focusing on intersectionality.

- Our Stonewall submission and achieving the Bronze Award.

- The benefits of the core group to be able to speak in a safe space.

- The EDN drop ins and the growth of the network in a short space of time.

The day of interactive workshops, strength sessions and collaboration conversations between our D&I network leads, employees and Microsoft representatives encouraged an atmosphere of teamwork and passion.

It motivated us to strive for more and to encourage our partners and vendors to promote togetherness and ensure inclusivity throughout their organisations. Plus, the day ended with a fun cookery class resulting in a delicious three-course meal which the team enjoyed together. It was great for the team to be able to work together on something other than D&I and simply enjoy each other's company with some amazing food.

SOCIAL SUSTAINABILITY

SEEING CHANGE AND CELEBRATING GLOBALLY

Our efforts to improve diversity and inclusion have been incredibly successful. Since 2020, the number of female employees below management level has increased to 35%, and the number of ethnic minority employees rose to 17% — a 4% increase.

While the figures may seem small, the impact is huge. It means we can continue to foster respect and open-mindedness for other cultures, to unite and educate us. Every employee deserves to feel seen and represented in their workplace and we are proud of our efforts to ensure that.

Seeing greater representation of the communities we serve within our workforce is something to be celebrated. In May, our EC Network hosted an office-wide day of celebration in conjunction with the World Day for Cultural Diversity for Dialogue and Development. This was well received, and featured:

- A cultural day quiz to test our world trivia knowledge.

- A cultural exchange competition to share items that are unique to us.

- A dedicated Spotify playlist to showcase different musical styles.

- The Softcat Cultural Cookbook to highlight cultural delicacies.

SOCIAL SUSTAINABILITY
SUPPORTING PRIDE WITH HP

Throughout the year, we encourage our employees to support their local Pride events, display their pronouns in Teams, or join the network and get involved in the other events that we run throughout the year.

Pride Month may only last through June, but it's the perfect opportunity to celebrate our allyship, and in 2023 that celebration was all the stronger for joining forces with our friends at HP. HP joined two of our UK offices in the celebrations, and the US office got involved too, making tie-dye t-shirts and rainbow cocktails.

We also hosted a social in our Manchester office for the teams within our Pride Network who were joined by Distology. They hosted a quiz and we ran a really insightful panel session with Hayley Roberts, the CEO from Distology, and our very own Legal Director and senior sponsor of the Pride Network, Debra Coady. They discussed Pride within the tech industry and the importance of being allies to the community.

Yet Pride Month isn't just about having fun; it's about learning more and doing better. We finished off the month with a Pride Day in our London office. LGBTQ+ young people's charity JustLikeUs shared their stories and lived experiences of growing up LGBTQ+ to educate our team on how we can be better allies. We also raised more than £850 with a pie in the face fundraiser and wrapped up the celebrations with a drag bingo event at Dabbers Bingo.

We're immensely proud of our people and network and look forward to the next year of festivities.

1 **Month**

£850 **Raised**

Softcat

SOCIAL SUSTAINABILITY

THE IMPORTANCE OF ALLYSHIP

At Softcat, we have worked incredibly hard to build a culture of allyship, where allies are willing to learn about other employees by getting to know the person behind the job title.

This helps our employees engage better with each other, with our partners and with our customers. Allyship is about supporting each other and taking action together to help create a more inclusive culture. This year we have delivered 20 workshops comprising of ~20 people in each workshop. These workshops allow our employees to gain a better understanding of equity, diversity, equality, bias and how to ultimately be a better Softcat ally to all.

We also launched our Inclusive Cultures workshop which is designed for Managers at Softcat on how to build a more diverse and inclusive team. To date more than 130 managers have attended this workshop to listen and learn from other managers on how to adapt team social events whilst also being comfortable talking about team members backgrounds and challenges in a safe space.

20 **Workshops**

130 **Managers attended**

ALLYSHIP
STRONGER TOGETHER

Softcat

SOCIAL SUSTAINABILITY

SOFTCAT ANNUAL CHARITY BALL

Each year, Softcat hosts our extravagant Charity Ball, this year welcoming more than 900 attendees from across our business, partners, suppliers, and beneficiaries.

On 23 November 2022, it was a night of magic, dancing and hundreds of thousands of pounds raised for charity.

As this was the tenth annual Charity Ball, we set an ambitious objective to try and beat the previous record of £350,000 – and we're thrilled to say that smashed it! Our generous guests helped raise around £389,000 through ticket sales, a live auction, a silent auction and ongoing cash donations.

The night, organised and hosted by Softcat staff, included some evening entertainment, supported by top industry talent, such as Britain's Got Talent winner, magician Richard Jones, Irish dance trio The Gardiner Brothers, X-factor regular Peter Dickson and an afterparty DJ'd by our very own Gez Hatton.

1 Charity Ball

2 Chosen Charities

900 Atendees

£389,000 Raised

Softcat

SOCIAL SUSTAINABILITY
OUR CHOSEN CHARITIES

At the Charity Ball we revealed our chosen charities; selected through our nominations process. Both will be receiving a massive £100K to kick start the partnerships.

BUILDING A FUTURE FOR RURAL GIRLS: LYRA IN AFRICA

Lyra

Only 1% of girls in rural Africa finish their secondary education. Lyra in Africa is a registered charity, committed to the UN SDG agenda and dedicated to harnessing the power of education to help end poverty. The charity builds hostels so secondary school girls from rural areas can attend school safely and complete their education. It also works to provide safe, healthy educational spaces.

We have raised £120k for Lyra which has built a new hostel in Mseke to a net zero standard. We have also supported Lyra with:

- Connecting to Greensafe on a new collaboration called TechConnects, which delivered a container full of IT equipment to schools in Iringa, Tanzania.

- Delivering a new donation platform to process donations via its website in a secure way, driving down its costs on external solutions.

- Developing the Finland area of their website enabling them to launch the charity the country.

- Activating a full volunteer team to build a program of work for 2024, which will utilise Softcat employee skills and connect Lyra to other partners in our network.

1% **Girls finish secondary school**

£120,000 **Raised**

"

I have worked with Lyra in Africa for almost as long as I have worked for Softcat, and I can't put into words the joy I get from supporting such a worthy cause.

Debbie Johnson, Head of Services, DevOps Softcat

"

Softcat

SOCIAL SUSTAINABILITY

SUPPORTING FAMILIES: YOUNG LIVES VS CANCER

Young Lives vs Cancer help children and young people (0-25) and their families find the strength to face whatever cancer throws at them.

When a child is diagnosed with cancer life becomes full of fear, for them and their family. Every day 12 more children and young people hear the devastating news they have cancer. At Softcat we want to support Young Lives vs Cancer in their mission to ensure no family of a child or young person has to face cancer alone.

Since the start of our partnership, Softcat staff have raised an incredible £156,021.59 to support the work of Young Lives vs Cancer, which has made such a huge impact to the lives of children and young people facing cancer and their families.

This has helped to fund:

- 1,923 hours of brilliant Social Workers' time, so children, young people and families facing cancer have someone there who understands when it matters most.

- 2,632 overnight stays in our Homes from Homes, providing comfortable, clean and homely accommodation close to principle treatment centres, reducing exhausting and expensive travel and allowing families to be together during the toughest of times.

- It will also help provide financial grants to 60 families, so no one has to choose between paying the bills, heating the house or eating.

We also wanted to remember the three Softcat colleagues we sadly lost in the last year by donating £10,000 each to charity nominated by their loved ones: Teenage Cancer Trust for Artur Spaller, Cancer Research UK for Carl Tancock and Stroke Association in remembrance of Jacques Aranes. The rest of the funds raised will be distributed across our regional office charities that have been put forward, including Refuge, Islamic Relief, Mind, Social Bite, We Love Manchester and Crisis to name just a few.

MADDIE 'THE BADDIE' TAKES ON CRN FIGHT NIGHT

Raising more than £250,000 for charity since the first fight in 2008, CRN hosts an annual 'Fight Night' event where 20 fearless contenders enter the brutal world of boxing to raise money for their chosen charities.

Fighters from across the industry clashed over an epic series of 10-round fights in an evening filled to the brim with knockouts. Our very own Maddie 'The Baddie' Thompson took part, raising a brilliant £2,350.

A huge well done to Maddie for taking on this challenge, putting in months of tireless training and doing it all for a great cause. The money raised from CRN Fight Night is going towards Teenage Cancer Trust, in memory of a beloved colleague Artur Spaller, who sadly passed away after his own fight with leukaemia at the age of 24.

10 Rounds

£2,350 Raised

Softcat

SOCIAL SUSTAINABILITY

GIVING OUR TIME TO GIVE BACK TO THE COMMUNITY

THE THREE PEAKS CHALLENGE

In September 2022, 18 Softcatters headed up to Glasgow to complete the National Three Peaks Challenge in memory of Softcat colleague who we sadly lost to cancer earlier that year. Carl was a truly incredible member of the Softcat team who was full of life and energy with an ambition to complete this challenge himself. As Carl wasn't able to, 18 members of the team took on the challenge in his memory raising £25,000 which went to Mind and to Cancer Research – both charities that Carl was fond of supporting himself.

3 Peaks

18 Softcatters

£25,000 Total raised

THOMLEY CLEANUP HELP

On the 22 May 2023, a team of 20 members of the Softcat Cloud alliances team and some members from Microsoft spent the day volunteering at Thomley in Worminghall. Thomley is a local charity in Buckinghamshire that provides activities for children and adults with disabilities. The day consisted of helping with general upkeep, such as gardening, removing/ replacing fences, building bike tracks, raking mud mounds, painting and tidying up the grounds, as well as making decorations for their first summer festival.

1 Day

20 Softcatters
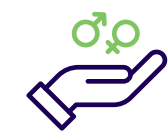
LEVELLING THE GENDER GAP

International Women's Day (IWD) is a valuable opportunity for us to highlight our progress as a business in achieving gender parity, as well as taking the chance to inspire, empower and celebrate our women. To find out more about the initiatives we are working on and the progress we have made, read our latest gender and ethnicity pay gap report.

In FY23:

35% employee-wide gender balance

33% management team gender balance

27% leadership balance

Softcat

SOCIAL SUSTAINABILITY

INTERNATIONAL WOMEN'S DAY

We can't celebrate IWD without mentioning the brilliant efforts and achievements of our SWIB network.

They have produced some amazing, inspirational work over the past year, from hosting panel sessions featuring our SLT and facilitating focus groups to better understand the experiences and challenges each individual stream faces, to crunching the people-data to be able to put in place more targeted initiatives.

Since last year's IWD, we have become a Work 180-endorsed employer for all women. This followed a review by Work180 — a global organisation committed to a vision of a world in which there is fair and equal representation, opportunities and pay for all women. Their strategy is to raise global workforce standards by supporting employers to do better, while empowering women to expect better.

We work across the year with many organisations in the channel by providing the opportunity to listen and learn from inspiring guest speakers and panellists. Whether it be by collaborating with TechTalent Charter or with the founding organisations within TC4RE, we use opportunities to help raise awareness and celebrate our diverse people across the organisations and channel.

For example, Softcat was a key sponsor of CRN Women in Tech Fest which is an annual event held connect, inspire, and empower women in the channel. The day is all about celebrating the women who are shaping the technology industry. The event is an opportunity to learn from one another, gain confidence and feel empowered by role models in the industry through the inspirational stores that are shared.

Many topics are covered such as how organisations can embrace cultural differences; gaining a seat at the table through to dealing with imposter syndrome. While we are keen to learn from other organisations, it's also a great opportunity to share our own Softcat experiences, and this year, Paris King, Head of Cloud Alliances, was our keynote speaker on how to make self-confidence a reality.

On IWD, we collaborated with Lenovo by holding a series of panel sessions to learn from one another's organisations. The week culminated with a guest speaker talk by Alex Scott who talked about her challenges as a woman in a male dominated sport with the additional challenges she has faced regarding her race.

TC4RE — Technology Community for **Racial Equality**

Became an **ENDORSED EMPLOYER** for **ALL WOMEN** (reviewed by Work180)

Best Workplaces for Women — Great Place To Work UK 2023

4TH in Great Place to Work UK **BEST WORKPLACES FOR WOMEN**

CRN CHANNEL AWARDS 2023
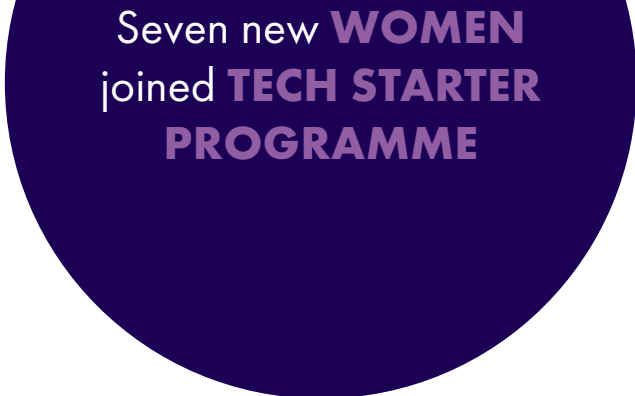
Won **FOUR CRN WOMEN & DIVERSITY** in Channel Awards

Seven new **WOMEN** joined **TECH STARTER PROGRAMME**

Softcat

SOCIAL SUSTAINABILITY

A FAIR DAY'S PAY FOR A FAIR DAY'S WORK

According to the Office for National Statistics, 1 in 8 workers in the UK earns less than the real Living Wage.

We are a Living Wage Employer, accredited by The Living Wage Foundation, and we are committed to paying our workers and contractors the Living Wage each year, with no exceptions.

We are confident that all genders, ethnic minority, and white employees are paid equally for equivalent roles. During our pay review process, we eliminate any pay discrepancies and benchmark our salaries to provide relevant guidance to managers. We also publish an annual Gender Pay Gap report.

Click to see our annual Gender Pay Gap report

Softcat

SOCIAL SUSTAINABILITY

EMPLOYEE BENEFITS & RESOURCES

Investing in our people means investing in the future of our company.

We strive to be one of the best employers in our industry, offering great benefits and continuing to foster a positive, healthywork environment.

HEALTH AND SAFETY COMES FIRST

Our employees' safety is our top priority, and we know it's theirs too. By providing first aid and fire marshal training courses to our people, we give them valuable control over keeping themselves safe, and the knowledge of how to help their colleagues if the worst should happen.

This year, we provided 86 fully-funded places on first aid training courses for Softcatters across 11 of our offices, from Glasgow to Marlow to Washington DC. Having completed three full days of training, our team are now ready to jump into action when needed, offering peace of mind in our workspaces and deepening our level of colleague care.

Alongside our first aiders, we also have 65 fire marshals across our offices. Fire marshals play a crucial role in ensuring the safety of individuals within office environments, with responsibilities ranging from emergency response planning to fire prevention actions and employee training.

HAND IN HAND THROUGH THEIR PERKLIFE

Perklife is our biggest employee benefit service and a unique way of saying 'thank you', because we know the more we invest in our people's happiness, the more they invest in their work.

Financial, health and lifestyle perks are designed to keep Softcatters and their families fit and well, and enable them to enjoy life for less. Activity passes help them let their hair down, and beauty and fitness discounts allow for valuable self-care time.

Each year we add an exciting range of new offers to the service, keeping the selection fresh and inviting. This year, we introduced an expanded range of financial benefits, from enhanced life assurance to a Workplace Savings ISA.

"

We design our benefits with our employees in our mind as we strongly believe that we can have a positive impact on our employees by helping them live life to the full in and outside of Softcat. That is why our benefits have four key areas of focus:

Life: Helping our employees navigate their day-to-day work life balance

Mind: Supporting our employees' mental wellbeing and development

Social: Providing employees with ways to have fun with their colleagues, family, and friends

Body: Giving employees opportunities to maintain a healthy body.

Kirsty Smith, Reward, Payroll & HR Services Manager

"

Softcat

SOCIAL SUSTAINABILITY
SOCIAL VALUE

NURTURING THE GRASSROOTS

We remain dedicated to improving employability and educational awareness across schools, colleges, and universities to help break down the barriers to joining technology organisations.

Across the UK, children from families with low socioeconomic status perform worse, on average, throughout compulsory schooling than children from privileged family backgrounds. As a result, they achieve fewer educational qualifications and experience less favourable life outcomes. At Softcat, we know we have the power to do better for these children.

We work collaboratively with many schools that are close in proximity to our offices, so that we are actively supporting the community as well as schools from lower socio-economic backgrounds.

We visit the schools to talk about the IT sector and the roles in our organisation, as well as promoting work-experience opportunities during the summer. In particular, we actively encourage students from diverse backgrounds to engage in work experience to appreciate the roles available in our sector.

LOOKING AFTER OUR OWN

Maintaining our wellbeing and managing work-life balance is an important area for Softcat. To achieve this consistently, we ensure that all our managers, in all areas of the business, undergo Line Manager for Mental Health training to help them better support their teams. To aid this, there are dedicated Mental Health First Aiders in each of our seven networks, who provide tailored support and advice to whomever may need it.

One-on-one support is key when it comes to proper career development, and all our managers are required to ensure they have regular check-ins with individuals within their teams, but also ensure that they are helping their team members prioritise their workload to manage their wellbeing.

THE FUTURE OF SOFTCAT'S SOCIAL VALUE

For FY24 we have invested in a platform to calculate our social value in terms of environmental, social and economic contributions. This will help us measure, manage and maximise our broader contribution to society.

Our Family Network have created a safe space for employees with caring responsibilities to share their challenges when it comes to having a healthy work-life balance

We provide spontaneous wellbeing hours off and half days for those in need of personal time

We encourage all employees to have 25 or 45-minute meetings, giving them time for a break or to prepare for their next meeting

We achieved an eNPS (Employee Net Promoter Score) of 63, with an overall engagement rate of 92%

We care about each of our employees and have worked hard to create a culture in which everyone feels comfortable discussing mental health. Openness and security are the key to promoting a mentally healthy workplace, and we encourage all of our employees to ask for support whenever they may need it.

Softcat

GOVERNANCE & ORGANISATIONAL SUSTAINABILITY

THE UN SUSTAINABLE DEVELOPMENT GOALS

SDGs 8: Decent Work and Economic Growth and 17: Partnerships for the Goals influence our governance strategy. Ensuring our employees' rights and encouraging our value chain to support the SDGs are central to our mission. We aim to be an employer that puts our people first, with a culture dedicated to building a better world.

8 DECENT WORK AND ECONOMIC GROWTH

17 PARTNERSHIPS FOR THE GOALS

Softcat

GOVERNANCE & ORGANISATIONAL SUSTAINABILITY
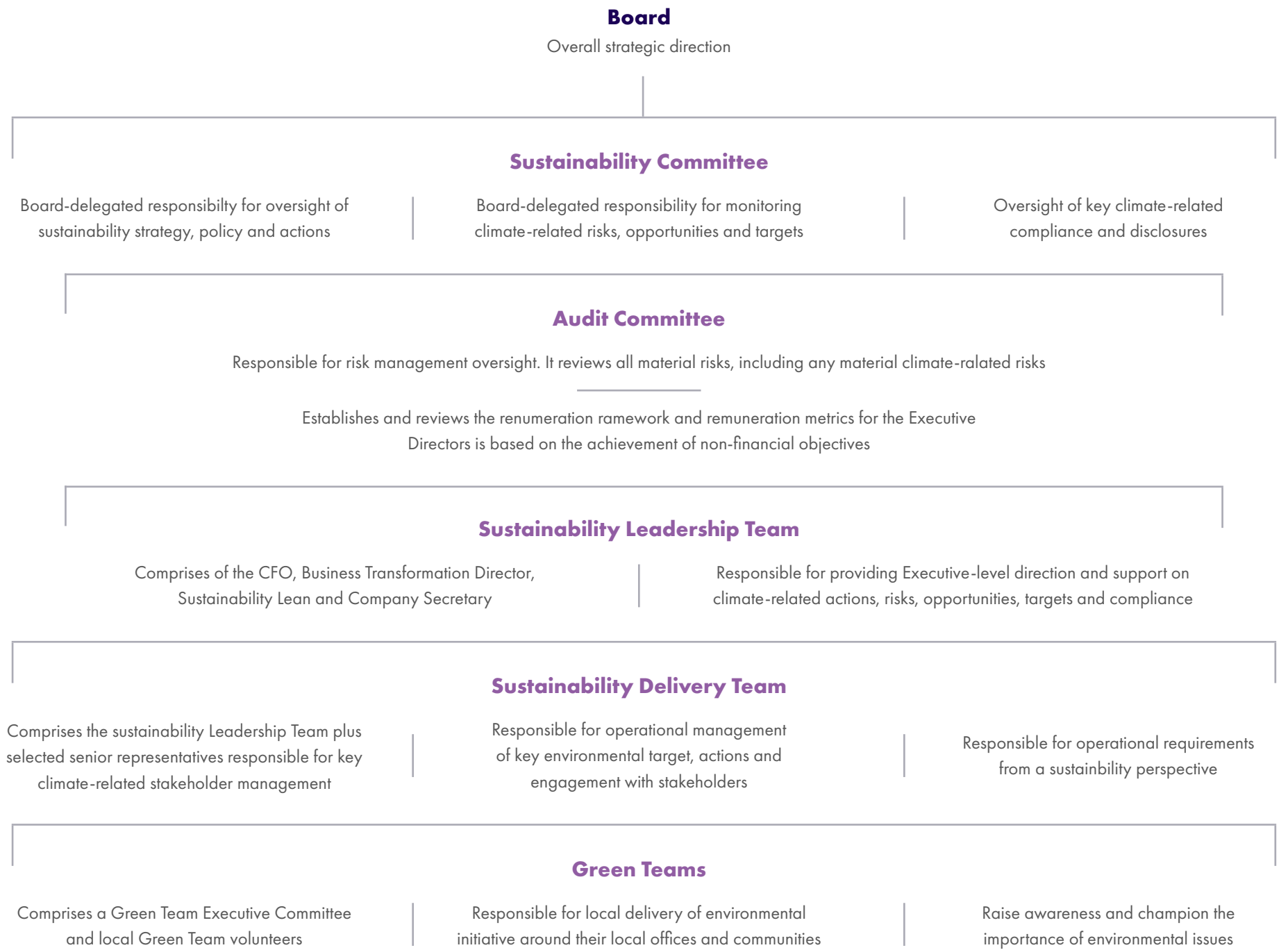# WIDER SOFTCAT GOVERNANCE

The day-to-day management of workforce matters is delegated to our management team from the Board and any relevant committees.

The Human Resources Department is led by our Chief People Officer, Rebecca Monk, who has overall responsibility for the department and reports to the CEO.

Executives within the department include the Reward, Payroll and HR Operations Manager, Head of Engagement and Diversity, and Recruitment Manager. Each executive has delegated authority and reports to the CPO. Each executive also has a team that reports to them.

These well-structured responsibilities ensure a clear chain of reporting to manage and monitor workforce-related activities.

Environmental Sustainability Governance Structure

Board
Overall strategic direction

Sustainability Committee

Board-delegated responsibilty for oversight of sustainability strategy, policy and actions

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

Oversight of key climate-related compliance and disclosures

Audit Committee

Responsible for risk management oversight. It reviews all material risks, including any material climate-ralated risks

Establishes and reviews the renumeration ramework and remuneration metrics for the Executive Directors is based on the achievement of non-financial objectives

Sustainability Leadership Team

Comprises of the CFO, Business Transformation Director, Sustainability Lean and Company Secretary

Responsible for providing Executive-level direction and support on climate-related actions, 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 target, actions and engagement with stakeholders

Responsible for operational requirements from a sustainbility perspective

Green Teams

Comprises a Green Team Executive Committee and local Green Team volunteers

Responsible for local delivery of environmental initiative around their local offices and communities

Raise awareness and champion the importance of environmental issues

GOVERNANCE & ORGANISATIONAL SUSTAINABILITY

OUR MATERIAL TOPICS

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

We gained insight through interviews with internal and external stakeholders including suppliers, partners, vendors, and customers. In addition to this qualitative data, we conducted surveys to gain quantitative information.

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

Importance to stakeholders

- Health & wellbeing
- Data privacy & protection
- Ethical behaviour

Critical
Needs active management

- Diversity & inclusion
- Cyber security
- Climate action
- Developing talent

Very Important
Actively monitoring

- Responible supply chain
- Recruitment & retention
- Energy efficiency
- Technological innovation
- Sustainable solutions
- Economic performance
- Resource consumption
- Electronic waste

Important
Tracking

- Digital device

Impact on our business

Softcat

GOVERNANCE & ORGANISATIONAL SUSTAINABILITY

INVOLVING OUR SUPPLIERS

Sustainability risks can arise from any part of the supply chain.

By engaging our suppliers, we can more easily identify and manage any potential risks related to resource scarcity, regulatory changes, and ethical concerns, alongside numerous other factors. This proactive approach helps in mitigating risks that could affect both our operations and reputation.

Each year, we map our top suppliers from within our supply chain to assess successes and areas where improvement is required. This assessment then informs our projected year ahead, and we take our learnings from the outcomes of each year and apply those to our growth and development plans. Monthly reviews with the relevant account managers ensure we remain on track and any issues are dealt with efficiently. We review our Tier 2 suppliers quarterly, monitoring specific growth areas with vendors in their portfolio.

TACKLING SUPPLY CHAIN SHORTAGES

We use our platform, Enexo, to monitor how ethical our supply chain is.

We don't, for example, want our customers to have to wait for extended periods to receive their orders. Over the last 12 months, therefore, we used data from Enexo to understand which of our partners was struggling to fulfil orders due to supply chain issues.

Using Enexo has enabled us to open dialogue with suppliers and maintain transparency with customers over fulfilments.

Softcat will continue to work with its partners, suppliers, and vendors to ensure they are working in accordance with our values and doing what they can do to enable, deliver, and support a sustainable supply chain.

STRATEGIC SUPPLIER REVIEWS

Our Strategic Sourcing Team meet our suppliers once a year to review performance and ensure that their standards are in line with our Code of Conduct. The review not only ensures that we gain the best value possible from each supplier, but also enables us to work closely with them to help overcome any challenges they may be experiencing.
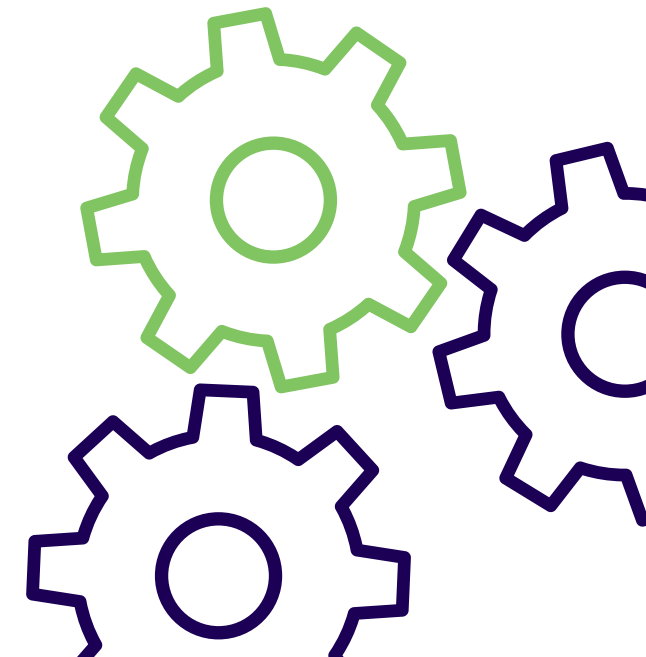
We currently have **200 SUPPLIERS** on our system, the **TOP 12** of which will transact and fulfil more than **95%** of our yearly spend, with our top six transacting **75%** of that amount.

Softcat

GOVERNANCE & ORGANISATIONAL SUSTAINABILITY

SO, WHAT'S NEXT?

Last year we set out our goals. And, as you saw at the beginning of this report, we kept them. We continue to strive for more meaningful progress, and the next year is looking just as bright.

In FY24, we will...

Celebrate our sustainable partners and suppliers by holding a sustainability session as part of the partner forum in November 2023.

Use Enexo to review our partner network and remaining suppliers, then encourage them to create net-zero plans.

Continue to reduce our emissions and implement new ways to counter our environmental impacts.

Collaborate with our vendors and partners to provide more environmentally focussed volunteering opportunities for our employees.

Encourage our people to adopt a more well-rounded view of what 'sustainability' means by incorporating more social messaging into our communications.

ENVIRONMENTAL METRICS

GREENHOUSE GAS (GHG) EMISSIONS

Our emissions have been calculated using the GHG Protocol Corporate Accounting and Reporting Standard, together with the latest emission factors from DEFRA and other third-party sources where necessary. Where primary data provided did not cover the complete annual reporting period, gaps in the data series were extrapolated from averages or estimated.

CATEGORY	FY21 (TCO2E)	FY22 (TCO2E)	FY23 (TCO2E)
Gross Scope 1 GHG Emissions	82.30	228.55	184.19
Biogenic Scope 1 CO2 emissions	n/a	n/a	n/a
Gross location-based Scope 2 GHG emissions	304.00	334.38	378.80
Gross market-based Scope 2 GHG emissions*	n/a	264	157.99
Gross Scope 3 GHG emissions	**249,051.18**	**383,017.96**	**357,286.00**
Biogenic Scope 3 CO2 emissions	n/a	n/a	n/a
Purchased goods and services	212,577.00	301,148.07	291,567.88
Capital goods	n/a	n/a	n/a
Fuel and energy-related activities	39.38	71.32	52.59
Upstream transportation and distribution	101.93	148.75	184.19
Business travel	72.57	511.36	849.44
Employee commuting	276.72	328.09	896.67
Waste generated in operations	0.79	4.00	3.80
Upstream leased assets	n/a	n/a	n/a
Downstream transportation and distribution	n/a	n/a	n/a
Processing of sold products	n/a	n/a	n/a
Use of sold products	35,906.76	80,697.04	63,602.07
End of life treatment of sold goods	76.03	109.33	129.36
Downstream leased assets	n/a	n/a	n/a
Franchises	n/a	n/a	n/a
Investments	n/a	n/a	n/a
Total GHG emissions	**249,437.48**	**383,580.89**	**357,848.99**

ENVIRONMENTAL METRICS

ENERGY CONSUMPTION WITHIN THE ORGANISATION

	FY21			FY22			FY23		
	Renewable sources (MWh)	Non-renewable sources (MWh)	Total (MWh)	Renewable sources (MWh)	Non-renewable sources (MWh)	Total (MWh)	Renewable sources (MWh)	Non-renewable sources (MWh)	Total (MWh)
Consumption of fuel within organisation	0	200.1	200.1	0	1,061.79	1,061.79	0	674.15	674.15
Consumption of Electricity	1,340.92	89.75	1,430.67	1,692.11	0	1,692.11	1,066	813	1,879
Total energy consumption (MWh)	**1,630.77**			**2,753.9**			**2,553.15**		

ENERGY REDUCTION INITIATIVES | DESCRIPTION

Reduction of energy consumption of lighting systems, and heating, ventilation and air conditioning (HVAC)	Energy metering - Softcat created energy metering solutions to measure energy usage across its offices.
Reduction of energy consumption of IT infrastructure	Softcat carried out an IT sustainability assessment to measure the emissions generated by our IT estate. This is essential to understand where emissions can be reduced and aids strategy decisions moving forward. As this is the first year this assessment was carried out, it is difficult to estimate the carbon saving potential and annual monetary savings. We will be able to report on these figures in the next few years.

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ADDITIONAL ENVIRONMENTAL METRICS

CATEGORY	DATA
Percentage of total workforce who received sustainability-related training over the reporting period:	98-100%
Percentage of all operational sites for which an environmental risk assessment has been conducted:	100%
Percentage of operational facilities certified against ISO 14001:	100%

WASTE

Total waste generated in metric tons:	508.15 (modelled)
Total waste diverted from disposal in metric tons:	208 (modelled)
Total waste directed to disposal in metric tons:	300 (modelled)

SUPPLIER ENVIRONMENTAL ASSESSMENT

Percentage of new suppliers that were screened using environmental criteria:	100%

SOCIAL METRICS
EMPLOYEE DATA

CATEGORY	FY22			FY23		
	Female	Male	Total	Female	Male	Total
Total number of employees	**629**	**1,292**	**1,921**			
Fixed term	23	39	62			
Temporary	2	4	6			
Non-guaranteed hours	0	0	0			
Full-time	545	1,244	1,789			
Part time/ Fixed Term	2	0	2			
Part time	57	5	62			
Total number of new 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			
Total number of employee turnover	127	257	384			

FY23 EMPLOYEE FIGURES COMING SOON

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SOCIAL METRICS

EMPLOYEE DIVERSITY AND PAY

CATEGORY	UNIT	FY22	FY23
Board of Directors	% female	57	57
	% ethnic minority	14	14
Leadership	% female	23	33
	% ethnic minority	4	7
All employees	% female	33	35
	% ethnic minority	15	17
UK pay reporting			
Average (mean) gender pay gap	%	33	38
Average (median) gender pay gap	%	27	22
Average (mean) ethnicity pay gap	%	23	28
Average (median) ethnicity pay gap	%	11	21

TRAINING

CATEGORY	FY23
Average training hours completed in reporting period	60 hours
Total employees who received a regular performance and career development review during the reporting period	100%

SUPPLIER SOCIAL ASSESSMENT

Percentage of new suppliers that were screened using social criteria: 100%

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GOVERNANCE METRICS

ECONOMIC PERFORMANCE

ANTI-CORRUPTION

Direct economic value generated in revenue: £985.3m

	Operating costs (£ million)	Employee wages and benefits (£ million)	Payments to providers of capital (£ million)
Economic value distributed	205	183	74

CONFIRMED INCIDENTS OF CORRUPTION

Total number	2
Total number of confirmed incidents in which employees were dismissed	2
Total number of confirmed incidents in which employees were disciplined	N/A

Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption:

N/A - no terminations or non-renewals specifically attributable to corruption violations

DATA PROTECTION

Softcat operate a risk management program aligned with the three lines model and framework set out by the Committee of Sponsoring Organizations of the Treadway Commission ('COSO') to proactively identify address risks.

Softcat takes a proactive approach in managing risks associated with Information Security. We consistently communicate with all levels of our organisation to highlight these and their role in mitigating them. We have received 0 complaints from the UK ICO or other data protection regulators.

We are certified to Cyber Essentials+, ISO22301 and ISO27001 and align our information security program with recognised global standards such as NIST CSF. We operate a program of regular internal and external audits and testing including penetration tests at least annually to ensure our controls maintain up to date and effective.

GLOBAL REPORTING INITIATIVE INDEX

Softcat has reported the information cited in this GRI content index for the period August 2022 – July 2023 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S)
GRI 2: General Disclosures 2021	2-1 Organisational details	5
	2-6 Activities, value chain and other business relationships	5
	2-7 Employees	60
	2-9 Governance structure and composition	31, 53
	2-12 Role of the highest governance body in overseeing the management of impacts	31, 53
	2-13 Delegation of responsibility for managing impacts	31, 53
	2-14 Role of the highest governance body in sustainability reporting	31, 53
	2-22 Statement on sustainable development strategy	3
	2-28 Membership associations	8
	2-29 Approach to stakeholder engagement	19, 54
GRI 3: Disclosures on material topics	3-2 List of material topics	54
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	62
	201-2 Financial implications and other risks and opportunities due to climate change	30-34
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	62
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	58
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	14, 57
	305-2 Energy indirect (Scope 2) GHG emissions	14, 57
	305-3 Other indirect (Scope 3) GHG emissions	14, 57
	305-5 Reduction of GHG emissions	6, 13, 15, 17-19, 25-26, 58

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GLOBAL REPORTING INITIATIVE

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	26
	306-2 Management of significant waste related impacts	26-27
	306-3 Waste generated	59
	306-4 Waste diverted from disposal	59
	306-5 Waste directed to disposal	59
GRI 308: Supplier Environment Assessment 2016	308-1 New suppliers that were screened using environmental criteria	59
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	60
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	50-51
	403-5 Worker training on occupational health and safety	50-51
	403-6 Promotion of worker health	50-51
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50-51
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	61
	404-2 Programs for upgrading employee skills and transition assistance programs	19, 50-51, 59
	404-3 Percentage of employees receiving regular performance and career development reviews	61
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	61
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	61
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	62

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GLOSSARY OF TERMS

Carbon Footprint	The amount of carbon dioxide produced by an individual, product or business, used to compare emissions across different activities.
Carbon neutral	Taking action to balance out or offset the amount of carbon dioxide an organisation produces from its operations, so it's overall carbon emissions are zero.
CDP	CDP, originally known as the Carbon Disclosure Project, is a global non-profit that runs the world's environmental disclosure system for investors, companies, cities and governments to assess their impact and take urgent action to build a truly sustainable economy.
Circular Economy	An economy where waste and pollution are designed out, products and materials are kept in use and natural systems are regenerated.
Diversity, Equity, and Inclusion (DE&I)	Organisational frameworks which seek to promote the fair treatment and full participation of all people, particularly groups who have historically been underrepresented or subject to discrimination on the basis of identity or disability.
E-waste	Electrical or electronic equipment that is waste, including all components, subassemblies and consumables that are part of the equipment at the time the equipment becomes waste
Environmental Management Systems	A set of processes and practices that enable an organisation to reduce its environmental impacts. The most commonly used framework is the one developed by the International Organization for Standardisation (ISO) for the ISO 14001 standard.
ESG	ESG is an area of business that considers an organisation's environmental, social, and governance-related issues, and the impact of these issues both internally and externally to the organisation.
Greenhouse Gas (GHG)	Natural or human-made gases that lead to the greenhouse effect. The most common greenhouse gases include carbon dioxide, methane, and ozone.
Greenwashing	Greenwashing is misrepresenting actions as being more environmentally sound than they are. While greenwashing can be accidental, it usually refers to presenting a green public image that is misleading.

Softcat

GLOSSARY OF TERMS

Nature-Based Investments and Solutions	Actions and initiatives that protect, manage, and restore natural ecosystems whilst simultaneously addressing societal challenges.
Nature-based solutions	Solutions that are inspired and supported by nature and that may also offer environmental, economic and social benefits, while increasing resilience.
Net Zero	The overall balance between emitting and absorbing carbon in the atmosphere. The outcome of limiting catastrophic climate change requires companies and countries to become net zero, and many policies are based on achieving that within certain time frames.
Science-Based Targets initiative (SBTi)	SBTi is an initiative that ensures business are setting climate and net zero targets aligned with the latest science. This ensures that net zero targets are aligned with the Paris Agreement to keep global warming below 1.5°C.
Scope 1	Direct emissions that are owned or controlled by a company, such as emissions associated with company vehicles.
Scope 2	Emissions that a company makes indirectly through electricity or energy consumption.
Scope 3	All other emissions not considered in Scopes 1 & 2 across a business's entire value chain.
Social Value	The wider financial and nonfinancial value created by an organisation through its day to day activities in terms of the wellbeing of individuals and communities, social capital created and the environment.
Sustainability	A term broadly used to describe the ability to balance between meeting a given set of current needs without compromising the ability of future generations to meet their own needs.
Task Force on Climate-Related Financial Disclosures (TCFD)	TCFD is a reporting framework where businesses disclose how climate change impacts their organisation through identified climate-related risk and opportunities.