

# Carbon Reduction Plan

12 July 2024

# Carbon Reduction Plan

**Supplier name:** Logicalis International (Logicalis)

**Publication date:** 11 July 2024

## Commitment to achieving Net Zero

Logicalis has committed to achieving Net Zero emissions by 2050.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year: 2022 (FY22)</b>			
Logicalis established a baseline for scope 1,2 & 3 carbon emissions in 2022			
<b>Emissions</b>	<b>Total (tCO2e)</b>		
	<b>FY24 (Current)</b>	<b>FY23</b>	<b>FY22 (Baseline)</b>
<b>Scope 1</b>	854	1158	1166
<b>Scope 2 (market-based)</b>	2582	2893	3105
<b>Scope 2 (location-based)</b>	3174	2903	2781
<b>Scope 3</b>			
<i>Category 1: Purchased goods and services</i>	97 759	220 827	240 082
<i>Category 2: Capital goods</i>	*	5000	2350
<i>Category 3: Fuel- and Energy-Related</i>	1349	969	615
<i>Category 4: Upstream transport</i>	*	6431	2850
<i>Category 5: Waste</i>	*	2740	2700
<i>Category 6: Business travel</i>	1870	2413	847
<i>Category 7: Employee commuting</i>	*	12865	12750
<i>Category 8: Upstream leased assets</i>	0	0	0
<i>Category 9: Downstream transport</i>	*	322	3000
<i>Category 10: Processing of sold products</i>	0	0	0
<i>Category 11: Use of sold products</i>	<b>17438</b>	<b>48 659</b>	<b>65000</b>
<i>Category 11a: Use of sold products, excluding sale of fossil fuels</i>	-	-	-
<i>Category 11b: Sale of fossil fuels</i>	*	0	0

<i>Category 12: End-of-life treatment of sold products</i>	*	19103	19075
<i>Category 13: Downstream leased assets</i>	0	0	0
<i>Category 14: Franchises</i>	0	0	0
<i>Category 15: Investments</i>	0	0	0
<i>Other: Use-phase emissions from transmission or distribution of fossil fuels (not sold) by the company</i>	0	0	0
Scope 3 Emissions	<b>115 417</b>	<b>319 328</b>	<b>352 119</b>
Scope 1,2 & 3 emissions (market-based)	<b>121 853</b>	<b>323 380</b>	<b>356 390</b>
Scope 1,2 & 3 emissions (location-based)	<b>122 443</b>	<b>323 390</b>	<b>3566</b>

\*Category data is not available in the current reporting year.

## Emissions reduction targets

The Science Based Targets Initiative (SBTi) has validated the science-based greenhouse gas emissions reductions target(s) for Logicalis. The targets are as follows:

### Scope 1 & 2 targets:

- Reduce absolute scope 1 and 2 GHG emissions by 50% to 1621,7 tCO<sub>2</sub>e by FY2030 from an FY2022 base year (01 March 2021 – 28 February 2022).
- Reduce absolute scope 1 and 2 GHG emissions 90% by FY2050 from a FY2022.

### Scope 3 targets:

- Commits that 85% of suppliers by spend covering purchased goods and services will have science-based targets by FY2028.
- Reduce absolute scope 3 GHG emissions 90% within the same timeframe.
- Logicalis has committed that 80% of suppliers by spend covering purchased goods and service and the use of sold products will have science-based targets by FY2025.

In addition to the SBTi targets, Logicalis has committed to ambitious goals as part of its broader Responsible Business 'Our Planet' strategy for tackling climate change. These goals include:

- To be carbon neutral on scope 1 and scope 2 emissions by FY25
- To have 75% of our operations powered by renewable energy

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## Scope 1 and 2 emissions:

- Energy reduction target of 2% for FY24 (based on energy efficiency) for Latam & and European operations:
- Energy reduction target of 5% for FY24 (based on energy efficiency) for South Africa, USA, Australia and Asia.

## Scope 3 emissions

- Direct engagement with suppliers responsible for 85% of Logicalis's revenue by spend to ensure they have SBTs in place by 2025.
- Implemented a Supplier Sustainability Questionnaire & and Sustainable Procurement Policy to gain insights into our suppliers' sustainability strategies and practices.
- Focus on accurate supplier data measurement.

## Renewable energy switch:

- 2024: Spain, UK
- 2025: Portugal, Ireland, Germany, Channel Islands
- 2027: Singapore
- 2028: USA, Indonesia, Malaysia, Australia
- 2029: Brazil
- 2030: Chile

## Electric vehicles:

- For operations with mobile fleets (European operations), switch to electric or biodiesel fuel at a rate of 6% per year

## Energy Efficiency and carbon reduction initiatives:

- Implement energy efficiency projects and initiatives in each region through the Annual Sustainability Challenge

## Carbon-neutrality by 2025

- Purchase carbon offset projects neutralize unavoidable emissions.
- The initiatives adopted will depend on Logicalis' goals, resources, and operational context.

## Carbon Reduction Projects

The following environmental projects have been completed or implemented in some of our operations across the world for FY24 (current) reporting year:

Operation	Carbon Reduction Initiatives
<b>UK, Channel Islands and Ireland</b>	<ul style="list-style-type: none"> <li>• Electric car scheme. The initiative allows employees to transition from traditional petrol or diesel vehicles to electric or hybrid alternatives. It leverages a salary sacrifice scheme, offering significant cost benefits through tax and national insurance savings. Around 9% employees have signed up for this programme.</li> <li>• The cycle-to-work scheme has continued with increased employees who can borrow between £1,000 and £4,000, encouraging employees to buy bikes and use the car less.</li> <li>• Flexible working has enabled a reduced office footprint of 50%, further reducing energy consumption.</li> <li>• Relocated the Dublin office to a new space with a reduced footprint. This strategic move optimised space utilisation and facilitated a switch to a renewable energy supplier.</li> </ul>
<b>Germany</b>	<ul style="list-style-type: none"> <li>• 75% (3 out of 4 offices) have switched to renewable energy.</li> <li>• Responsible e-waste management: Launched a joint mobile phone collection initiative with Deutsche Telekom and Foxway. Partnering with a specialised provider ensures that used devices are either refurbished or sustainably recycled. We collected 100 phones by March 2024 and recycled 30-40 used laptops in FY24. We collected 100 phones by March 2024 and recycled 30-40 used laptops in FY24.</li> <li>• Cisco sustainability specialisation: Maintained ongoing participation in the Cisco sustainability specialisation programme, recognising our commitment to sustainable hardware usage and recycling practices.</li> </ul>
<b>Portugal</b>	<ul style="list-style-type: none"> <li>• Achieved a significant milestone, with 32% of our fully electric car fleet.</li> </ul>
<b>Spain</b>	<ul style="list-style-type: none"> <li>• 100% renewable energy</li> <li>• Reduction in energy consumption by upgrading the lighting in Madrid offices by replacing fluorescent lamps with LED luminaires. This reduced electricity consumption, leading to cost savings and lower maintenance expenses.</li> <li>• Developed a comprehensive plan aligned with the Group's goals, including:</li> <li>• An annual target of at least 2% reduction in energy use.</li> </ul>

	<ul style="list-style-type: none"> <li>○ Gradual transition of the vehicle fleet towards electric/plug-in hybrid options (6% annually).</li> <li>○ Electric vehicle charging infrastructure: Five double-charging sockets for electric vehicles were installed in the Logicalis Madrid car park, supporting the transition to cleaner transportation.</li> <li>• Verified the 2021 Greenhouse Gas Inventory according to ISO 14064-1:2019, establishing a baseline for emissions.</li> <li>• Achieved carbon neutrality by offsetting emissions based on the verified inventory ahead of Logicalis Group's 2025 target.</li> <li>• Developed an internal carbon footprint calculator to estimate emissions from services offered to customers, promoting transparency with clients.</li> <li>• Responsible waste management was demonstrated by: <ul style="list-style-type: none"> <li>○ Switching to recycled notebooks for employees, reducing environmental impact.</li> <li>○ The Logicalis Group's e-waste policy was communicated to raise awareness of responsible electronic waste management. It also conducted an initial inventory of disused ICT equipment for proper decommissioning and partnered with authorised e-waste handlers.</li> </ul> </li> </ul>
<b>US</b>	<ul style="list-style-type: none"> <li>• Logicalis US made significant strides in FY24 to optimise workplace efficiency through a strategic office space reduction initiative. In July 2023, the Bloomfield Hills office closed and relocated to a new, smaller space in Troy, Michigan, reducing 29,699 square feet of leased office space.</li> <li>• Switch to Hybrid vehicles: Acknowledging the limitations of the two electric trucks acquired in FY23, a strategic shift was made towards hybrid alternatives. A multi-year plan was established to replace 18 gas trucks with hybrid models. The roll-out will commence in FY26 at a rate of three trucks per year. This initiative demonstrates a commitment to reducing emissions within the Tempe Cabling Group.</li> </ul>
<b>South Africa</b>	<ul style="list-style-type: none"> <li>• Logicalis digital energy launch: Established a green energy profile to support customer transitions to sustainable power solutions. This partnership with Huawei Digital Power will deploy the first-ever Huawei Power S system in South Africa. This marks the first-ever deployment of the Huawei Power S system in the region, a significant milestone in providing cost-effective, flexible and scalable smart power systems for businesses and communities.</li> </ul>
<b>APAC</b>	<ul style="list-style-type: none"> <li>• Logicalis Hong Kong achieved outstanding results in the HK Green Organization Certification assessment conducted in July</li> </ul>

	<p>2023. EnergyWise Certificate with Excellence Level, demonstrating exceptional energy efficiency efforts.</p> <ul style="list-style-type: none"> <li>Developed and implemented a comprehensive policy outlining the best energy conservation.</li> </ul>
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**For FY25 and beyond we hope to implement further measures such as:**

<b>Operation</b>	<b>Carbon Reduction Initiative</b>
UK, Channel Islands and Ireland	<ul style="list-style-type: none"> <li>Logicalis UK will continue offering the electric car scheme in FY25. This ongoing initiative allows employees to make eco-conscious choices while receiving financial incentives.</li> <li>The cycle-to-work scheme initiative will be continued in FY25 to allow staff to purchase a bicycle or kit via salary sacrifice for up to £4,000.</li> </ul>
Portugal	<ul style="list-style-type: none"> <li>Reach at least 40% electric vehicles. Promote electric options internally - every time someone changes their car, 100% electric is the first choice presented.</li> </ul>
Spain	<ul style="list-style-type: none"> <li>Verify greenhouse gas emissions reports for 2022 and 2023 according to ISO 14064-1:2019.</li> <li>Reduce indirect emissions from domestic air travel.</li> <li>Offset emissions for 2022 and 2023 based on verified reports.</li> <li>Implement an internal procedure for managing ICT assets throughout their lifecycle, conduct a comprehensive inventory of all ICT assets, and establish a system for tracking ICT assets with annual KPIs.</li> <li>Encourage customer adoption of the Logicalis Sustainable Procurement Policy.</li> </ul>
US	<ul style="list-style-type: none"> <li>Plans are underway to close the Oregon Office in June 2024.</li> <li>Continue to evaluate its remaining office locations, identifying further opportunities to reduce square footage and enhance space utilisation.</li> </ul>
South Africa	<ul style="list-style-type: none"> <li>To continue LSA's partnership with Huawei and grow our green energy portfolio to assist more customers in sustainable businesses.</li> </ul>
APAC	<ul style="list-style-type: none"> <li>Logicalis Indonesia to implement a waste reduction Initiative which aims to collect e-waste from employees to be recycled and reward employees who participate in the initiative.</li> </ul>

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

*Signed on behalf of the Supplier:*



.....Dina Knight.....  
Date: 12 July 2024

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>