CRN

ESSENTIAL

CHANNEL NET ZERO

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Towards a net zero channel

Whether through use of cloud, IoT, automation or device reuse and recycling, the tech channel is at the forefront of efforts to decarbonise UK businesses and public sector organisations.

But how much carbon do these tech solutions providers emit themselves, and what – if anything – are they doing to curb these emissions?

Before the advent of the Streamlined Energy and Carbon Reporting (SECR) reporting requirements, it was impossible to locate a meaningful answer to either of these two questions.

By forcing most IT solution providers with 250 staff or more to report publicly on their carbon emissions, SECR has generated a goldmine of data and information that can be used – for the first time – to build a picture of the channel's emissions profile.

This report looks at the emissions data contained in the SECR reports of 50 UK IT solutions providers, from Softcat and Computacenter to mid-sized outfits such as Proact, Cloud Technology Solutions and Stone (25 of which are profiled towards the end of the report).

What are the average emissions of firms in our sector, and are they going up or down? How many have committed to a carbon reduction or net zero plan, and how ambitious are these plans? And what are some of the key actions firms in our sector are taking to reduce emissions?

We have supplemented this data with interviews from leaders at some of the companies moving furthest and fastest on decarbonisation. What have they done so far and what have they learned? How do they see the regulatory landscape shifting this decade, and how are they planning to further green up their operations, supply chain and customer proposition?

We hope that this report provides you with some ideas and inspiration as you weigh up what sustainability investments to make in your business.

Doug Woodburn is head of channel research at Incisive Media

Every SECR counts

Although this report draws on data from the first wave of SECR reports, SECR is by no means the only new rule or requirement driving decarbonisation among IT providers.

New rules unveiled at COP26 in November will compel all UK listed companies to produce net zero transition plans by 2023. The recently introduced Task Force on Climate-Related Financial Disclosures (TCFD) is forcing them to factor climate change into their future plans, meanwhile.

The ratchet is also being applied from below, with new rules introduced in September – known as PPN 06/21 – compelling all companies bidding for government contracts worth more than £5m per annum to commit to achieving net zero emissions by 2050 (this is on top of the 10 per cent weighting given to 'social value' in government contracts introduced last January). Simultaneously, vendors are ramping up their sustainability-based programmes and incentives, with Cisco, for instance, launching an Environmental Sustainability Specialisation in April and HP recently rolling out its Amplify Impact scheme.

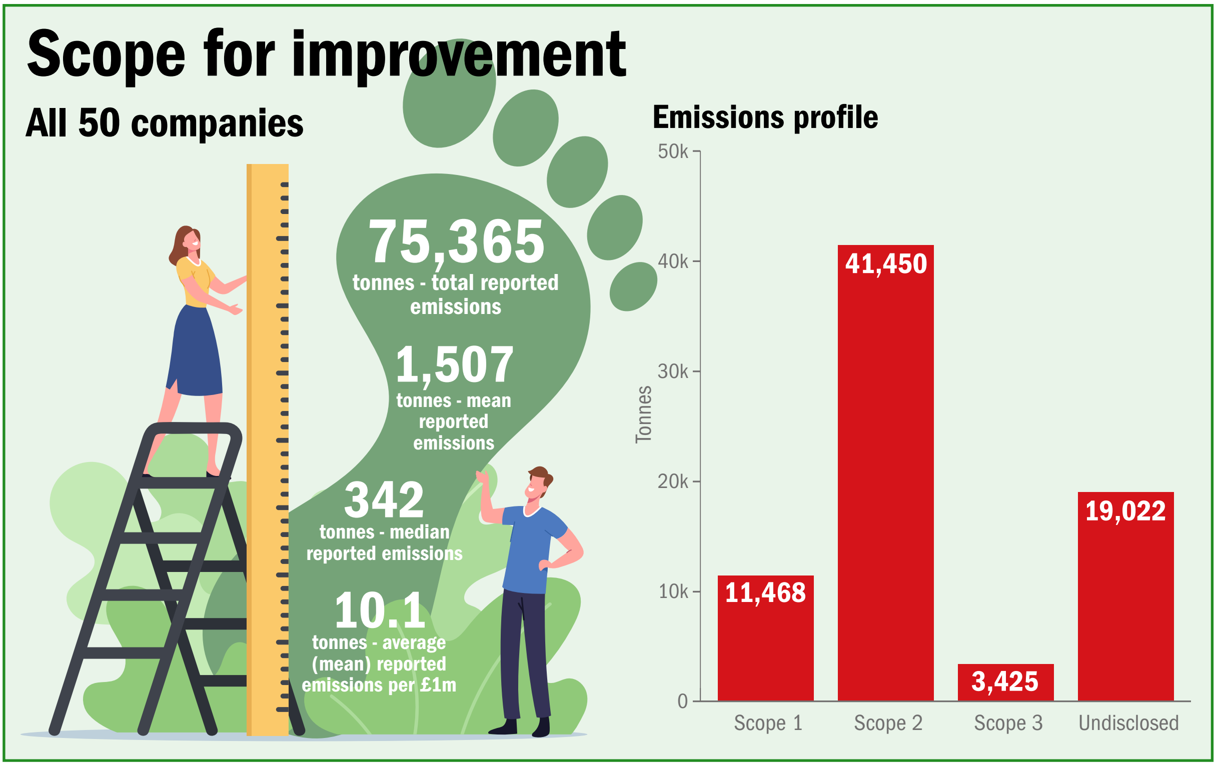
It is SECR, however, that is prompting most 'large' UK companies (ie those which satisfy two of three criteria including having over 250 employees) to disclose their carbon footprint for the first time.

With SECR kicking in for annual periods beginning at or after 1 April 2019, the first SECR data is now seeping through into public view. Mirroring the Gender Pay Gap reporting, the quality of the initial SECR filings is mixed, with one or two companies in our sector apparently getting their sums wrong.

The pressure is set to only build in the 2020s, with Chris Gabriel, chief strategy officer at SAP partner Sapphire Systems warning that there will soon be few hiding places for companies of all sizes.

"By 2030 or 2035, your ERP system will be sustainability enabled and will more than likely be reporting into government. It will know what you know – where you got your products from, how they've been shipped, who you ship them to," he told *CRN*.

"The whole lifecycle will be digitally available because your ERP system will do it. And the government is going to want to tap into that. The

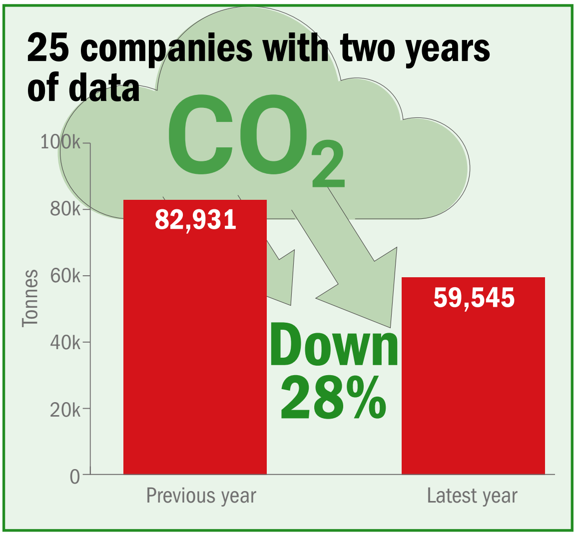


message is that net zero is happening, and it's going to be enforceable. Start thinking creatively about how you're going to do it."

Carbon calculations

What is the average reported carbon footprint of a UK channel partner, and is that figure rising or falling?

Of the 100 IT solutions providers featured in *CRN*



Top VARs 2021, we located SECR or emissions data in the latest annual accounts of 50, with 25 reporting at least two years of emissions data.

Collectively, these 50 companies reported 75,365 metric tonnes of CO_2 emissions in their latest years on record, with their mean and median reported emissions standing at 1,507 and 342 tonnes respectively (the former was skewed upwards by a few carbon-intensive outliers).

To put that 75,365 figure in context, that's equivalent to the estimated annual carbon footprint of around 6,000 UK citizens.

Unsurprisingly, given their contrasting profiles and sizes, these 50 companies' reported emissions ranged widely, from as much as 12,000 tonnes (in the case of Daisy) to as little as 22 tonnes (ANS).

Even controlling for size, the range remains broad, with reported emissions per £1m revenues (a common intensity measure used by many) varying from as much as 109 tonnes (in the case of Node4) to as little as 0.2 tonnes (for Softcat). The mean and median reported emissions per £1m revenues stood at 10.1 tonnes and 2.5 tonnes respectively.

The majority – 41,450 tonnes – were scope 2 emissions (ie indirect emissions from the generation of purchased energy). Scope 1 emissions (direct emissions from owned or controlled sources) were 11,468 tonnes, with scope 3 emissions (value chain)

Q&A: Simone Hindmarch, Commercial Ltd

Cheltenham-based IT, managed print and stationary reseller Commercial Ltd has been carbon neutral since 2006, and is now taking its net zero learnings to customers, its CEO tells CRN

You said in the SECR section of your recent accounts that Commercial has achieved a 90 per cent emissions reduction since 2006. How have you achieved this?
Primarily it's been around fuel. We measured our carbon footprint, and 80 per cent of it was around fuel. Initially, in 2007, we went down the route of biodiesel. Next, we were part of two government funded projects around hydrogen. And now we've moved to electric.

We've calculated and offset our carbon footprint since 2006. But more importantly, we have lowered our carbon emissions every single year. And if you look at our carbon emissions per £1m of turnover, in 2006 it was 69 cubic tonnes and in the Covid year it was under five cubic tonnes, and it's now under 16 cubic tonnes. Our plan is to be carbon net zero on scope 1 and 2 by 2028.

To what extent is sustainable technology part of your customer proposition now?
We've just been awarded a £300,000 contract for installing the whole project management and installing of electric charging points for one of our customers. We've done about 10 [installations], ranging from four to 100 charging points.

How are you tackling scope 3?
Our plan is to reduce our scope 3 by 50 per cent by 2028. We're doing that by supporting our staff to be far more sustainable at home and in terms of how they come into the office (or don't come into the office).

What does your 'change champions' programme entail?
Our change champions programme is primarily around changing people's behaviours in a really positive way. So whilst we have two specialists in our sustainability team, sustainability isn't owned by them. Being sustainable is part of everybody's job in the company. It's about people thinking emotionally about what they're doing, as well as intelligently and putting those two things together.

Our change champions programme is a little bit like The Apprentice. We select teams across the company, of all age groups - the more mixed up the better. We have 10 commitments. They select one or two or three of those commitments to run a project that will transform our business for the better. Then they present their ideas to the board and obtain sign off.

standing at 3,425 tonnes. The remainder were emissions that weren't broken out by scopes.

Looking only at the 25 companies with two years of data, reported emissions are clearly heading in the right direction. Their collective reported emissions hit 59,545 metric tonnes in their latest years, down 28 per cent year on year, with their mean and median reported emissions per £1m revenues also falling from 16.7 tonnes to 14.3 tonnes and from 7.8 tonnes to 4.9 tonnes, respectively.

Going by the commentary these 25 firms provided in the SECR section of their accounts, that reduction is due to a combination of carbon-cutting actions and the artificial boost of Covid, with some warning that emissions are likely to rebound in their next annual accounts as workers return to office.

Those operating sales offices only tended to report a fairly light carbon footprint, with some nine of the 50 putting their emissions at below one tonne per £1m revenues.

This includes Manchester-based Google partner Cloud Technology Solutions, which billed its environmental impact as "relatively low".

In contrast, those with multiple datacentres tend

Q&A: Dave Stevinson, QBS

Software distributor QBS is aiming to be one of the industry's first B Corporations. CEO Dave Stevinson offers his advice to those looking to tackle sustainability

QBS became carbon neutral last year and recently applied to become a B Corp. As the CEO of a company that is some way down the road on sustainability, what's your advice for those looking to get started?
I firmly subscribe to the view that a company's ESG report will become as important as their financial report at some stage in our lifetime. Start anywhere. If anyone needs any advice, I'm available, in company time, and outside company time to help them. Get your carbon footprint independently verified, sign up for the SBTi, and then work to become a B Corp.

Where are you currently focusing your sustainability efforts?
Scope 1 and 2 aren't that relevant to us now, as we've done our absolute best to minimise these as much as we can.

As a company, we're putting all our effort into extending scope 3. We've given all of our staff carbon literacy training. And we've tried to inspire the wider community. I spend two to three hours a week - sometimes more - showing people what we've done and helping them understand the pros and cons of our journey. We believe we can get better results by helping others to improve. If we can inspire a reseller, distributor or vendor to reduce their carbon footprint, that's where we're going to get the bigger gains.

What's been the most difficult aspect of the process?
Data quality has been a really difficult one for us, as we have 10 offices in different geographies. People's calculations are fraught with miscalculation, misunderstanding, erratum etc. You have to spend a disproportionate amount of time unpicking it.

When we've spoken before, you've voiced your disappointment at the lack of companies in our sector with a robust net zero plan. Do you feel that the channel is moving too slowly?
I don't think we've got as much buy in as we should have across the channel. I think we can do more, and we must do it much quicker.

to be much larger carbon emitters – at least when it comes to scope 1 and 2 – with Node4, Six Degrees and Redcentric all putting their emissions at over 50 tonnes per £1m revenue.

But how meaningful is this data?

To begin with, SECR compels companies to report their scope 1 and 2 emissions only (how precise and comprehensive that data is at such an early juncture is another question).

Although 25 of the 50 took a stab at reporting some of their scope 3 emissions (which can in some cases comprise over 90 per cent of a company's total emissions), this usually only extended to business travel in employee-owned vehicles.

Just like the first Gender Pay Gap reports, some SECR submissions had a half-baked feel to them, with *CRN* excluding two of the top 100 from our dataset because they'd seemingly miscalculated when converting energy usage to CO2 emissions (to spare their blushes, we will keep their identity anonymous).

And as some of the top 100 stressed, the quality of their emissions data is improving year-on-year, with Jigsaw24 adding a number of new components (including employee commuting and home workers) to its scope 3 column in its latest year. This renders some like-for-like comparisons problematic (with Jigsaw24, for instance, seeing its reported 2021 carbon footprint rise purely because it was tracking more activities than in 2020 and Softcat also stressing that an 18 per cent rise in emissions it reported in its fiscal 2021 reflected an improved assessment methodology rather than any like for like increase).

Reported carbon emissions of selected firms in *CRN Top VARs 2021**

	Total emissions (tonnes)	YoY change	Emissions per £1m revenue
Daisy	12004	-34%	28.8
SCC	7852	-24%	11.0
Telent Technology Services	6982	-31%	14.8
Node4	6112	-9%	109.0
Computacenter	5210	-62%	0.8
Six Degrees	5060	-1%	60.2
Redcentric	4717	-14%	51.6
CDW	3768	NA	3.8
Ensono	3162	NA	39.4
Centerprise	2931	25%	28.0
Digital Space	2203	NA	38.0
Claranet	2100	112%	5.3
RM	1483	-12%	7.0
Apogee	1193	NA	9.3
Nasstar	957	NA	8.4
Insight	855	-52%	1.5
Maintel	770	NA	7.2
XMA	755	NA	1.9
Stone Computers	580	-21%	4.9
Commercial Ltd	567	-12%	8.6
Adept Technology Group	478	-4%	8.3
NCC Group	454	-67%	1.7
boxxe	418	-5%	1.8
Softcat	386	18%	0.2
Scan Computers	346	NA	2.3
Bell Integration	337	-29%	1.1
AVMI Kinly	333	NA	7.8
ProAV	325	-10%	5.3
Bytes Software Services	315	NA	0.3
K3 Business Technology	262	NA	5.4
Solid Solutions	252	NA	5.0
Jigsaw24	232	176%	1.5
Proact	221	NA	4.5
Sabio	212	NA	2.1
Focus Group	210	NA	2.6
CAE	168	NA	1.2
OneCom	149	NA	1.6
Annodata	139	-75%	3.0
CCS Media	136	NA	0.6
European Electronique	123	84%	1.6
Content+Cloud	118	-82%	1.4
Telefónica Tech UK&I	90	NA	1.1
Wavenet	89	NA	1.5
Version 1	70	NA	1.4
ExcelRedstone	60	-43%	0.7
Cloudreach	49	NA	0.4
Arrow Business Communications	47	NA	1.0
Bechtle	34	NA	0.5
Cloud Technology Solutions	29	NA	0.7
ANS	22	-29%	0.4

* (based on SECR data). In some cases we have calculated the emissions per £1m ourselves

'A modest first step'

Like Gender Pay Gap reporting, SECR is viewed by many as a necessary first step in spurring decarbonisation action, however.

But several of the top executives in the sector we spoke to felt that more pressure must be brought to bear on companies of all sizes to not only report, but also reduce, emissions.

Talking to *CRN*, Softcat operations director Alastair Wyn predicted that the regulatory regime would "definitely get more restrictive" this decade.

"SECR is the equivalent of a company needing to submit their financials to Companies House – this is now asking you to do the comparable for carbon and climate reporting," he said. "It's great that people are forced to take responsibility and make that publicly accessible information. But at the same time, that's not enough. What's next? In my mind, it's the consideration around a carbon tax, which I think will follow. Although 2040/2050 sounds like a long way out, it's really not. We need people to embark on that journey sooner rather than later."

Roger Whittle, CEO at Jigsaw24 agreed, hailing SECR as "the first step" in a sustainability revolution that needs to be undertaken "in the next few years".

"It is a modest and welcome first step," he said.

"It's a bit like the Gender Pay Gap reporting that's mandated and therefore brings the topic forward. With SECR, you have to detail what your emissions are, but it's not essential to put in a plan to reduce them. Obviously, that is where we need to get to, but the first thing to do is admit what problem you have, and to quantify the problem. Thereafter, you can take remedial action.

"Long term, we need as many organisations as possible to be reporting on this. And we need to get to a point when it is mandated in future years to show how you can reduce your carbon footprint, rather than just stating the emissions."

Only a minority of our 50 detailed net zero or decarbonisation plans in their SECR commentary, with still fewer having committed to the Science Based Targets initiative (SBTi).

Under the SBTi's view of net zero, companies must focus on "rapid, deep emissions cuts", setting both near- and long-term targets to cut their scope 1, 2 and 3 emissions. Under SBTi, most companies are required to have long-term targets with emission reductions of at least 90-95 per cent by 2050.

The race to zero

Looking at our 50 firms, channel powerhouses Softcat and Computacenter have both set a target of becoming net zero across their operations and supply chain by 2040 (the latter brought its target forward from 2050 recently as this month). The publicly listed duo have also both submitted their net zero plans for validation with the SBTi.

In the shorter term, Computacenter recently brought forward its goal of being carbon neutral across scope 1 and 2 from 2027 to 2022, while Softcat harbours a goal of being net zero on scope 1 and 2 by 2024.

"We have three goals," Wynn at Softcat explained.

"Carbon neutrality, which we did early in 2021. We've tweaked our second target, which was all about renewable energy, to have a bigger aim and ambition to be net zero within scope 1 and 2 by 2024 – delivering on what is within our direct control. Effectively, that's renewables and also car fleet.

"And then the big ambition is to have a net zero supply chain by 2040. Having researched what the big vendors are doing, we believe it's achievable. There's an awful lot to do, but we believe in the power of

Q&A: Roger Whittle, Jigsaw24

Jigsaw24 is aiming to announce aggressive plans to reduce its scope 1, 2 and 3 emissions by the end of 2022. Its CEO reflects on the scale of the challenge facing the industry

What would you do differently if you were starting your sustainability endeavours from scratch?

The global warming crisis was first reported on the front page of The New York Times in 1987. We've all been too slow - everybody has failed. And now we've now got to catch up a lot more quickly. Facing up to the problem earlier is the first lesson and realising the gravity of the situation, but also accepting it as an exciting dynamic challenge, because I think it is an exciting, dynamic challenge.

And technology is going to play a huge role in this. We've got to improve the way we behave and reduce our emissions. But we will reach a point when it's down to what they call hard-to-abate emissions. We're going to have to start removing carbon from the atmosphere. And technology will play a role in that. It's going to come out through some form of direct capture, prototypes of which are all over the world - many of which seem to be backed by Bill Gates. But technology is playing a role already, with the increased use of software, PDFs, Zoom, Teams, and now a different form of technology with electric vehicles and battery storage that will mean that when we do have to travel, it's not as bad. So technology is really the solution here, along with of course improving the way we behave.

Do you think too much emphasis is being placed on offsetting?

I'm coming to the conclusion that offsetting is not the solution. It's like having a big wound on your arm and then sticking a plaster on. Or like sinning, and then buying a redemption from the church - don't sin in the first place. I think many of the activities which entail offsetting are good activities. I think we need to plant a lot more trees. Did you know Britain has 13 per cent tree cover compared to 38 per cent on the European continent? We need more trees. But that isn't offsetting. That's just a good thing to do.

Softcat hopes to be net zero on scope 1 and 2 by 2024

influence. And it will shake up the industry to some degree. Those that don't act upon it and introduce a plan and stay true to that plan will unfortunately be left behind."

Unsurprisingly, those that are listed tend to be further down the road (at least in regards to the public rhetoric), with RM targeting a 78 per cent cut in scope 1 and 2 emissions by 2035 and gearing up to set a 2050 net zero target and Maintel committing to the SBTi shortly after its appointment of its first ESG strategy and compliance director last August. Software licensing giant Bytes, which only floated on LSE in 2020, is "in the process" of developing its first carbon reduction policy, it said in its 2021 accounts, meanwhile.

Among the privately held Top VARs, Commercial, SCC and Telent are among the few to have committed to SBTi so far.

Telent, meanwhile, has formally committed to setting Science-Based Targets with a view to validating and publishing them by September, it said in its recent 2021 annual accounts. The telecoms and IT infrastructure provider is currently assessing its scope 3 inventory.

Having submitted its application to become a B Corporation last year, boxxe stated in its SECR report that it "intends to support the UK government's goal of achieving net zero carbon by 2050".

Others that are at least talking about carbon reduction include contact centre specialist Sabio and Scan. The former harbours a "long-term objective to have a centrally managed carbon reduction and offsetting programme in place", while the latter said in its 2020 accounts that it is gearing up to set "annual energy and CHG emissions reductions targets".

Staffordshire-based system builder and reseller Stone earlier this year hired a carbon reduction consultancy to help it measure and reduce its carbon footprint, meanwhile.

Jigsaw24 is another that's currently honing its net zero plan, as Whittle explains.

"What we're working towards, in the next year or so, is to have a carefully documented, comprehensive plan for the determination of our total carbon footprint for scopes 1, 2 and 3, with a comprehensive plan to reduce this towards zero over time, without the need for offsets," he said.

"We've got to try and get our carbon footprint down to zero without emissions. And that is a very hard thing to do. But we've all got to aim to do this.

"I think there are three objectives. One is the company-specific objectives – in our case, Jigsaw24. Second are the industry-specific objectives. So what can we all do as an IT sector? And that will include things like couriers for transport and how goods are transported up and down the country. And thirdly, what can we do as a society? What can Britain do? An example of that would be when can Britain hold its head up and say 100 per cent of its electricity has been generated at home by low carbon technologies?

Will it be 2030? 2035? Only when that has been achieved can we fully have a chance of getting there."

Shrinking scope 3

Some 92 per cent of carbon emissions are said to occur in the supply chain, and yet SECR only compels companies to report their scope 1 and 2 emissions.

Of the 50 Top VARs whose SECR numbers we located, 25 had a stab at reporting some scope 3 emissions, although this usually only stretched as far as travel in employee-owned vehicles.

There are in fact 15 categories of scope 3 emissions, including purchased goods and services, transportation and distribution, and use of sold products.

While tackling scope 1 and 2 is a "one- or two-year task", scope 3 is "90 per cent of the challenge, and a 10-15-year job", Whittle at Jigsaw24 warned, while Wynn added that scope 3 is "well over 85 per cent" of Softcat's emissions.

"We are going through steps and measures to quantify that. But there's so much to it," Wynn confided.

"We all take collective responsibility for it. Net zero is not necessarily all about the immediate term, because there are some hurdles that can only be overcome in time. Looking at the ecosystem from a design perspective, from a manufacturing perspective, from a delivery and logistics perspective, we've got a lot of work to do. Just in transit from a factory in China, the difference between shipping a product on a plane versus a boat is a 20 times greater carbon footprint. People aren't necessarily taking that into account when they're procuring that product.

Q&A: Alastair Wynn, Softcat

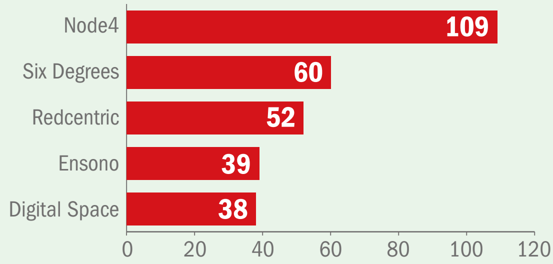
Softcat is aiming to validate its net zero plans with the SBTi by the end of 2022, according to its operations director

Last May, Softcat set a 2040 carbon net zero supply chain goal. Why are you now looking to get that validated by the Science Based Targets initiative?
We've gone through a lot of work with Support the Goals. But we want that ratified by science. It's important, to keep us honest and validate the results - I consider it an audit of our thinking and methodology. The pace of it has frustrated me a little, because it's hard to get those sessions in with SBTi. However, this is a bit of a blessing because SBTi was made tougher and more robust following COP26. Before, an organisation could just get a stamp of approval for short-term targets, whereas now there must also be long-term targets, aspiring towards 2040/2050. So we're going through the reinforced, revalidated, tougher measures with SBTi, which puts us at a better endpoint. We hope to be able to have those plans validated within this calendar year.

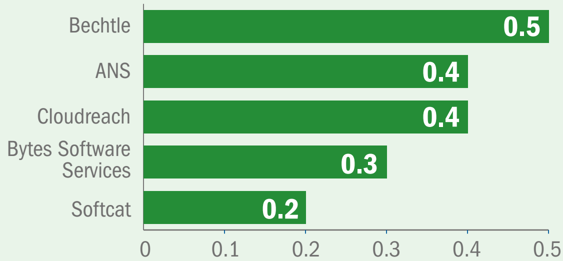
What's the biggest challenge facing the industry?
Nobody can solve it alone. It requires harmony and cohesion of an ecosystem as a whole. We cannot deliver on our goals alone. We require everybody to play their part, and all of those pieces of the jigsaw to come together. It's not a single component, and I wouldn't single out the vendor, the distie, the courier, the packaging, or whatever it may be, every single part of it really does matter.

Canalys recently argued that vendors should be upping their game on recycling and reuse. Do you agree they could be doing more to recognise and reward partners for selling second-user kit?
My ask is to almost not focus too much on the resale opportunity yet, because there are some challenges to iron out there in terms of the commercial impact on the vendors. The bigger, more critical part to fix is recycling and who's going do it, how it's done, how it's scalable. There are a lot of boutique, niche partners that will deliver elements of it. But for us as an organisation that deals with every single aspect of IT, and potentially wants to make that accessible as an opportunity to customers for any single IT product, we need the breadth from an outbound perspective, to reverse engineer that inbound to recycle products to then make them available for resale.

Top VARs with highest reported carbon emissions per £1m revenue (tonnes)



Top VARs with lowest reported carbon emissions per £1m revenue (tonnes)



* In some cases, we have calculated these figures ourselves

We need to get better at promoting that publishing it and making a part of the decision-criteria every step of the way."

RM is examining its "full network across customers, suppliers and logistics channels" as it looks to get a handle on its scope 3 emissions, the education supplier's group strategy and customer director Chris Rothwell told *CRN*, meanwhile.

This includes evaluating the material composition, manufacturing, supply chain, logistics and end-of-life management of 36,000 products it sells.

"That 36,000 predominantly refers to our resources and curriculum businesses. But on the IT services side, the same principle applies," Rothwell explained.

Sustainability is now having a greater bearing on which IT vendors RM works with, Rothwell confirmed.

"The sustainability credentials of a supplier are definitely becoming a far greater decision-making factor for us and for our customers. Devices are a good example. Yes, it's about the way the device is manufactured. But it's also about the energy efficiency of that device when it's in use, and the full lifecycle of that device afterwards. We've taken part in a partnership scheme with HP, called the Education Learning Partnership. Part of it is about how the devices that were traded are responsibly recycled. Those sorts of programmes are going to become a much bigger factor for people as they think about the full lifecycle.

"There are some areas [of scope 3] where you can look at it and say we can have a much faster, more direct impact – for instance the changes that you can make around employee travel," Rothwell added.

"Then there are other areas where you're dependent on your suppliers and customers to make meaningful change. And that's where the collaboration with your channel, with your supply chain, with your customer base and with your partners becomes really important. Clearly, our scope 3 emissions are other organisations' scope 1 and 2 emissions. If we all want to make progress on our scope 1 and 2, then collectively we will make progress on that scope 3, but it's definitely the most nuanced and the most complicated."

Jigsaw24's key scope 3 challenges relate to employee travel and courier transportation, Whittle said, with the Nottingham-based firm recently introducing an EV salary sacrifice scheme to help tackle the former.

"Everyone's starting to realise now that scope 1 and 2 are relatively easy to do, and that it's all about scope 3. That is where the huge complexity and magnitude of the challenge really lies," Whittle said.

"How do employees get to work and back? They could work from home – that's one low-carbon option. You could drive by electric car, if you can afford one, use public transport, share a car, or walk, jog or cycle. We need to enthuse our colleagues with these choices.

Last summer, DPD – which bills itself as an 'EV leader' in the parcel industry – doubled the size of its total EV UK fleet to 1,500 when it ordered 750 e DELIVER electric vans. And this March, Amazon unveiled its first-ever fully electric heavy goods vehicles in its UK fleet.

"I would hope before the turn of the decade that the couriers are largely transporting stuff with EVs," Whittle said.

"That's what we need to get to. If you can crack those two issues, on top of ensuring that you're using 100 per cent renewable energy generated electricity, then you're well on the way."

Catering for customers

Although the advent of the SECR requirements is forcing IT solutions providers to get their own

Q&A: Chris Rothwell, RM

RM's group strategy and customer director opens up on the education specialist's net zero plans

What's the regulatory backdrop you and other publicly listed are facing when it comes to sustainability?
We have an obligation to share our carbon emissions. We've had that for a while. And then the big change coming through is related to the Task Force on Climate-Related Financial Disclosures (TCFD). We're going through that now. It connects the impact of climate change on us as an organisation and our ability to continue to operate. The TCFD team is saying that, across the world, climate change is not properly factored into the risk and investment in financial markets - and that that needs to change. That means we have to take a long, hard look at our business and ask, in the face of climate change, what actions we need to take today to ensure we are operating in a sustainable way for the future? That's a relatively significant overhead that we'll need to take as a public company. We'll do that in our next round of annual reports.

In your 2021 annual report, you talked about how you're looking to introduce a net zero target very soon. What's the plan?
We've made pretty good progress on scope 1 and 2 already, including our physical real estate. Whether we've moved into rented space, or we've built specific facilities, we've done that with a much stronger environmental and sustainable eye. That means our office in Abingdon is solar powered. It means that we're buying renewable energy and it means that as we've built our distribution centre in Nottingham it has much stronger environmental, sustainable heating, energy, LED lighting. We're starting to look at pilots for carbon offsetting.

The scope 3 element is much more complicated. It's across 36,000 products and 4,000 suppliers. So it's a big job. But we want to be able to make a commitment to get to net zero ahead of 2050.

What's your advice for peers that might be just embarking on becoming more sustainable?
One thing we did in 2019 that really helped is employ somebody with specific expertise to come and help us. There was a lot happening within the company that was related to sustainability, but there wasn't anybody coordinating that.

We wanted to look at getting certified, and are currently going through that process with ISO 14001. We brought in that expertise to help us bring those things together, identify where we were doing well and where we had gaps, and put in the process and governance to make sure we could continue to make progress.

houses in order, arguably they can have a far greater impact on the UK's progress towards net zero via the technology and services they offer.

Atos last year talked *CRN* through its introduction of 'decarbonisation level agreements', while a spate of major IT services giants including Accenture, Deloitte and EY have this year announced acquisitions or investments in the realm of ESG/sustainability measurement or consultancy.

K3 Business Technology is among the 50 Top VARs tracked in this report with a strong sustainability solutions play, having this January acquired Viji, a French outfit whose software helps fashion retailers track sustainability of products they sell. Others were quick to mention the carbon-cutting credentials of the videoconferencing or cloud technology they carry in their SECR filings.

Having spent recent years cutting their emissions, some IT solutions providers are now taking that knowledge and applying it to their customers, meanwhile.

This includes Cheltenham-based Commercial Ltd,

DPD doubled the size of its UK EV fleet last summer

which was last month awarded a £300,000 electric charging point contract with one of its customers.

The smart technology division it started four years ago has an emphasis on helping its clients reach net zero, CEO Simone Hindmarch told *CRN*.

"Because we've been doing this for 16 years, we are comfortable and confident with investing in green technology. We have a network operating centre that looks after devices at the end of networks, and green technologies is no different – so it makes perfect sense," she said.

Softcat, meanwhile, this month unveiled 'Enexo' a sustainability insights platform that aims to take its net zero learnings to its 9,500 SME customers.

Talking to *CRN*, Softcat sustainability lead John Gladstone said he hoped Enexo will eventually become "the largest sustainability insights platform out there", stressing that it will act as a hub not only for sustainable IT but the full gamut of sustainability solutions, from smart meters to electric vehicles.

"We want to turn this platform into a ClearScore-type platform, so users can go in, understand their emissions but – on top of that – they will have products off to the side that will allow them to continue their journey to net zero, whether that be moving to solar panels or renewable energy or adopting an EV car scheme," Gladstone explained.

Wise counsel on decarbonisation

Just 37 per cent of UK IT solutions provider respondents who took part in a *CRN* study last summer said their organisation had set a carbon-neutral or net zero goal. How should those yet to embark on their sustainability journey get started, and what stumbling blocks might they encounter?

Wynn warned that Softcat had encountered some "surprising" challenges around landlords in shared office spaces.

"It's difficult to slice and dice that to get the accurate reporting you need and to carve off your energy fees into renewable sources," he said. "We weren't going to take no for an answer, so we took the decision to put in place our own metres in those locations so we can measure and assess that and then report on it accurately and embark on renewable energy, even if the rest of the building might not necessarily be in a position to do that yet."

Leased offices in general can be a sore point, with Proact admitting in its SECR report that its use of leased spaces had prevented it from rolling out EV chargers outside its Chesterfield HQ and Coventry office.

Rothwell at RM urged sustainability novices to start by sizing up their emissions and singling out one or two areas to target cuts.

"Getting started is the critical piece of advice, as it's one of those challenges you can easily put off until tomorrow," he said.

"Then the other thing that I think we all need to do collectively, is to collaborate and talk to each other. We're working on a supplier charter at the moment that that won't become a mandatory compliance capability initially, but will start to allow us to have conversations with our suppliers to say, 'this is what we think good looks like. What do you think? Is this something that you're already doing?'"

Hindmarch at Commercial urged companies to be "brave".

"This is the decisive decade. It's also important to be positive," she said. "I'm absolutely convinced that we have everything we need to resolve the issue. And I think there's far too much negativity out there. We've been able to do it, and we're not a green technology company. This should be something that is taken into the heart of the organisation, and not owned by a group of people – it should be something that easily moves around through an organisation.

"When I set out, I felt that [becoming more sustainable] would make us more competitive and get us a seat at the table against some of our much larger competitors. I didn't expect a lot of the massive benefits that there were that ran alongside it."

Q&A: Clare Parry-Jones, Computacenter

Computacenter is avoiding greenwashing and instead taking a "pragmatic" approach to decarbonising its business, its sustainability lead tells CRN

You recently brought forward your net zero target by ten years, to 2040. Why did you feel able to do this?
Other organisations – predominantly private ones – and not necessarily in the IT sector, have been very bold in terms of going out, and are almost giving investors and employees happy ears. But they haven't thought about the impacts in detail.

As an organisation we are very pragmatic, and we wanted to make sure we fully understood it, and that we understood scope 3. We signed up to the Science Based Targets initiative (SBTi) in March, and are submitting for validation. They will come back with timelines and areas we can work on, but if you look at the advances we've made on scope 1 and 2, we know we can get there in that period we're talking about.

We've not put 2040 closing our eyes and crossing our fingers and toes. We've put 2040 because we have confidence we can get there. And it may be that we could bring that even further forwards – who knows.

The SBTi website talks about scope 3 being 90 per cent of the challenge for some organisation. To what extent are you reliant on your vendors to tackle scope 3?
What the vendors are doing is really important.

We need to make sure that we've got the built-in carbon, and that we understand that for customers, and that we also understand the in-life carbon. What's the carbon that it uses during its lifetime, and how do we extend the life? What the vendors are doing, and how they're driving that - whether that's forest positive, recycling, making sure that the devices are more maintainable, extending the end of the serviceable life - all factors into how we calculate and use it.

Between the vendors, the resellers and the customers, there's got to be transparency.

The £10/€12/$14 travel levy you introduced on 1 October raised €50,000 in Q4, according to your recent Sustainability Report, with the money raised used to offset the travel element of your scope 3 emissions. How does it work?
We use Carlson Wagonlit Travel. As you go onto the travel tool everything has a travel levy associated with it, which goes against your cost centre. That's every time you book a train or a flight or a hotel room, and in addition to that it tells you if you took a different train, how that would reduce the carbon offset. And in addition to that I can see that if I travel at different times there is a different level of carbon impact associated with it.

Help or hindrance: Carbon offsetting

The concept of net zero acknowledges that carbon offsetting will be needed to neutralise a small percentage of emissions that cannot be eliminated.

There is growing concern among sustainability leaders in the channel that tree-planting and other offsetting activities are being used to delay genuine carbon reduction action, however.

Jigsaw24 CEO Roger Whittle labelled offsetting the "wrong approach".

"Offset it if you want in the interim, but it's not the solution. The solution is direct carbon emissions reduction. And that's not yet mandated at all in the SECR. And over time, it needs to be," he said.

Chris Gabriel, chief strategy officer at Sapphire Systems, said the SAP partner's audit firm told him in a meeting this month that offsetting is increasingly seen as a "get-out-of-jail-free card that doesn't have much merit".

"They have told us to be creative and innovative. And honestly, as the technology channel, we should be able to be creative and innovative," he said.

"How many of the channel have got apprenticeship levies they don't use? We were discussing this morning whether can we donate our apprenticeship levy into sustainability small businesses who don't have an apprenticeship levy capability. We're looking at whether we invest in renewable energy startups.

"Stop trying to offset it, and try to make a difference yourself."

> **"We were discussing this morning whether can we donate our apprenticeship levy into sustainability small businesses who don't have an apprenticeship levy capability**
>
> Chris Gabriel, Sapphire Systems

Magnificent seven

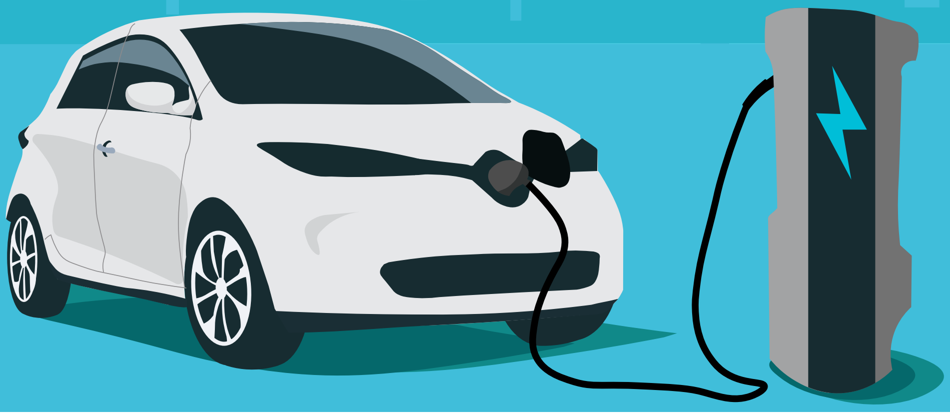
Seven ways IT solutions providers are cutting carbon

1 Fleet electrification

With vehicle fleets sometimes the biggest source of carbon emissions, it's no surprise that many IT solutions providers are moving to hybrid and electric alternatives.

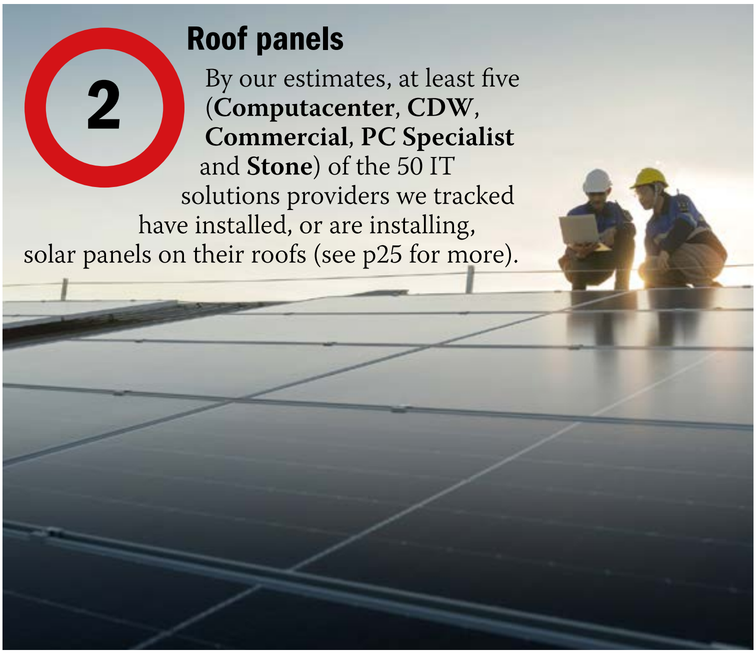
Light electric vehicles now comprise 90 per cent of **CCS Media**'s fleet following its implementation of an LEV-only policy on replacement vehicles three years previously, the Chesterfield-based reseller said in its 2020 annual accounts, while **Wavenet** is looking to transition all company vehicles to electric or hybrid over the next five years.

Noting that its fleet and fuel accounted for 72 per cent of its energy usage, HP-owned managed print outfit **Apogee** intends to adopt more alternative fuel and electric vehicles throughout its business between 2021 and 2025 as current vehicles are retired.



2 Roof panels

By our estimates, at least five (**Computacenter**, **CDW**, **Commercial**, **PC Specialist** and **Stone**) of the 50 IT solutions providers we tracked have installed, or are installing, solar panels on their roofs (see p25 for more).



3 Travel tax

IT solutions providers made big travel savings – both in money and in carbon – during lockdown.

With an eye on ensuring employee travel doesn't rebound to pre-Covid levels, **Computacenter** introduced an internal travel levy on 1 October that raised €50,000 in Q4. The money raised is being used to offset the travel element of its scope 3 emissions.

In its SECR filing, **CDW** said it intends to "reduce business travel to ensure business trips are truly necessary", meanwhile.

4 Datacentre efficiency

As the highest emitters in this report, datacentre operators are under more pressure than most to double down on their decarbonisation efforts.

Boasting the highest carbon intensity of all 50 firms we looked at, **Node4** harbours a long-term goal of using 100 per cent clean and renewable energy across its global platform. Recent actions taken include rolling out HVAC aircon and more efficient equipment.

This report's third highest emitter by revenue, **Redcentric**, claims it has made a "significant investment" in new equipment to reduce power consumption at its datacentre facilities, adding that it is in the process of installing unused, pre-owned air handling units at its Harrogate datacentre.

5 Renewable energy

Assuming you own the building you occupy, moving to a renewable energy supplier is among the easiest scope 2 wins.

During its fiscal 2020, **Apogee** switched all its purchased electricity to renewable sources.

York-based Microsoft partner **boxxe** procured 59 per cent of its electricity from renewable sources in 2020, a figure it intends to boost to 100 per cent by the end of this year, with Nottingham-based Apple partner **Jigsaw24** chasing the same target.

Having encountered some challenges with its rented premises, **Softcat** is hoping to be net zero across scope 1 and 2 (including both renewables and its car fleet) by 2024.

6 Staff training

Bolton-based e-tailer **Scan** and midmarket MSP **Redcentric** were among those to introduce energy efficiency or environmental impact training and awareness schemes in their latest years as part of their efforts to curb emissions.

7 Employee transport

Having singled out employee commuting as a major source of potential scope 3 emissions, **Jigsaw24** is among those to have launched an EV salary sacrifice scheme, claiming in February that a quarter of its employees had already shown an interest in the scheme in February.

Global MSP giant **Claranet** recently rolled out incentives for staff travel to move to public transport and cycling, meanwhile.

Carbon warriors

How 26 UK channel partners are tackling carbon emissions

Profiles explained

£43.9m ← Revenue

607 (vs 651) | **6.6** (vs 7.6)

↑ Tonnes of carbon dioxide equivalent (tCO2e)

↑ tCO2e per £1m revenue

(Figures in brackets are the previous year's figures)

Cloud Technology Solutions

£44m

29 | **0.7**

This Manchester-based Google partner revealed in its inaugural SECR report that it is "in the process of establishing carbon reduction initiatives and targets".

The 113k kWh of purchased electricity (scope 2) Cloud Technology Solutions claims to have consumed in its fiscal 2021 equates to 29 tonnes of Co2. "In comparison with other sectors, the company is fortunate that its environmental impact is relatively low," it said.

Proact

£49.1m

221 | **4.5**

Rolling out nine EV ports at its Chesterfield and Coventry sites is among the recent carbon-cutting actions outlined by the UK arm of this pan-European NetApp partner in its inaugural SECR report, which pegged its total emissions from electricity, gas and transport in 2020 at 221 tonnes.

Efforts to update all office and external lighting to LED between 2018 and 2020 yielded estimated electricity savings of 82 per cent, it claimed.

Node4

£56.1m

6,112 (vs 6,729) | **109** (vs 129.9)

Despite having the highest carbon intensity of all 50 firms we looked at (not surprisingly considering it operates datacentres in Derby, Leeds and Northampton), Node4

K3 Business Technology

£48.8m

262 | **5.4**

This Manchester-based software specialist now has a strong sustainability play having in January 2022 acquired, ViJi, a French outfit whose solutions help fashion retailers track the sustainability of the products they sell.

It warned that the emissions its own business recorded in its first ever SECR report – covering its year to 30 November 2020 - were flattered by Covid and will likely increase, however. K3 generated 61, 55 and 146 tonnes of scope 1, 2 and 3 emissions, respectively (the latter covering employee use of their own vehicles) in the UK during the period. The SECR process enabled it to identify its most energy-efficient sites, and it is now aiming to reduce electricity and gas consumption on a site-by-site basis.

Commercial Ltd

£66.1m

567 (vs 641)

8.6 (vs 9.6)

Having been reporting its carbon footprint since 2006, this Cheltenham-based office supplies, managed print and IT services outfit last year pledged its commitment to reaching net zero on scope 1 and 2 emissions by 2028 (with a commitment to halving scope 3 emissions by the same year).

Commercial's inaugural SECR report details how it has installed over 400 solar photovoltaic systems at its offices since 2012 and how it is encouraging staff to collaborate on sustainable business projects through its 'Change Champions Programme'.

It claims its total scope 1, 2 and 3 emissions – which it put at 567 tonnes in its year to 31 January 2021 – have been scythed by 90 per cent since 2006.

Simone Hindmarch, CEO, Commercial Ltd

claimed in its inaugural SECR report that "energy efficiency and environmental sustainability are a part of everything we do".

The private equity-backed outfit harbours a long-term goal of using 100 per cent clean and renewable energy across its global platform.

Node4's scope 1 and 2 emissions fell from 6,729 tonnes to 6,112 tonnes in its year to 31 March 2021. Actions taken include rolling out HVAC Aircon and more efficient equipment, as well as the introduction of electric and hybrid cars into its fleet.

Wavenet

£60m

89

1.5

Wavenet is looking to transition all company vehicles to electric or hybrid over the next five years, the Birmingham-based unified comms provider said in its inaugural SECR report.

It pegged its scope 1, 2 and 3 emissions – the latter of which relate to business travel in rental or employee-owned cars – at 88.6 tonnes in its year to 30 April 2021, and now has its sights set on installing LED lighting and improved insulation at its offices.

ProAV

£61.4m

325 (vs 362)

5.3 (vs 4.6)

This Surrey-based audiovisual provider claimed it has a "long-standing commitment to tackling climate change" as it pegged its combined fiscal 2021 scope 1, 2 and 3 emissions at 325 tonnes (down 11.4 per cent year on year).

Its strategy to "significantly" reduce its carbon footprint encompasses encouraging employees to purchase renewable technology such as hybrid vehicles, purchasing energy-efficient equipment for its offices, replacing HVAC systems and adopting behavioural change.

Ensono

£80.3m

3,162

39.4

Closing its Slough datacentre, replacing the chillers in another, and migrating away from legacy uninterruptible power supplies are among the steps the UK arm of this global MSP undertook that helped it reduce its power use in calendar 2020. It also cut its fleet from five to three vans.

Estimated scope 1, 2 and 3 emissions of 3,162 tonnes equate to the fourth highest carbon intensity ratio (per £1m of revenues) of the 50 Top VARs we looked at. The vast majority – 3,055 – came via scope 2.

Redcentric

£91.4m

4,717 (vs 5,457)

51.6 (vs 62.4)

Redcentric claims it has made a "significant investment" in new equipment to reduce power consumption at its datacentre facilities, which contribute to it having the third highest carbon intensity per revenue of the firms we looked at (behind only fellow datacentre operators Node4 and Six Degrees).

Its calculated scope 1, 2 and 3 emissions fell from 5,457 to 4,717 in its fiscal 2021.

The publicly quoted midmarket MSP said it is in the process of installing unused, pre-owned air handling units at its Harrogate datacentre, which is set to cut energy consumption associated with datacentre chilling by around five per cent. It also introduced a compulsory training module for employees to boost awareness of its environmental impact and actions during the year.

Maintel

£106.4m

770

7.2

Maintel last August claimed it became one of the first companies of its size to appoint an ESG strategy and compliance director in the shape of Joanne Ballard.

She arrived shortly after the AIM-listed Avaya partner was accepted as being committed to the Science Based Targets Initiative (SBTi), which demonstrates its ambitions to reach net zero carbon.

It pegged its total carbon footprint at 770 tonnes in 2020, some 630 tonnes of which related to travel.

Stone Computers

£117.8m

580 (vs 735)

4.9 (vs 7.8)

This Staffordshire-based reseller, system builder and ITAD publishes an annual Sustainability Report detailing how its business operations are aligned with four of the United Nations' 17 Sustainable Development Goals.

A 38 per cent reduction in scope 1 and 2 emissions per £1m of revenue in calendar 2020 was partly thanks to Covid, Stone admitted, although it also highlighted efforts to reduce emissions relating to vehicles during the year. This includes introducing a mobile shredding service to increase vehicle load capacity and – as of 1 May 2020 – requiring all new company cars to have an emissions rating of less than 100g/km.

According to draft 2021 accounts it shared with CRN as this research was going to press, Stone's board has approved in principle the first phase of a project to install a solar power generation and storage capability at its main Stafford facility. It has also enlisted a carbon reduction consultancy firm with a view to measuring and then reducing its carbon footprint.

Apogee

£127.7m

1,193

9.3

Noting that its fleet and fuel account for 72 per cent of its total energy use, this HP-owned managed print giant said it intends to adopt more alternative fuel and electric vehicles throughout its business between 2021 and 2025 as current vehicles are retired. During its fiscal 2020, Apogee switched all purchased electricity to renewable sources, achieving zero carbon emissions from purchased electricity – and also kicked off an LED light replacement scheme.

Scan Computers

£150m

346

2.3

This Bolton-based e-tailer is gearing up to set annual energy and CHG emissions reduction targets, as well as introduce energy efficiency staff awareness training, it said in its 2020 accounts.

It pegged its 2020 scope 1 and 2 emissions at 108 and 221 tonnes, respectively, and is "actively looking to reduce its energy consumption".

Jigsaw24

£150m

346 (vs 84)

2.3 (vs 0.6)

This Nottingham-based Apple partner is committed to achieving net zero carbon status "as soon as possible", it said in its 2021 accounts, adding that it has already implemented a "wide range" of environmental measures to reduce its carbon footprint and waste, electrify where possible and increase recycling.

In February, Jigsaw24 claimed that over a quarter of its staff had already shown an interest in its Electric Vehicle Salary Sacrifice Scheme since it was launched three months earlier.

Working with Carbon Footprint, Jigsaw pegged its scope 1, 2 and 3 emissions at a respective six, 20 and 206 tonnes in its fiscal 2021, a 176 per cent annual rise entirely due to the artificial impact of it

Jigsaw24 has penned a deal with Octopus Electric Vehicles to offer staff the chance to join the Electric Vehicle Salary Sacrifice Scheme

measuring more elements that fall under scope 3 in its latest year (including employee commuting and home workers).

RM

£210.9m

1,483 (vs 1,693) | **7** (vs 9)

This LSE-listed schools supplier is in the process of gathering data on the material composition, manufacturing, supply chain, logistics and end-of-life management of 36,000 products it sells as it gears up to set a pre-2050 net zero target that includes scope 3 emissions.

RM pegged its combined scope 1 and 2 emissions at 1,483 tonnes in its year to 30 November 2021, a 12 per cent fall on the previous year and 67.5 per cent drop against its 2015 baseline. It is targeting a 78 per cent scope 1 and 2 reduction by 2035, and harbours a goal to use 50 per cent on-site or locally generated renewable energy at its Harrier Park HQ by 2024.

CCS Media

£223.7m

136 | **0.6**

Light electric vehicles now comprise 90 per cent of CCS Media's fleet following its implementation of an LEV-only policy on replacement vehicles three years previously, the Chesterfield-based reseller said in its 2020 annual accounts.

In its inaugural SECR report, CCS Media pegged its scope 1, 2 and 3 emissions (the latter of which takes into account business travel in employee-owned vehicles only) at 83, 39 and 14 tonnes, respectively. Its environmental and sustainability plan includes improving light efficiencies, cutting travel and procuring from carbon-neutral suppliers.

boxxe

£238.3m

418 (vs 440) | **1.8** (vs 2.1)

This York-based Microsoft partner is aiming to be the first UK reseller to achieve B Corporation status as part of its sustainability drive.

It procured 59 per cent of its electricity from renewable sources in 2020, a figure it intends to boost to 100 per cent by the end of 2022. It is also removing company vehicles as they come up for renewal on the basis that employees can use technology for virtual meetings rather than travelling to physical ones, and reviewing its use of refrigerants (it said cooling currently accounts for three-quarters of its footprint).

"boxxe intends to support the UK government's goal of achieving net zero carbon by 2050," it stated in its SECR report.

Claranet

£395.1m

2,100 (vs 990) | **5.3** (vs 2.7)

Introducing incentives for staff travel to move to public transport and cycling is among the energy-saving measures introduced by this global MSP giant in its year to 30 June 2021.

The 2,300-employee, London-based outfit reported its fiscal 2021 scope 1 and 2 emissions at 2,100 tonnes, more than double the previous year's tally.

Claranet's SECR report also highlighted efforts to boost flexible working, install movement-activated lighting, upgrading hardware to more efficient devices and replacing old windows to cut heat loss.

XMA

£399m

755 | **1.9**

In its inaugural SECR report, this Nottingham-based VAR said it has compiled a register of energy efficiency measures with a view to implementing them "in the next five years".

The £400m-revenue HP partner – which is part of Westcoast Holdings – calculated that its scope 1 and 2 emissions stood at a respective 408 and 347 tonnes in 2020.

Daisy

£417.1m

12,004 (vs 18,201) | **28.8** (vs 39.7)

After admitting that Covid temporarily delayed it, Daisy said it has now restarted its energy efficiency programme. It includes a focus on moving to an electric and hybrid fleet and appointment of a head of ESG in its Corporate division.

The comms specialist's combined scope 1 and 2 emissions fell by around 50 per cent to 12,004 tonnes in its year to 31 March 2021. It warned that its carbon usage will likely rise closer to its pre-pandemic base in its FY2022.

Telent Technology Services

£48.8m

6,982 (vs 10,065) | **14.8** (vs 17.7)

This telecoms and IT infrastructure juggenaut has formally committed to setting Science-Based Targets with a view to validating and publishing them during Q2/Q3 2022, it said in the SECR section of its 2021 annual accounts.

Telent chalked up a 30 per cent fall in its combined scope 1 and 2 emissions in its fiscal 2021 to a combination of energy efficiency measures and the shift in working arrangements sparked by Covid. It is currently assessing its scope 3 emissions inventory.

SCC

£712.4m

7,852 (vs 10,326) | **11** (vs 14.6)

Reductions in business travel associated with Covid helped SCC slash its (location-based) emissions by 24 per cent in its fiscal 2021.

That's significantly above the five per cent annual reduction target set by the Birmingham-based IT solutions provider (it harbours a goal of cutting emissions by 50 per cent between 2020 and 2030).

SCC's s refurbishment of its global HQ is expected to save it 400MWh of electricity and 580MWh of gas annually through use of heat pumps, heat recovery ventilation, LED lighting, metering and controls, it said in the environmental section of its 2021 annual accounts. It also has a zero per cent landfill objective on recycled IT.

Bytes Technology Group

£958m

315 | **0.3**

This software licensing giant indicated in its 2021 accounts that it is in the process of developing its first carbon dioxide reduction policy.

It pegged its respective scope 1, 2 and 3 emissions for the year at 55, 233 and 28 tonnes, emphasising that it switched to renewable energy suppliers for its entire electricity needs at the start of 2021 and has upped the number of electric/hybrid car charging points at its main sites.

Phoenix Software, which is part of Bytes, was flagged up in Microsoft's recent partner net zero report for creating a sustainability network designed to engage staff in its carbon reduction plan and then using what it had learned to develop similar solutions for its public sector clients.

As a newly publicly listed business, Bytes will have to respond to the Task Force on Climate-related Financial Disclosures in its 2022 annual report.

CDW

£990m	
3,768	3.8

The UK arm of this global reseller claims the roof panels on its Rugby and Peterborough facilities can generate up to 60kW of electricity, adding that it purchases renewable electricity "for all UK offices where it can control the energy supply and appropriate tariffs are available".

It pegged its scope 1, 2 and 3 emissions in 2020 at 272, 1,777 and 1,719, respectively.

Several lighting initiatives across its facilities have been undertaken or are underway, CDW UK said in its inaugural SECR report. It detailed how the £1bn-revenue juggernaut intends to move its car fleet to hybrids and introduce EV stations at its Rugby and Peterborough offices.

With Covid helping to "significantly" reduce its travel emissions, CDW said it now intends to "reduce business travel to ensure business trips are truly necessary".

Softcat

£1.94bn	
386 (vs 304)	0.2 (vs 0.2)

The UK's largest reseller has published some of the most sweeping carbon reduction targets among the companies we looked at, with an aim of being 'net zero supply chain' by 2040.

Set in May 2021, this target encompasses scope 1, 2 and 3 emissions, the latter of which Softcat acknowledges hinge partly on the progress of its vendor partners. On that note, Softcat's annual report includes a useful summary of the sustainability commitments of its key manufacturer allies (including Dell and HPE's pledge to be net zero by 2050 and Apple committing to all its products being carbon neutral by 2030).

Over half of Softcat's locations are now using renewable energy, with the giant reseller hoping to use 100 per cent renewable energy by 2024.

It reported its collective scope 1

Over half of Softcat's locations are now using renewable energy and 2 emissions at 386 tonnes in its year to 31 July 2021. That's an 18 per cent hike on the previous year, which Softcat stressed reflected an improved assessment methodology rather than a like-for-like rise.

"We've been able to significantly reduce the carbon footprint of our own business in recent years despite our growth, but as we look ahead, we have a strong desire to become a leader in the journey towards carbon neutrality," Softcat said in its 2021 accounts.

Computacenter

£6.73bn

5,210 (vs 13,856) | **0.8** (vs 2.5)

The world's largest UK-headquartered IT solutions and services outfit earlier this month unveiled a new target of being net zero across scope 1, 2 and 3 emissions by 2040 – trumping its previous aim by ten years.

Helped by a recent record-breaking solar roll out at its Hatfield HQ, Computacenter now generates 73 per cent of its electricity usage from renewables (according to its recent annual sustainability report) and this month announced it has brought forward its goal of being carbon neutral across scope 1 and 2 from 2027 to 2022.

It stressed that the new targets come on the back of "years of carbon reduction efforts across the business".

Having cut its scope 1 and 2 emissions by 74 per cent between 2021 and 2019 (with its estimated total falling from nearly 14,000 to just over 5,000 tonnes last year), Computacenter is confident of becoming carbon neutral this year with "minimal" usage of carbon offsets.

The reduction was fuelled partly by its installation of solar panels at its Hatfield HQ in 2020 and German head office last October, with plans now afoot to repeat the feat at its US integration centre in Livermore, California. This would potentially generate a further 0.75m kWh of renewable electricity annually, on top of the 1.8m and 1.5m kWh already generated by Hatfield and Kerpen.

Partly in a bid to ensure this figure does not rebound to pre-Covid levels, Computacenter introduced a travel levy for all staff on 1 October 2021, as revealed by CRN. The £10/€12/$14 levy raised around €50,000 during Q4. It will be used to offset the travel element of Computacenter's scope 3 emissions.

The 2040 net zero target also encompasses 'indirect' scope 3 emissions, including business travel and transportation and the supply chain and product of its technology vendors, however.

Panels in the channel

A quarter of channel partner respondents questioned by *CRN* last summer felt that having a strong sustainability and ESG strategy would put their company at a commercial disadvantage.

But that notion was roundly rejected by the CEO of one IT solutions provider that has recently installed solar panels on its roof and is predicting an RoI of under seven years for the project.

Portsmouth-based system builder and IT solutions provider Novatech's 30,000 square foot, south-facing roof and geographic positioning on the south coast made its 400kW installation a "no brainer", David Furby told *CRN*.

Based on estimates that were carried out before the recent energy price hike, the project is predicted to pay for itself in "six or seven years", Furby said.

"Everybody's got to start thinking about how to become net zero. And one of the big things is the energy we're using - both gas and electricity - to power our building. We've got a very large roof," he explained.

The commercial solar rooftop market (consisting of projects above 100kW in size) has "finally taken off in the UK", according to the UK Solar Commercial Rooftop Opportunities report. The report covers over 650 rooftop projects, adding up to well over 250MW of installed capacity.

Having installed 6,300 panels on the roof of its Hatfield HQ in 2020, Computacenter has since done the same at its German HQ, with its US integration centre set to follow. Commercial Ltd, PC Specialist and CDW are among the other Top VARs with solar installations, while Stone recently agreed in principle the first phase of a project to install a solar power generation and storage capability at its main Stafford facility.

Taking action

Top four tips for carbon reduction

1 Measure up

As the saying goes, you can't manage what you haven't measured. Do most of your company's scope 1 and 2 emissions reside in your offices, your datacentres, your car fleet, or elsewhere in the business? Sizing up your direct carbon footprint is a relatively simple exercise, and will reveal where quick gains can be made.

"You might not start by measuring your datacentres in Alaska," advised Will Richardson, founder of environmental management consultancy Green Element. "You might measure your operations in London and build out from there - it's actually fairly simple to do."

Once you have a handle on your scope 1 and 2 emissions, the next step is to create and publish a reduction plan that can be tracked and verified independently.

"Measure everything, manage it, and celebrate everything that you're doing on the way down to that brave target," advised Commercial Ltd CEO Simone Hindmarch.

2 Avoid offsetting where possible

Ploughing £500 into a tree planting scheme may look good on your website, but there is growing concern that offsetting is only delaying action. Recent reports of 'phantom forests' also serve as a warning over the dubious quality of some offsetting schemes.

According to the Science-Based Targets initiative, most companies will need to achieve deep emissions cuts of at least 90-95 per cent before they can say they are net zero. Only at that point can they legitimately turn to offsetting to bridge the gap.

"If you are going to offset – and the offset is the difference from taking you from carbon neutral to true zero – make sure [the schemes] are of the highest quality, are verified and are permanent," QBS Group CEO Dave Stevinson told *CRN*.

3 Link arms with your supply chain

Some experts we spoke to pegged scope 1 and 2 as a 12-24-month task, while counselling that making progress on indirect scope 3 emissions associated with staff, suppliers and customers will take more than a decade.

In the channel, scope 3 can only be tackled if vendors, distributors, resellers and end users link arms to reduce emissions throughout the value chain, from design and production to usage and reuse. This will involve some nuanced calls over whose scope 3 emissions these are, and how to avoid double counting.

4 Be bold

With the 2020s framed as the decade for swift sustainability action, many would say the best advice is to be as bold as possible. Rolling out LED lighting, switching to a renewable energy supplier, upgrading inefficient IT infrastructure and investing in EVs are among the more obvious steps most companies can take. But as this report has shown, many in the tech channel – known for its strong innovation pedigree – are going further by installing solar panels, introducing internal travel taxes, funnelling their apprentice levy into sustainability start-ups or introducing 'decarbonsiation level agreements' for customers.

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