TIALIS
ESSENTIAL IT

Tialis Carbon Reduction Plan

2023

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1 Carbon Reduction Plan 2023

1.1 Our commitment to sustainability

We at Tialis are committed to safeguarding our planet for future generations by reducing our impact on the environment. This carbon reduction plan outlines how we intend to achieve this. We have committed to a well-below 2 degrees Celsius trajectory and to maintaining our scope 1 and scope 2 greenhouse gas emissions at least 30% below those in our base year of 2018. We have also invested in an environmental management system certified to ISO 14001 to ensure that we can monitor and manage our activities to meet our targets.

Figure 1. Our EcoVadis Gold rating places us in the 97th percentile for sustainability

1.2 Base year and boundaries

This report relates to the operations of Tialis Essential IT Manage Ltd during 2023. We have chosen 2018 as the baseline year for reducing our scope 1 and 2 emissions as this is the earliest year for which reliable data is available. It is important to note that these figures exclude companies which were formerly part of Tialis (IDE Group Connect Ltd and 365ITMS Ltd) during this period. While some changes have occurred in Tialis since then (notably the closure of our former Croydon office), we have baselined our figures according to the Greenhouse Gas Protocol to ensure like-for-like comparability across the years.

1.3 Targets

In addition to maintaining our scope 1 and 2 emissions at least 30% less than they were in 2018, we will also work to reduce our overall greenhouse gas emissions (scopes 1, 2 and 3) every year from a 2021 baseline.

We have engaged with Science Based Targets (SBTi) to validate our 30% reduction target. SBTi has confirmed that our target of a 30% reduction from 2018 has been accepted and is published on their website. They have undertaken due diligence on the 2018 information we provided and verified its accuracy. As the work we have done in the last few years has helped us achieve the 30% target already, we will now ensure that we maintain this lower level, as described in more detail below.

We predict that carbon emissions will decrease over the next five years to 4963.7 tCO2e by 2027. This is a reduction of 11.9%.

1.4 Significant environmental impacts of the business

As our operations focus on supporting customers with their IT equipment, including through the asset lifecycle, our significant environmental aspects relate to a) the carbon footprint associated with equipment and engineers travelling to and from customer sites and b) the eventual disposal of IT equipment.

1.5 Greenhouse gas emissions

The overall carbon emissions for Tialis in 2023 in scopes 1, 2 and 3 totaled 5569.7 tCO2e.

Scope	tCO2e
Scope 1	54.8
Scope 2 (Location-based)	28.5
Scope 3	5486.4
TOTAL	5569.7

Table 1. Overall scope 1, 2 and 3 emissions for Tialis.

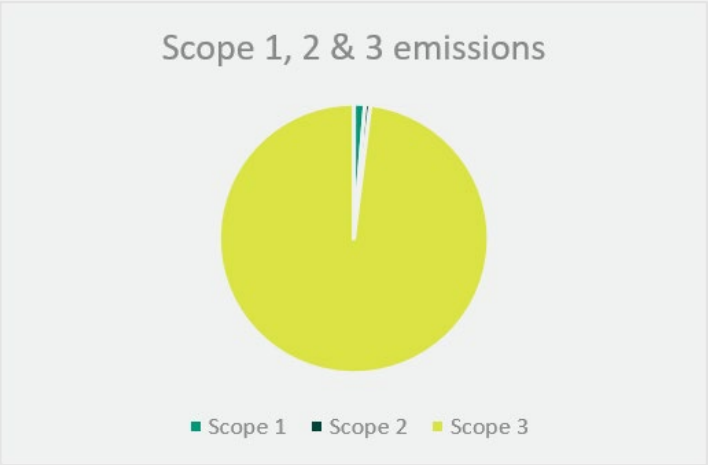

Figure 2. 2023 carbon emissions for Tialis. Our carbon footprint is dominated by the scope 3 emissions from our supply chain.

The table below provides a summary view of our 2023 emissions with the 2021 data for comparison.

Item	tCO2e 2023	Exclusions 2023	% Estimated 2023	tCO2e 2022	Exclusions 2022	% Estimated 2022
Scope 1	54.8	None	0%	42.2	None	0%
Scope 2 (location-based)	28.5	None	0%	26.4	None	0%
Scope 2 (market-based)	14.99	None	0%	4.5	None	0%
Scope 3 – Upstream transport and distribution	2064.83	None	0%	1659.4	None	0%
Scope 3 - Waste generated in operations	0.82	None	0%	0.45	None	0%
Scope 3 – Business travel	68.8	None	0%	48.2	None	0%
Scope 3 – Employee commuting	N/A	We have not tried to calculate this yet but as most staff are primarily home based it is expected to be a small figure	0%	N/A	We have not tried to calculate this yet but as most staff are primarily home based it is expected to be a small figure	0%
Scope 3 – downstream transportation and distribution	3351.82	None	0%	2887	None	0%

Table 2. Summary of 2023 and 2022 emissions by category

The following sections provide a breakdown of the emissions categories and where relevant a comparison with our previous figures. The measures and projects described have been completed or implemented since the 2018 baseline. The carbon emission reduction achieved by these schemes for scope 1 and 2 alone equate to 382.6 tCO2e, an 82% reduction against the 2018 baseline and the measures will be in effect when performing existing and new contracts.

1.5.1 Total scope 1 and 2 emissions

The total scope 1 and 2 emissions for Tialis in 2023 using location-based reporting for scope 2 are as shown in the table below, with 2022 and 2021 included for comparison.

Year	Total Scope 1&2 (tCO2e)
2023	83.3
2022	68.6
2021	91.9

Table 3. Comparison of 2023, 2022 and 2021 scope 1&2 emissions.

The 2022 figure represents 74.5% of the 2021 figure, a reduction driven by efficiencies in both scope 1 and 2 emissions, as described below. However, the 2023 figure for scope 1 and 2 together is 15.2 tCO2e higher than in 2022. This increase has been driven by the purchase of contracts from Allvotec, representing additional engineer visits and device shipments.

It is clear that we have already met and exceeded our target of a 30% reduction in scope 1 and 2 emissions by 2030 from a 2018 baseline (2018 was 466.4 tCO2e) and that, with good management, our emissions going forward should remain well below the required level.

1.5.2 Scope 1

Our scope 1 emissions are generated by fuel from in-scope vehicles and a small amount of gas used to heat our operations centre in Dartford.

Year	Scope 1 emissions (tCO2e)
2023	54.8
2022	42.2
2021	61.7

Table 4. Comparison of 2023, 2022 and 2021 scope 1 emissions.

The decrease in scope 1 emissions from 2021 to 22 was driven primarily by our increased use of the 'rip and replace' asset support model. In the rip and replace model an entire laptop is shipped to replace a faulty one, thereby largely negating the travel associated with multiple engineer and parts journeys to resolve a customer issue. Efficiencies are also gained where multiple assets can be shipped to individual customer sites in the same journey. However, the increase from 2022 to 2023 has largely been driven by the purchase of a number of contracts from Allvotec, which has increased the carbon attributed to company cars.

1.5.3 Scope 2

Scope 2 emissions are generated by purchased electricity for our Dartford site.

Year	Scope 2 emissions (tCO2e) Location based	Scope 2 emissions (tCO2e) Market based
2023	28.5	14.9
2022	26.4	4.5
2021	30.2	25.3

Table 5. Comparison of 2023, 2022 and 2021 scope 2 emissions.

Electricity usage in our Dartford facility dropped slightly in 2022 (in both location-based and market-based tallies) and this was likely due to a reduction in computer imaging activity as the pandemic waned. During the pandemic we were

frequently operating 24x7 to meet customer demand for laptops to enable their staff to work at home and our electricity usage reflects these changes.

In October 2021, we switched to 100% renewable electricity for the Dartford site, which meant that there was no carbon in scope 2 for most of 2022. However, we switched back to a carbon-generating contract in October 2022, which accounts for the greatly increased market-based carbon figure for 2023. We plan to move back to a zero-carbon contract at the next renewal.

1.5.4 Scope 3

Following the recommendations of the Greenhouse Gas Protocol, we have identified our key scope 3 emissions sources, along with those which are less significant but which we are including here for transparency and completeness. This report relates to emissions generated from January to December 2023, inclusive.

By far the largest source of scope 3 emissions is third party transport of assets to and from our Dartford site, which dwarfs all other categories. The next most significant is our business travel, which includes our grey fleet.

Year	Third party freighting	Business travel	Waste from customer assets	Internal IT waste	General waste	Electricity T&D
2023	5416	68.8	0.69	0.001	0.11	2.47
2022	4546.5	48.2	0.14	0.006	0.31	0.4
2021	4550.7	41.22	0.08	0.02	0.43	0.2

Table 6. Scope 3 emissions. All figures in tCO2e

The changes between 2022 and 2023 are largely attributable to the purchase of contracts from Allvotec. These contracts have meant additional travel for engineers and additional shipments of devices to customers from our facility in Dartford. This is shown in the increased freighting and business travel figures. The change to the T&D figure is mostly due to the switch to a carbon-generating electricity contract, which had previously been zero-carbon.

The changes in waste figures are partly due to a significant increase in the number of customer assets passing through our facility for disposal, and possibly due to using more accurate asset weights in the latest figures. Waste is covered in more detail in our waste management report for 2021 and 2022, also available on our website.

1.5.5 Intensity ratios

As a primarily people-based service operation, we have calculated intensity ratios using staff headcount to normalise the data.

Year	Headcount	Scope 1 tCO2e	Scope 1 intensity ratio
2018 (Baseline)	375	358.59	0.956
2021	165	61.76	0.374
2022	197	42.23	0.21
2023	283	55.17	0.19

Table 7. Scope 1 intensity ratios

The scope 1 intensity ratio has been showing a steady decline over the years, despite the recent uptick in absolute scope 1 figures. This shows that although we have increased the carbon in scope 1, largely due to increases in company car usage, we are doing so at an increasing level of efficiency.

Year	Headcount	Scope 2 tCO2e (market-based)	Scope 2 intensity ratio
2018	375	94.9	0.288
2021	165	25.29	0.183

2022	197	4.5	0.02
2023	283	15.0	0.05

Table 8. Scope 2 intensity ratios, using market-based figures.

Electricity is a smaller part of our energy portfolio than fuel. The much lower intensity ratio for market-based electricity in 2022 reflects both the use of a zero-carbon contract for ten months of 2022 and the higher overall headcount. Conversely, the increase in market-based tCO2e and the associated intensity ratio in 2023 are attributable to a move back to a carbon-generating electricity contract.

1.5.6 Other greenhouse gas emissions

The other greenhouse gas emissions for 2023 are shown in the table below, again calculated using the UK government's published conversion factors and guidance. The figures are shown here in Kg. Freighting dominates the picture as expected.

Area	kg CH4	kg N2O
Freighting	145.34	43602.98
Company cars	68.3	334.36
Other business travel	5.14	680.31
Electricity	123.58	168.03
Electricity T&D	10.84	14.72
Gas	2.67	0.85

Table 9. Other greenhouse gases.

1.6 Ongoing environmental management

We will manage all environmental aspects and impacts, including greenhouse gases, through our environmental management system, which is now certified to ISO 14001:2015.

1.7 Net zero by 2050

We are committed to achieving Net Zero by 2050 at the latest.

1.8 Carbon reduction plan

It is clear that the overwhelming majority of our carbon emissions come from transporting customer assets to and from our Dartford centre. While it is therefore key that we focus on this, these emissions are produced by third-party couriers and our leverage over them is limited. We will potentially have more options when it comes to the emissions over which we have more direct control. Our carbon reduction plan, which aims to reduce overall emissions by 2.5% a year, is therefore as follows.

Freighting

We are aware that our regular courier companies are already making progress towards using greener vehicles, including fully electric vans. We will explore whether this progress is sufficient to help with our reduction commitment and if not consider using other providers. We will also continue rolling out the 'rip and replace' model of customer support, potentially reducing the number of journeys that are required. We will also continue to work to optimize the number of assets that travel together in each shipment.

Company cars

All company cars will be either fully electric or hybrid in the next few years as we have a Green Fleet policy in place. Where possible we will replace end-of-contract-term vehicles with greener alternatives and all company car drivers are being made aware of the importance of doing so. The majority of our vehicles are still diesel, so this will make a marked difference to our scope 1 emissions.

Other business travel

We operate a grey fleet which is now producing more emissions than our company cars. We are looking at restrictions on the vehicles that are allowed in the grey fleet, which will help with reducing scope 3 emissions.

Electricity

We have recently changed all lightbulbs to LEDs and will continue to look for similar opportunities for further improvements, including moving back to a zero-carbon electricity contract. We have recently installed a smart meter which allows greater granularity in energy tracking which will enable us to manage our usage more carefully.

Gas

We will explore the options for using renewable gas with our supplier and potentially switch to a greener supply.

Waste

A key variable in emissions from waste is the percentage of waste that can be reused, versus recycled or sent to landfill. We will explore whether the provider we are using is the most effective in this regard and whether more can be done, for example to increase the percentage of assets reused.

Supply chain

We are strengthening our sustainable procurement practices in general to ensure that all our key suppliers share our environmental ethos and can demonstrate similar approaches to ourselves. We will assess each supplier to ensure that they are minimizing their (and by extension our) impact on the environment.

Governance

We have now achieved certification to ISO 14001 and will use this to drive continual improvement in not just carbon reduction activities but in all our environmental impacts.

1.9 Verification

These figures have been independently verified through external audit by the Lighthouse. SBTi have already verified that our 2018 data is accurate and is a suitable baseline for our target of reducing our scope 1 and 2 emissions by 30% by 2030. We have now included ISO 14001 internal and external audits into our management system, which will ensure our management is under the appropriate level of scrutiny.

1.10 Methodology

The methodology used to produce the information in this report follows the best practice laid out in the Greenhouse Gas Protocol and the UK government's greenhouse gas conversion factors, as published and updated each year. Scope 1 and 2

emissions have been calculated from invoices, as have all areas of scope 3 emissions where possible. Third party freighting has been calculated based on the distance travelled for all transactions in and out of our Dartford base.

2 Authorisation

I, Tony Everson, confirm that this document accurately reflects the position and progress of Tialis on greenhouse gas emissions as of the date shown below.

Signed: 

Name: Tony Everson

Position: Managing Director

Date: 09/08/2024

Document Control

Version	Date	Created By	Reviewed By
V1.0	09/08/2024	John Hawthorne	Tony Everson
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