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# 1 INTRODUCTION

*"Implementing more sustainable operating practices shouldn't just be a box-ticking exercise, it's a way for businesses to recognise that environmental impact goes beyond operations and extends throughout the entire value chain."*

GORDON BROWNELL, CHIEF EXECUTIVE OFFICER

Blue Connections IT is a leading Australian-owned provider of best-in-class IT solutions and managed services, and our clients include some of Australia's best known and established businesses as well as organisations navigating challenges of business growth.

In 2023-24 we have worked hard to maintain a strong commitment to operating sustainably and recognise the critical role of developing practices which minimise negative impact and contribute to positive outcomes for the environment, society and economy.

We see our relationships with vendors, suppliers, customers and other stakeholders as critical to pursuing a more sustainable path - engaging with like-minded organisations ensures we are positioned to drive sector-level change.

Strategic partnerships with leading vendors and suppliers enable Blue Connections IT to leverage influence beyond company boundaries, both upstream and downstream. Through this, we are demonstrating that greater innovation can be delivered through partnerships with progressive organisations. Our device lifecycle management program involves a unique partnership with leading vendors and suppliers, enabling extended device life and shared value to community groups, demonstrating the power of collaboration in the IT services sector.

In recognition of the urgency to act on climate change, Blue Connections IT has achieved 'Climate Active' carbon neutral certification since 2022 and is developing an ambitious pathway to net zero emissions, commencing with a target of 30% emissions reduction by 2030. This commitment is matched by increasing transparency of sustainability impacts and the initiatives being undertaken to address these. In September 2023, we submitted our first report to the Climate Disclosure Project (CDP) to measure and manage risks and opportunities around climate change and other impacts.

Ranging from energy efficiency and emissions reduction to innovation in resource use and recovery, logistics and transport, Blue Connections IT is set to elevate its contribution through ambitious commitments and targets into the future.

WE ARE PLEASED TO PRESENT BLUE CONNECTIONS IT'S INAUGURAL SUSTAINABILITY REPORT.

# 2 VISION STATEMENT

We are committed to creating a sustainable value chain and operating ecosystem by partnering with like-minded companies equally dedicated to achieving a sustainable future. We lead by example, showing our care for the environment and society through our actions and partnerships.

As a leading Australian-owned provider of best-in-class IT solutions and managed services, Blue Connections IT is committed to a leadership role in sustainable change for society, economy and environment.

In collaboration with the most progressive and innovative vendors and clients, we are uniquely positioned for innovation in the end-to-end delivery of comprehensive technology solutions.

Our vision is a future where we design, procure, implement and manage solutions and services, enabling value for our clients, shared benefits for communities and caring for our environment.





## AWARDS

- ✓ Winner - ARN Innovation Awards 2023 – 'Think Differently'
- ✓ Winner – Dell ANZ Impact Awards 2023 – 'ESG Partner of the year'
- ✓ Global Finalists – Lenovo 360 Circle Award Program 2024 – 'Most Improved Sustainability Partner'
- ✓ ANZ Finalists - HP Partner Awards 2023- Sustainable Impact



## CERTIFICATIONS

- ✓ 'Great Place to Work' certification, Dec 2022 – Dec 2023
- ✓ Climate Active Carbon Neutral certified organisation in financial years 2022 & 2023, and in progress for 2024
- ✓ Schneider Electric Sustainability School Certified
- ✓ Amplify Impact HP partner program 2023 - 5-star Catalyst partner
- ✓ Dell Technologies Q2 2023 recognition as a global spotlight partner of the quarter



## POWER OF PARTNERSHIPS

- ✓ Co-sponsored the Sustainability Leaders Summit 2024 with Hewlett Packard
- ✓ Community-based partnership events driving social and environmental sustainability
- ✓ Employees are rapidly adopting sustainability practices through leasing of electric vehicles, installing home solar PV and adopting more sustainable forms of commuting

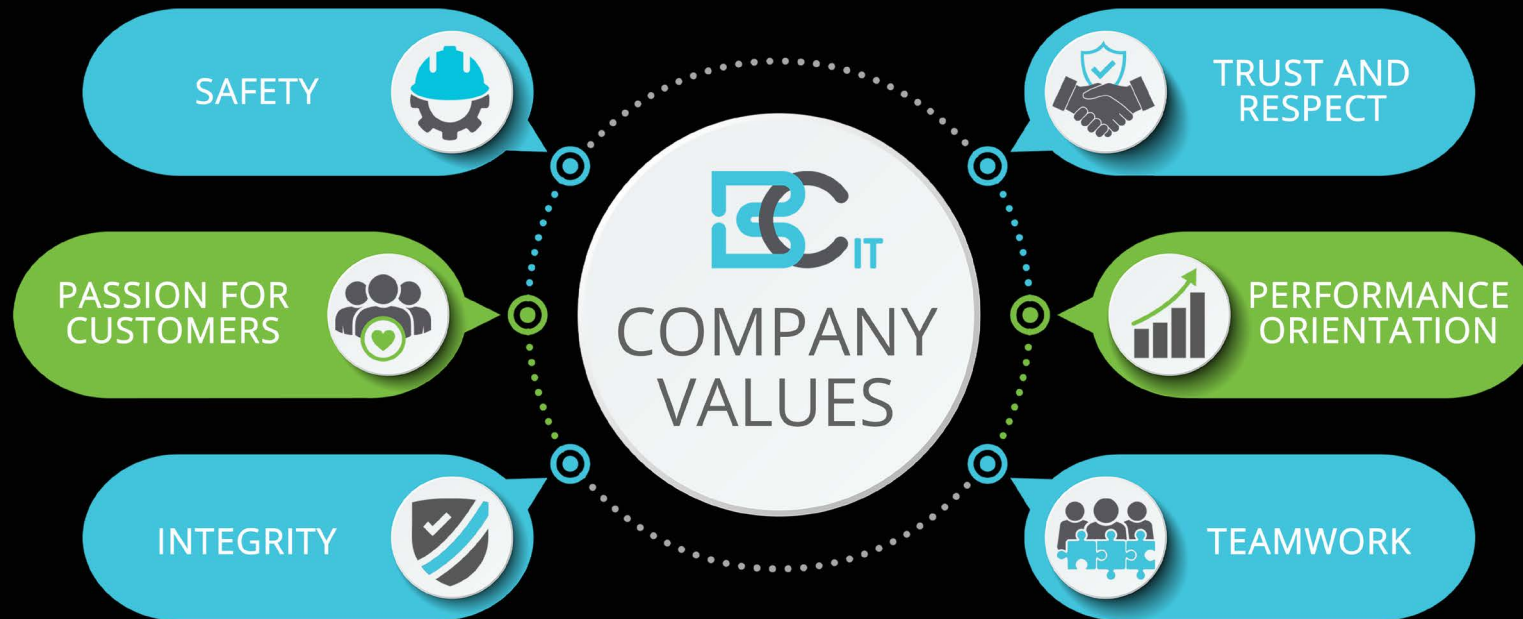


## INNOVATION IN OPERATIONS

- ✓ Packaging innovation in our warehouse means that wherever possible, single-use plastics are replaced with recycled cardboard
- ✓ Greenhouse Gas emissions generated from Blue Connections IT's operations have reduced by 19% in FY23
- ✓ Device lifecycle management has diverted 22 tonnes of electronic waste from landfill in FY24

# 4 SUSTAINABILITY GOVERNANCE

Blue Connections IT has developed company values which are deeply held throughout all aspects of the business. Our interactions stem from a basis of integrity, trust and respect, and embrace working as a team in a safe environment. We extend these values in our interactions beyond company boundaries through our passion for customers and drive for performance excellence.



These corporate values, together with our vision for sustainability form the basis of our social responsibility response. Governance mechanisms are in place and regularly reviewed to ensure values are upheld and our vision is realised. Gordon Brownell, Chief Executive Officer, and the Blue Connections IT executive leadership team provide direct leadership, oversight, guidance and support to develop the strategic approach and plan for implementation of commitments relating to sustainability and our broader corporate responsibility.

The Head of Marketing and Vendor Alliance role has operational responsibility for implementing sustainability commitments. This is supported across the organisation through cross-functional efforts involving finance, facilities, procurement, warehousing, end-user services and people & culture. One significant exercise involving participation across teams is the annual collection of activity data used to calculate greenhouse gas emissions.

The opt-in 'Green Committee' comprises Blue Connections IT people who are passionate and driven to make sustainable change.

This group activates and supports team members in their sustainability endeavours and acts as an incubator for sustainability innovation across the company and through the value chain. With leadership from top down and bottom up, sustainability endeavour plays a central role in the evolving organisational culture.



# 5 PARTNERSHIPS

*"Finding equally committed partners is a crucial step in the journey towards sustainability. It extends beyond individual operations and encompasses the entire value chain and operating ecosystem. Through collaboration with like-minded partners – vendors, suppliers, customers and employees alike - businesses can collectively work towards achieving a truly shared and sustainable future."*

## VENDORS AND CUSTOMERS

A demonstrated track record of innovation in sustainability has contributed to Blue Connections IT's ongoing business success. We achieve this through nurturing active and innovative partnerships.

### HP

HP Amplify Data Insights program has provided a deeper understanding of the central role that sustainability plays in influencing customers purchasing decisions. Blue Connections IT has also joined with thousands of channel partners worldwide through the Amplify Impact program to leverage collective impact on Climate Action, Human Rights and Digital Equity.

Through these partnerships, Blue Connections IT is part of the shared learnings which enable delivery of the more sustainable products and services which customers and consumers now demand. Blue Connections IT has elevated its contribution from a three-star Amplify Impact catalyst partner in 2022 to attaining five-star catalyst partner recognition in 2023, one of just three Australian partners to achieve this status as at 31 October 2023.

## DELL TECHNOLOGIES

Blue Connections IT maintains a strong partnership with **Dell Technologies**, with shared values in environmental and social responsibility. In 2023, collaborative community-focussed events included:

- ✓ second annual Backpack Giving Day for Anglicare Victoria
- ✓ sustainable paddock-to-plate customer luncheon
- ✓ co-sponsored water coolers with Dicker Data incorporating green messaging at Dell Technologies event

## CISCO

Blue Connections IT has participated in the 'Partnering for Purpose global initiative', a partnership program which tackles issues including digital inclusion, environmental stewardship and responding to critical human needs during crises. **Ingram Micro and Cisco** has matched 'sustainability certificates' issued to any Cisco partner employees with a \$200 donation to Planet Ark Environmental Foundation. The Foundation partners with public and private organisations to support efforts to reduce environmental impact.

## SCHNEIDER ELECTRIC

Blue Connections IT continues its longstanding association with **Schneider Electric**, which has been a partner of Blue Connections IT for over 25 years, providing technology solutions for energy efficiency on site which contributes to the six-star rating of our Scoresby head office. Schneider has supplied us with equipment such as EV chargers and data centre cooling systems. We are currently exploring options to onboard their LMS load management software which will mean we can further monitor power usage as we edge closer to net zero.

## VENDOR-CUSTOMER COLLABORATION WITH LENOVO AND URBIS

The device carbon offset program demonstrates the positive social impact of like-minded organisations working collaboratively and innovatively. The program involves an agreement between **Urbis and Lenovo** to procure end-user devices including the offsetting of full lifecycle emissions, with Blue Connections IT drawing on its participation in the re-use market to responsibly dispose of Urbis's devices. Blue Connections IT managed the entire implementation process, including data transition and device migrations completed in-house, and in some cases for employees working from home. This innovative partnership between Lenovo, Urbis and Blue Connections IT demonstrates the value of partnering with progressive market leaders. The program contributed to Urbis achieving carbon neutral certification six months ahead of its July 2023 schedule.

## LENOVO

**'Your carbon footprint - do you know where you stand'** - In March 2024, an event was held in our Blue Connections IT Experience Centre to engage and upskill our employees in sustainable practices in the sector. David Sutton from Lenovo presented to employees on the actions that Lenovo is taking to help customers assess and meet their sustainability goals now and into the future. The event included displays of the latest Lenovo sustainable technology and the Climate Active carbon neutral certified products of our sustainable wine partner, The Hidden Sea.

Blue Connections IT ensures that its marketing efforts align strongly with business goals and sustainability commitments. All marketing events, activations, and communications are designed to demonstrate how the organisation and its partners are working together to make a positive contribution to social and environmental change.

# OUR EMPLOYEES

Blue Connections IT people are strongly supported to embed sustainability in business decisions and incorporate sustainable practices into their everyday lives.

Blue Connections IT supports employees in their interests and passion for sustainable change, bringing together business innovation with environmental and social benefits. Our active Green Committee supports the sustainability endeavours of employees, as a forum to freely suggest more sustainable ways of doing business. Ideas are incubated and further developed for implementation across the company and through the value chain.

Employee-driven events over the past year demonstrate the commitment of our people and offers a basis for raising awareness and empowering our workforce:

- ✓ We conduct regular marketing initiatives to encourage employees to adopt sustainable practices in their everyday lives – for example a joint promotion with HP demonstrated how to grow seedlings and avocado plants at home.
- ✓ In 2023 as a result of awareness sessions, there was an increase in employees taking advantage of EV leasing arrangements and in home solar panel installation, reducing the carbon footprint of commuting and working from home.
- ✓ A commuter survey conducted as part of the greenhouse gas assessment provides valuable information on the proportion of employees taking public transport, walking, running, and cycling to work. This valuable data informs our efforts to provide the necessary infrastructure and support to enable our people to make sustainable commuting choices. Employees are actively encouraged to work flexibly within the company's work from home arrangements.

**We take pride in the contribution of our employees to embedding sustainability as an integral part of the way we do business.**

# 6 SUSTAINABILITY IN OPERATIONS

*"Blue Connections IT's sustainability leadership, particularly through emissions reduction and waste minimisation is a hallmark of its operations. We maintain a long-term vision to achieve Net Zero emissions. Our Carbon Neutral certification demonstrates our commitment to reducing our carbon footprint and developing pathways to enable progress towards net zero."*

## BLUE CONNECTIONS IT GOES GREEN



### ENERGY & EMISSIONS

Blue Connections IT recognises that to seriously address carbon emissions in its operations it must maintain a rigorous process of measuring and managing the activities that generate greenhouse gases. As a result, we have undertaken greenhouse gas assessments for two financial years – FY22 and FY23 and are presently engaged in gathering data for the 2024 financial year. By doing this we are in a much stronger position to target our efforts in reducing impact from the most emissions-intensive business activities, and to formulate viable pathways to net zero.

# ASSESSMENT RESULTS

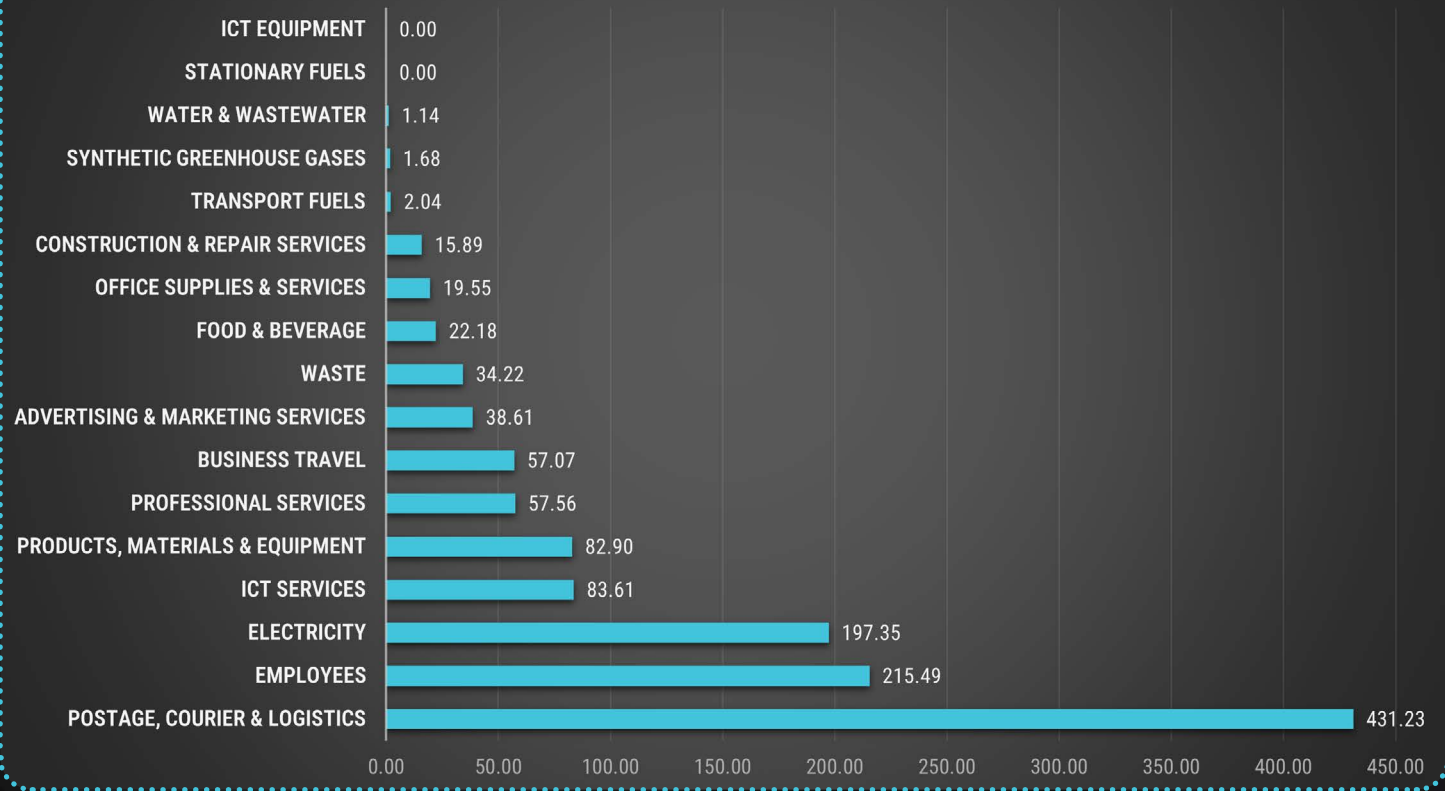
Based on the best available data, the estimated total carbon emissions for FY23 were 1,260.5 tonnes of carbon dioxide equivalents (tCO<sub>2</sub>-e). This total includes indirect contributions along the supply chain (scope 3 emissions) of 1,084 tonnes and emissions associated with electricity consumption (scope 2 emissions) of 154.7 tonnes. The remaining 1.7 tonnes is from direct emissions such as fuel use and refrigerants (scope 1). These results compare favourably against sector-level averages based on ANZSIC division.

Energy efficiency and reduction activities in 2023 have delivered a 19% emissions reduction from the FY2022 baseline and Blue Connections IT has committed to an ambitious target of 30% emissions reduction by 2030.

Efforts will include a focus on reducing emissions from the largest emissions sources, which in FY2023 were:

- ✓ Postage, Courier & Logistics: 431.2 tonnes CO<sub>2</sub>
- ✓ Employees – working from home, commuting: 215.5 tonnes CO<sub>2</sub>
- ✓ Controlled electricity usage: 197.4 tonnes CO<sub>2</sub>

Total emissions breakdown by category is shown in the following graph



## HEAD OFFICE DESIGN

Blue Connections IT is located within the landmark Caribbean Park development. The precinct has achieved a 5-star NABERS Energy Base Building rating (National Australian Built Environment Rating System) for all rateable office buildings and has two buildings certified in 2023-24 under the federal government's Climate Active carbon neutral building certification.

In keeping with this excellence in building design and operational excellence, Blue Connections IT head office and warehouse includes design features which have assisted in minimising resource use and reducing emissions:

- ✓ 75kW PV solar array has been in operation since 2021. Plans are in place to upgrade to a more efficient 99kW system, with 100KWh batteries to store energy in excess of demand. This updated array will be mounted at 20 degrees giving a much higher yield than the current horizontal orientation. The final capacity will be in excess of 170kW.
- ✓ Environmentally sustainable design features such as double-glazed windows, energy-efficient heating, cooling and lighting reduce electricity demand
- ✓ Power and cooling upgrades, including installation of a Schneider Electric 'InRow' Cooling System in server rooms
- ✓ Rainwater capture for toilet flushing

To reduce reliance on petrol and diesel-fuelled vehicles and take advantage of the solar generated on site, six EV charging stations have been installed for employee vehicles and fleet usage, with more planned to be installed in the near future. Delivery and passenger fleet vehicles are being replaced with electric vehicles and employees are encouraged to choose EVs as their leased vehicles.

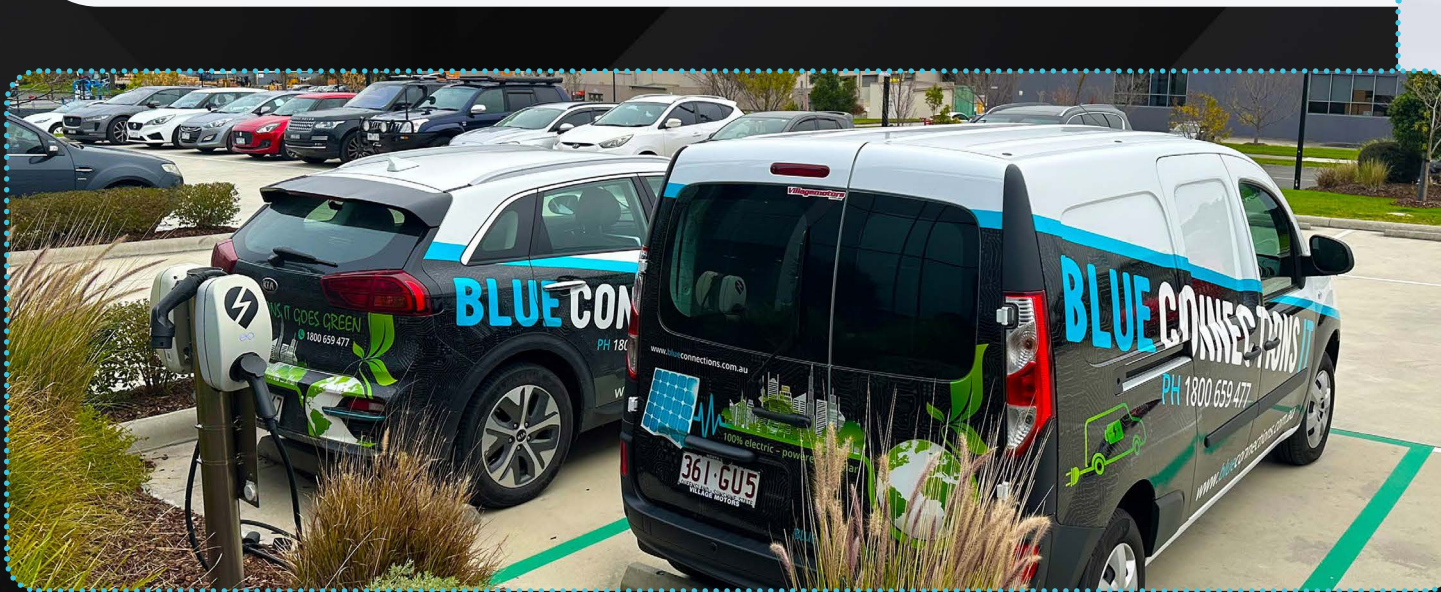
Planning is underway to implement Schneider Electric's load management software to measure power usage and drive further energy efficiencies.

*"Reaching carbon neutral status is a significant milestone in any organisation's journey. However, it's not just about carbon offsetting, it's also about fundamentally rethinking every aspect of business operations, from supply chains to energy consumption. It requires a holistic approach that encompasses innovative strategies, technological advancements, and a commitment to sustainability throughout the company. By embracing this mindset, businesses can pave the way for a greener future, foster positive change, and inspire others to follow suit."*

## CARBON NEUTRAL

Blue Connections IT has achieved carbon neutral certification through the federal government's Climate Active standard for FY22 and FY23.

In addition to reducing operational emissions, Blue Connections IT's residual emissions are offset through the Pacajai REDD++ project, which halts deforestation on private lands at the edge of the deforestation frontier in Brazil.



# WASTE MANAGEMENT

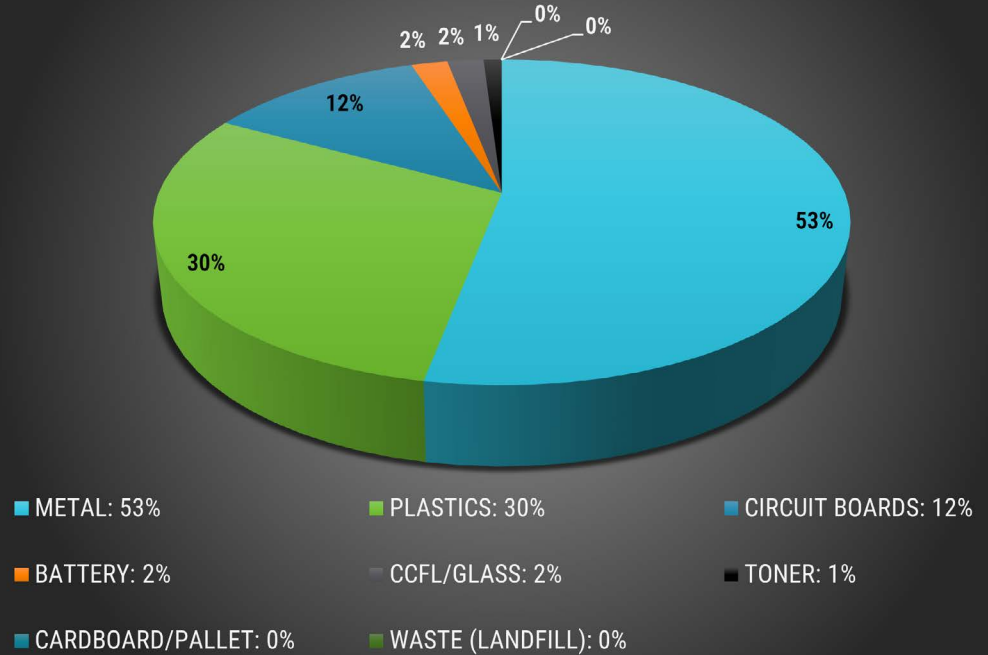
**Device lifecycle management & asset recovery.** Through Blue Connections IT's device lifecycle management process, customers can manage e-waste responsibly, reducing their costs and minimising environmental impact. Upskilling in-house to current best practice has enabled considerable added value for clients to outsource the sustainable management of devices ready for replacement.

Devices are assessed and processed through:

- ✓ refurbishment and redistribution within the client's business
- ✓ redeployment through donation to various charitable groups
- ✓ selling refurbished equipment and donating those funds to a charity of the client's choice or providing those funds back to the client
- ✓ diverting unusable devices to e-waste materials recovery

In FY2024, Blue Connections IT coordinated the collection of nearly 22 tonnes (21,581kg) of our clients' end-of-life IT equipment for delivery to our materials recovery partner for processing. Over thirty categories of components were collected, with 70% by weight comprising monitors, servers, hard disks, printers & copiers, keyboard and mouse, and network hardware. This has resulted in diversion to landfill from this equipment of only 0.4%, with recovered materials output primarily in metals, plastics and circuit boards as shown in the pie chart.

**Breakdown of materials recovery from client devices**

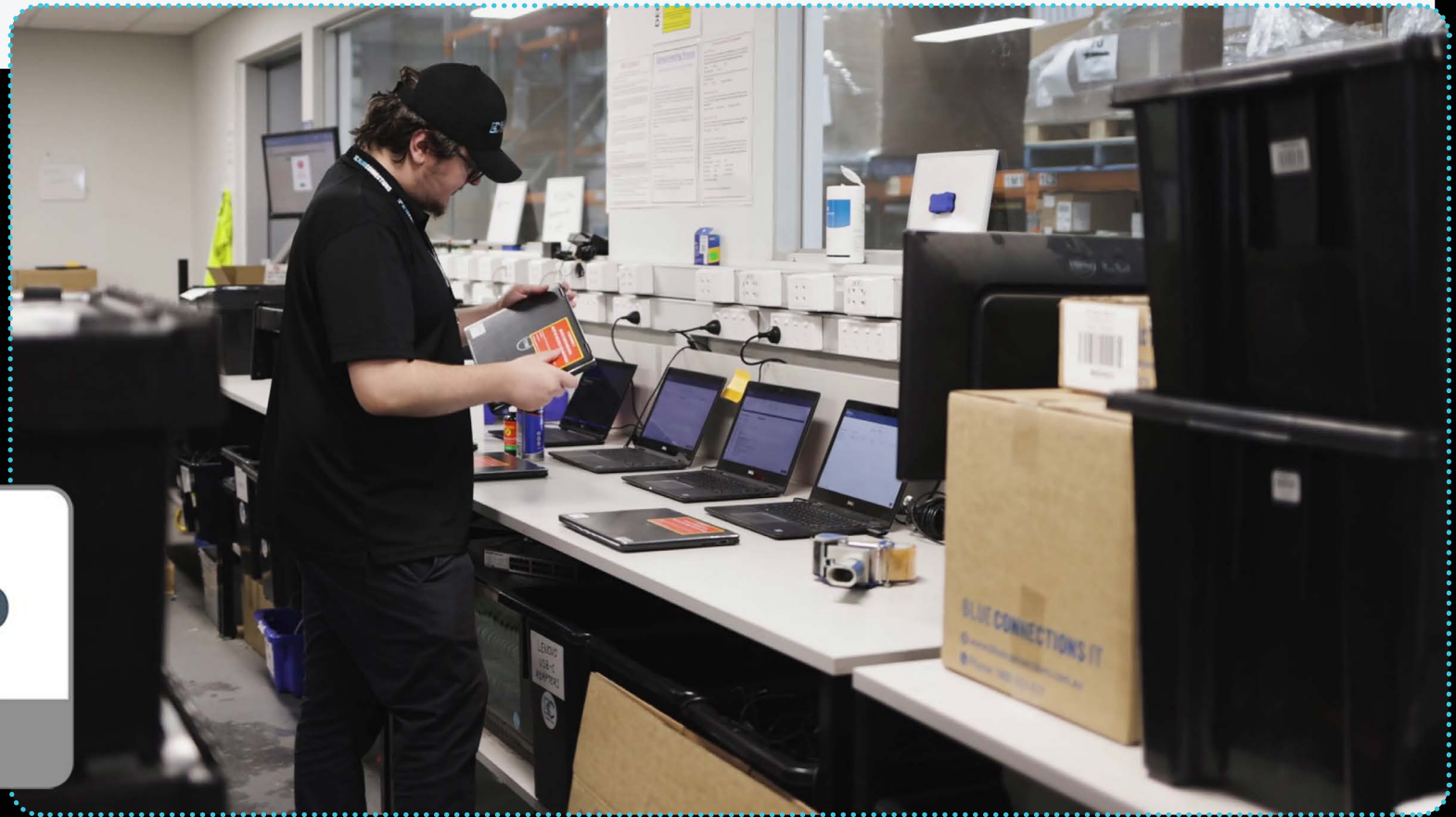


## FURTHER WASTE REDUCTION INITIATIVES

Plastic packaging (bubble wrap) has been replaced where possible with recycled cardboard in the warehouse.

Optimised sustainability outcomes have been incorporated into logistics and supply chain practices, including consolidation of shipments to reduce packaging waste and using reusable crates for transporting decommissioned items.

Blue Connections IT's waste recovery and minimisation practices are supported by the Blancco ITAD Partner Program, providing transparent tracking of equipment that enables full visibility of recovery pathways. Blue Connections IT is a Blancco-certified Silver ITAD partner.



Silver ITAD Partner

# 7 SPOTLIGHT ON BEST PRACTICE

*“By partnering with likeminded organisations, companies can create a powerful network of shared values and common goals, ensuring that every step of the business process aligns with environmental and social value, and leads us to a more sustainable future.”*

These snapshots of projects, partnerships and initiatives, demonstrate Blue Connections IT’s innovative and collaborative approach to sustainability.

## ARN INNOVATION AWARD

Winner, ARN Innovation Awards 2023 – ‘Partner Innovation - Think Differently’ category

ARN’s Partner Innovation Award recognises customer innovation and excellence across the key market segments of Enterprise, Mid-Market and SMB, in addition to pioneering technology specialists and collaborative providers. This award recognises partners operating beyond transactional engagement to deploy creative and unique solutions in the pursuit of customer transformation, thinking differently to enhance innovation levels.

Blue Connections IT received this award for its continuous journey towards building a more sustainable future. From its carbon-neutral certification to its fleet of electric cars, Blue Connections IT has significantly reduced its environmental footprint and is encouraging both its employees and customers to do the same. Recent IT projects align with Blue Connections IT’s commitment to operating sustainably and helping its customers and partners meet their emissions targets.



## SLS CONFERENCE HOSTING

### Sustainability Leaders Summit 2024 - Co-sponsor

In April 2024, Blue Connections IT and HP attended and sponsored the Sustainability Leaders Summit, bringing together more than 300 of the nation's leading corporate sustainability executives to delve deeply into the challenges and opportunities behind the ultimate goal of transforming business for the better.

The summit featured an ambitious, outcomes-focused agenda with over forty frontline perspectives from the highest levels of sustainability practice in Australia - from the macro and micro issues that challenge businesses in their transition to sustainability, to the opportunities that are there for businesses that can take a forward and leadership position.

## DEVICE LIFECYCLE OPTIMISATION

Since 2019, Blue Connections IT has had a longstanding strategic partnership with the energy infrastructure company, Jemena, which turns over hundreds of laptops annually across Australia. Most recently, ninety-eight per cent of Jemena's older devices were successfully redeployed to charities across Australia.

The extended life of these devices has benefitted employment services, children in need, and indigenous groups, while diverting a significant volume of electronic waste from landfill. Jemena chooses Blue Connections IT as its long-term partner due to its secure and sustainable approach.

Blue Connections IT has also supported 7-Eleven in donating its older devices to AMES Australia, which assists migrants and refugees to live, learn, and work in Australia. The collaboration has enabled the successful repurposing and reformatting of hundreds of laptops. Blue Connections IT's provision of software and configuration services has facilitated connectivity and access to the critical services, education, and employment opportunities required by AMES Australia.

# 8 LOOKING FORWARD

Blue Connections IT is pleased to publish the FY2024 Sustainability Report, demonstrating the depth and breadth of business activities which are contributing to more sustainable practices in IT solutions and services.

We are set to elevate our performance and commitment to a sustainable future from the 2025 financial year and beyond, through key actions which will include:

- ✓ Development and implementation of a comprehensive company-wide sustainability strategy
- ✓ Establish Science-Based Targets to guide emissions reduction pathways to Net Zero
- ✓ Progress towards target of 30% reduction in operational emissions by 2030
  - Action Plan to reduce operational emissions, including implementation of load management software, doubling of on-site solar capacity and installation of battery storage
- ✓ Strengthen waste management strategies including:
  - Expand existing opportunities for employees to make more sustainable choices – further EV charging stations, enhanced end of trip facilities to support active commuting
  - Developing active participation with the local communities in which we operate
- ✓ Strengthening opportunities for partner collaboration across the value chain
  - Engage vendors demonstrating leadership in sustainable practice