



Environmental Programme 2016

The purpose of the Stone Environmental programme is to set out the company's approach to reducing the Environmental impact of its activities.

This documents details the following:

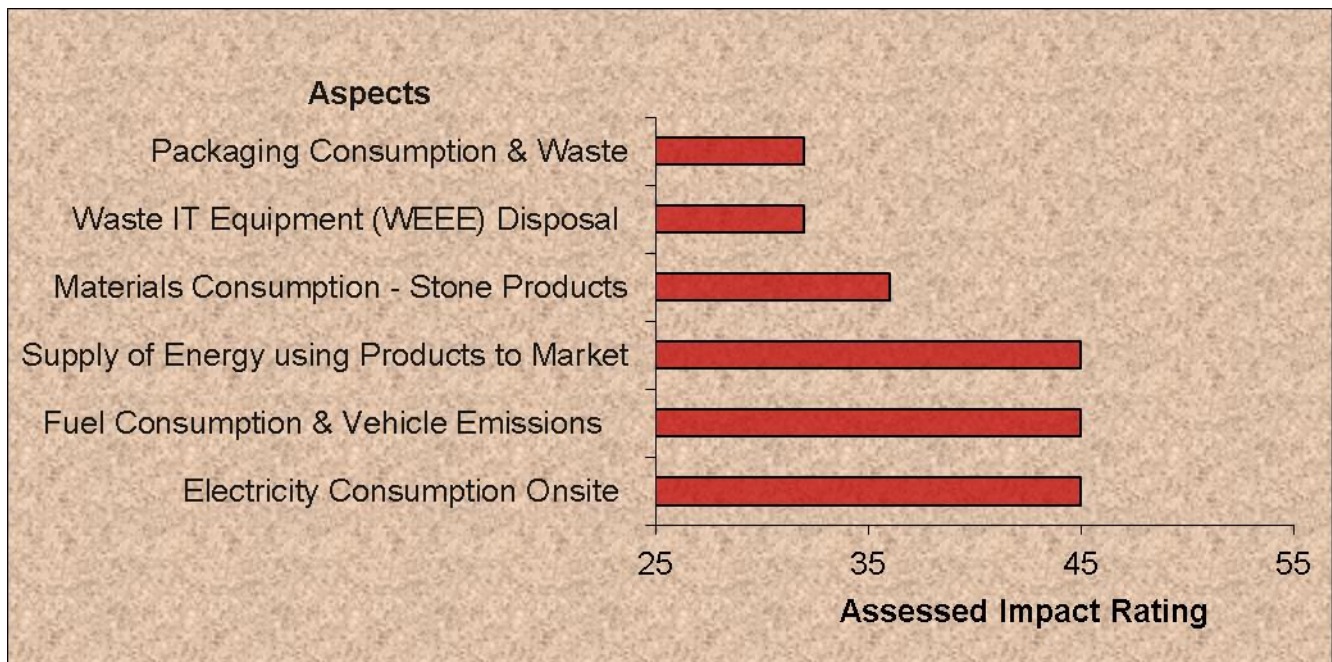
- Stone's significant impacts.
- Impact reduction performance.
- Reduction objectives for 2016.

Feedback on performance or suggestions on further reductions can be submitted to the Compliance Manager directly or via Line management.





Stone's Significant Impacts:



Identified significant impacts form the primary basis for determination of impact reduction objectives by the Stone board of directors.

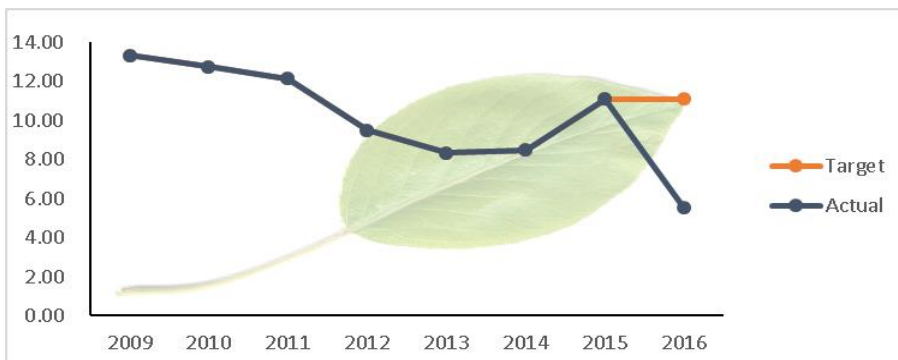




Overview of performance against objectives to Jan 2016:

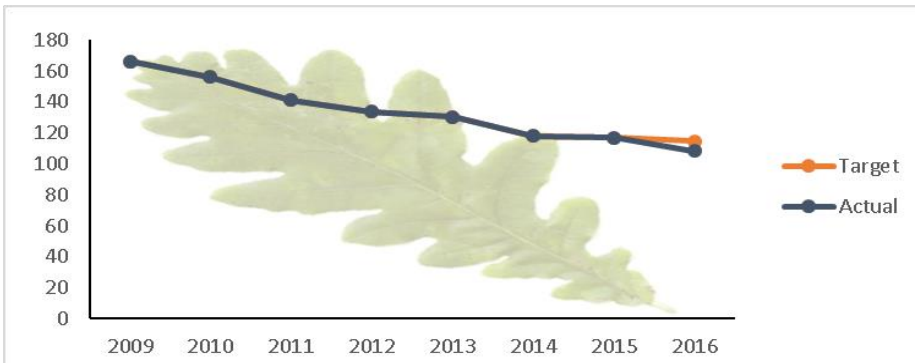
- Reduction of Stone Vehicle Fleet Emissions & Increase in Fuel Economy.

Vehicle Emissions CO2e / £M



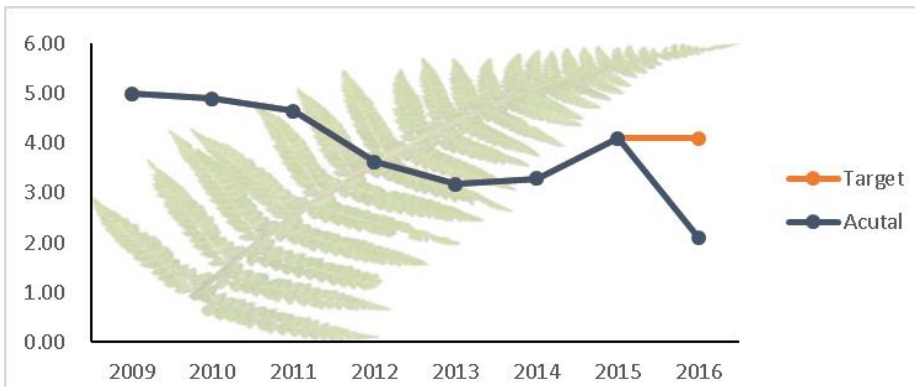
2009 – 13.3T CO2e / £M
2016 – 5.6T CO2e / £M
58% Reduction

Average Vehicle Emissions g/Km



2009 - 166 g/Km
2016 - 108 g/Km
34% Reduction

Fuel Consumption Litres / £M



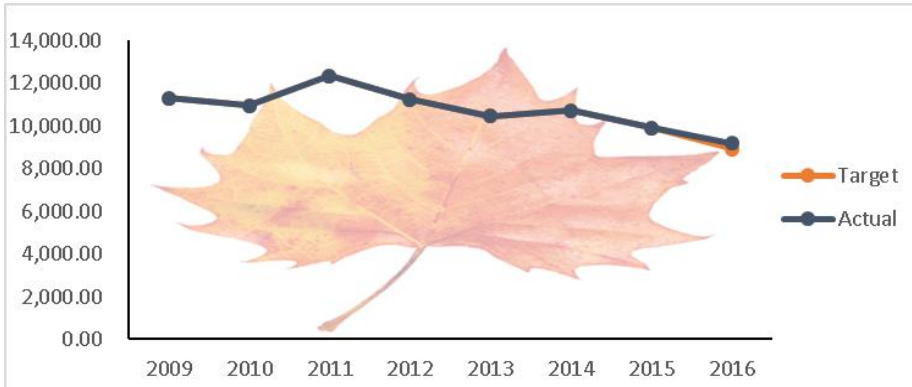
2009 - 5000 Ltrs / £M
2016 - 2110 Ltrs / £M
57% Reduction



Overview of performance against objectives to Jan 2016:

- Reduction of onsite Electricity Consumption

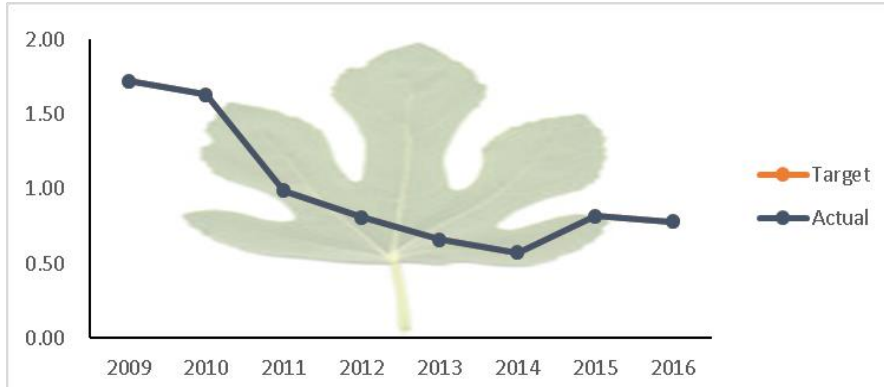
Electricity Consumption KWh / £M



2009 - 11308 KWh / £M
 2016 - 9192 KWh/£M
19% Reduction

- Reduction of waste generated onsite non-recyclable.

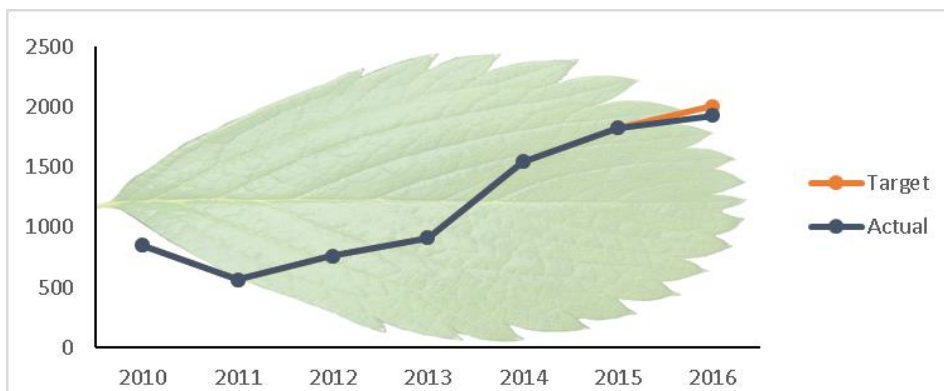
Non-Recyclable waste Tonnes / £M



2009 - 1.72 T/ £M
 2016 - 0.78 T/ £M
55% Reduction

- Increase recovery, re use & recycling of WEEE by Stone AATF.

WEEE recovered from market – Tonnes



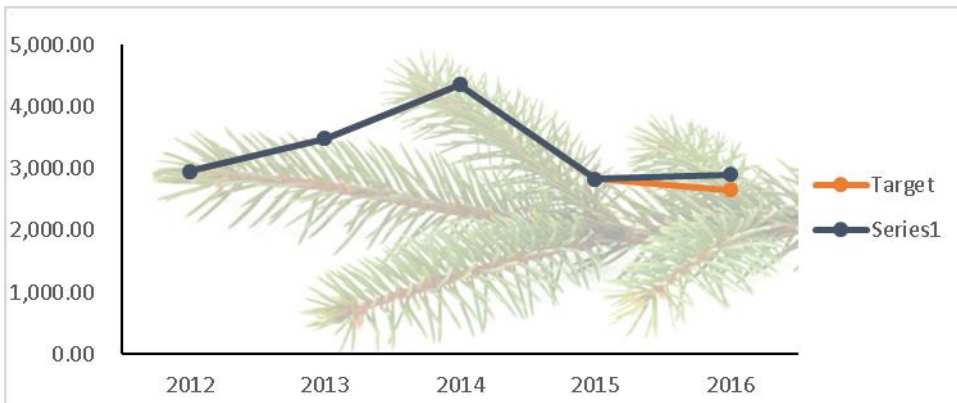
2010 - 849 Tonnes
 2016 - 1929 Tonnes
56% Increase
70% Re Use Rate 2016



Overview of performance against objectives to Jan 2016:

- Gas Consumption

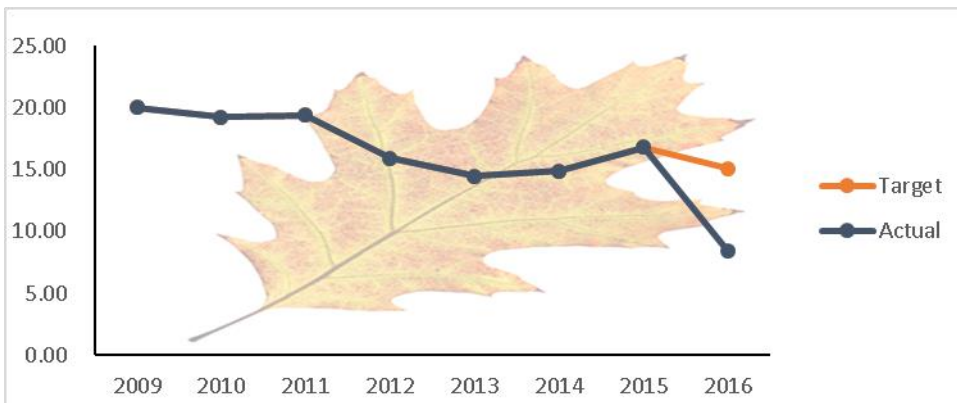
Gas Consumption – KWh / £M



2012 - 2959 KWh / £M
 2016 - 2909 KWh / £M
2 % Reduction

- Overall reduction in carbon footprint from main emission sources.

Carbon Footprint – Tonnes CO2e / £M



2009 - 20 T / £M
 2016 - 8.46 T / £M
58 % Reduction



Reduction of Stone product impacts in market place.

| | |
|------------------|--|
| June 2009 | Increase recycled content of Stone outer packing carton to 100% |
| Jan 2010 | Provide packaging return service for installs / large order quantity deliveries. |
| Jan 2010 | External power supplies for product - ensure 100% minimum standard efficiency 80+ |
| June 2010 | Incentivised Bulk packaging solutions offered. |
| Jan 2011 | Increase registered 'Energy Star' Desktop products to cover main product lines. Increase awareness of products meeting 'Green' Standards |
| Jan 2011 | EPEAT certified branded product range available. |
| Jan 2012 | 10% reduction in Stone standard packaging weight |
| Jan 2014 | Eradication of Paper user manuals – Stone Desktops |
| June 2014 | Stone branded product –ECO Declarations released |
| June 2014 | Removal of foam from spares packaging. |
| June 2014 | Introduction of NUC as a Green - desktop replacement. 60% decrease in energy consumption Vs traditional USFF. 50% Less materials usage Vs traditional USFF. Foam packaging eradicated & 70% Less cardboard than USFF. |
| Jan 2015 | N130 Netbook– Cardboard packaging received from supplier reduced by 40% |
| Jan 2016 | Increased use of Bulk packaging saving 36.25T of cardboard & 9.02T of polystyrene amounting to a 64% reduction in each Increased sales of the NUC Introduction of the Stone Intergrum server – up to 60% increased efficiency |



Reduction objectives for 2016.

| Target 1 | Reduce Vehicle Emissions & Increase Fuel Economy |
|--------------------------|---|
| Target | 2% reduction in average Vehicle Emissions on 2015 Not to allow any increase in litres of fuel consumed or the actual emissions as measured in CO ₂ e per £M turnover. By Jan 2017. |
| Methodology | Replacement of 12+ vehicles in fleet with lower emissions vehicles. Effective product performance in field & Service first fix rates. Rationalised Delivery / Collection planning. Changes to fuel card allowances – Business mileage only being counted. |
| Responsibility | Financial Director, OPs Director, Service Director. |
| Progress / Result | Progress – July 2016 15% decrease on average vehicle emissions on 2015, measured in g/Km. Although it is not possible to completely accurately compare YTD on 2015, if it is presumed that half the consumption came over half the year then there has been a 39% reduction in fuel use. Using the same methodology there has been a 46% reduction in carbon footprint Result – Jan 2017 7.5% decrease in average vehicle emissions on 2015 measure in gCO ₂ e/Km without compensating for turnover. 48% decrease in total fuel on 2015 in L per £MT leading to a 49% decrease in actual CO ₂ e emissions per £MT |

| Target 2 | Reduce onsite Electricity Consumption |
|--------------------------|---|
| Target | 10% reduction on 2015 of electricity consumption on site per £M turnover. |
| Methodology | Replacement lighting scheme for main offices. LED technology, sensors & managed control. Greater Efficiency. |
| Responsibility | Financial Director, R&C Manager. |
| Progress / Result | Progress – July 2016 If 6-month performance is carried on throughout the year there will be a 7% reduction in electricity consumption, therefore we will not meet our target. In a YTD comparison there has been a 5% increase. Result – January 2017 There has been a 7% reduction in KWH by £MT on 2015 and a 54% reduction in CO ₂ e by £MT from electricity consumption. This great reduction is a product of renewable energy being supplied by enegie for 6 months. This is unlikely to be sustainable in 2017. |



Reduction objectives for 2016.

| Target 3 | Reduce Disposal of non-recyclable waste |
|--------------------------|--|
| Target | 5 % Reduction on 2015 of non-recyclable waste per £M turnover. |
| Methodology | Increased office & Operations recycling. Removal of personal bins in offices. |
| Responsibility | Financial Director, R&C Manager. |
| Progress / Result | <p>Progress – July 2016</p> <p>In YTD comparison there has been a 7% increase in non-recyclable waste however this does not account for turnover.</p> <p>Result – January 2017</p> <p>There has been a 4% reduction in the amount of waste entering the compactor per £MT compared to last year.</p> |

| Target 4 | Increased Recovery of WEEE |
|--------------------------|--|
| Target | 10% increase on 2015 in the quantity of WEEE in Tonnes. Reuse of WEEE at minimum 70% received. |
| Methodology | Growing Market Share & increased Recycling capacity. Expansion of secondary market outlets. |
| Responsibility | Operations Director. |
| Progress / Result | <p>Progress – July 2016</p> <p>Average reuse rate over the 1st 2 quarters of 2016 was 67% close enough to target to be confident in achieving this at the end of the year.</p> <p>in YTD comparison there has been a 6% drop in WEEE recovery by tonnes</p> <p>Result – January 2017</p> <p>The average reuse rate for the whole year was 70%, meeting the target.</p> <p>There has been a 5.8% on the recovery of WEEE between 2015 and 2016</p> |



Reduction objectives for 2016.

| Target 5 | Efficiency in Gas Consumption |
|--------------------------|--|
| Target | Maintain 2015 consumption whilst achieving increase in activities / Turnover |
| Methodology | Sustain effective control over gas heating. |
| Responsibility | Operations Director, Finance Director, R&C Manager. |
| Progress / Result | <p>Progress – July 2016</p> <p style="padding-left: 40px;">in a YTD comparison there has been a 16% reduction in gas consumption</p> <p>Result – January 2017</p> <p style="padding-left: 40px;">In KWh by £MT there has been a 4% increase in the gas. In terms of CO2e per £MT there has been a 3% increase.</p> |

| Target 6 | Decrease Paper Consumption |
|--------------------------|---|
| Target | Decrease paper consumption by 10% on 2015 figures per £M turnover. |
| Methodology | <p>Reduce the levels of printing on sales orders and purchase invoices.</p> <p>Moved to E-payslips</p> |
| Responsibility | Sales Director, Purchasing Director |
| Progress / Result | <p>Progress – July 2016</p> <p style="padding-left: 40px;">if it is presumed that paper will be continued to be consumed at the same rate for the rest of the year there will have been a 27.1% reduction saving, 18 trees.</p> <p>Results – Jan 2017</p> <p style="padding-left: 40px;">There has been a 19% reduction in the number of Sheets per £MT on 2015. Due to the efforts of all staff.</p> |

| Target 7 | Increased Sales of NUCs (Green Product Option) |
|--------------------------|---|
| Target | Increase the sales of NUCs by 10%. |
| Methodology | <p>Increased effort though sales initiative</p> <p>Increase awareness</p> |
| Responsibility | Sales Director, Product Managers |
| Progress / Result | <p>Progress – July 2016</p> <p style="padding-left: 40px;">52% increase YTD in the sales of NUCs</p> <p>Result – there has been no change in the sales of NUCs between 2016 and 2015. This has dramatic decrease in sales in H216 is due to much greater performance in H215.</p> |

| Target 8 | Reduce Stone USFF desktop packaging. |
|--------------------------|--|
| Target | Reduce cardboard packaging consumption for Stone USFF desktop by 36 Tonnes Reduce polystyrene packaging consumption for Stone USFF desktop by 9 Tonnes |
| Methodology | Increased effort through sales initiative in selling bulk packaging options. Increase awareness of bulk option. |
| Responsibility | Sales Director, Product Managers |
| Progress / Result | <p>Progress – July 2016</p> <p>By using bulk packing there has been a reduction so far in the year of 6.195 Tonnes of cardboard and 1.54T polystyrene.</p> <p>Result – January 2017</p> <p>There has been a 21% decrease in the number of cardboard boxes purchased for the USFF/PC lite. This equates to 43.8T of cardboard saved.</p> <p>There was also a 0.7% decrease in the number of foam fitting purchased. Using the same number of bulk orders as the cardboard boxes there has been a 10.8T in the reduction of polystyrene packaging.</p> |

| Target 9 | Reduce Total Carbon Emissions |
|--------------------------|--|
| Target | Reduce the total carbon emissions per £M turnover by 10% on 2015 figures |
| Methodology | Meeting other targets on vehicle emissions, electricity consumption and gas consumption Using only renewable energy |
| Responsibility | Finance Director, Risk & Compliance Manager |
| Progress / Result | <p>Progress – July 2016</p> <p>On target due to reductions in Vehicle, electric emissions & gas emissions.</p> <p>If consumption remains consistent throughout the second half of the year there will be a 70% reduction in emissions of carbon.</p> <p>Result – January 2017</p> <p>From the vast reduction made in electric and vehicle emissions there has been a 62% decrease in the total emissions from Stone Computers by £MT on 2015</p> |



Reduction objectives for 2016.

| Target 10 | Increase the amount of food waste going to anaerobic digestion |
|--------------------------|--|
| Target | Re-direct 6 tonnes of the food waste to an anaerobic digestion plant. |
| Methodology | Meeting other targets on non-recycling reduction, Introduction of new dedicated bins |
| Responsibility | Finance Director, Risk & Compliance Manager, canteen staff |
| Progress / Result | <p>Progress – July 2016</p> <p>Over the first 6 months of 2016 0.48 Tonnes of Food waste has been diverted to the anaerobic digestion plant, currently this target is not being met.</p> <p>Result – January 2017</p> <p>Throughout the whole of 2016 the company has recycled 1.25T of food waste to an anaerobic digester. This is an impressive result against an incredibly ambitious target invoking an acute culture change.</p> |

| Target 11 | Engineer packaging reductions |
|--------------------------|--|
| Target | Reduction of packaging used in service calls by 20% in both cardboard and plastic |
| Methodology | New designs for the packing of engineer bags, Motherboard Boxes and plastics kits and increased re-use. |
| Responsibility | Service Centre Manager, |
| Progress / Result | <p>Progress – July 2016</p> <p>if it is presumed that there has been no change in the number of service calls between YTD 2015 on 2016, then there has been a 38% reduction.</p> <p>Results – January 2017</p> <p>By using the new packaging against the hold there has been a reduction of 1.32T of plastic and 1.07T of Cardboard.</p> |