



Sustainability and Action

2023 Report

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About SHI

Headquartered in Somerset, NJ, SHI International Corp (SHI) is the largest minority- and woman-owned business in the United States, with major operations centers in Austin, TX and Milton Keynes, United Kingdom, and a growing local presence around the world.

Co-founder Thai Lee has served as SHI’s only President and CEO. Under her leadership, SHI has grown from a regional, software-only reseller into one of the largest, privately held, global technology solutions providers in the world—while maintaining the agility, dependability, and friendliness of a small business.

SHI employs more than 6,000 employees split into strategic business units who uphold SHI’s mission to be every customer’s favorite technology solutions provider: “We are passionate about delivering exceptional value and experience as we help customers select, deploy, and manage technology.”


Today, over 17,000 global, enterprise, commercial, and public sector organizations rely on SHI to support their transformation, collaboration, security, and optimization needs.




Founded
1989




\$14 BILLION
2023 Gross Sales




Largest US Minority and
Woman Owned
Business Enterprise



30+ Locations
Worldwide
6,000 Employees



Global
Integration Centers
in U.S, U.K., NL & SG



WEConnect
INTERNATIONAL

Certified Women's
Business Enterprise (WBE)

Supporting

80%
FORTUNE
50


80%
FORTUNE
100

65%
FORTUNE
500



ISO 9000
Certified


Our solutions



Transform

Next-generation infrastructure


Accelerate IT modernization with cloud and data center infrastructure



Collaborate

Modern workspace solutions


Prioritize employee experience, productivity, and collaboration



Protect

Advanced cybersecurity solutions

Protect your employees, data, and infrastructure




Optimize


Cost-efficient IT investments

Simplify your spend across the full IT lifecycle


At SHI, our core values guide our commitment to sustainability.




Build a culture of equality, inclusion, and diversity




Be accountable and act with integrity




Seek understanding to support sincerely




Embrace change, collaborate, and innovate




Show initiative and execute efficiently




Be resourceful and cost-conscious




Adapt, persevere, and succeed



Learn, grow, and teach



Strive for wellness to achieve balance



Be bold, be fun, behave, and be you

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A message from the CEO

On behalf of SHI, I am pleased to present our Sustainability and Action Report for 2023.

At SHI, sustainability is a guiding principle that shapes our strategy, operations, and relationships. Throughout our history, SHI has helped our customers select, source, and manage technology to meet their business goals, and we aim to support their sustainability climate and broader sustainability objectives as well.

Climate change is a significant challenge that demands an extraordinary level of commitment, cooperation, and investment from governments, businesses, and society. We have developed near-term science-based climate targets and aim to submit them for validation with the Science Based Targets Initiative (SBTi) in 2024.

In 2023, we invested over \$50 million back into our business. This investment spanned IT and infrastructure updates, facility upgrades, and business automation initiatives, where sustainability objectives were a consistent consideration. For example, we doubled the installed capacity of solar PV panels at our Ridge Integration Center. We also installed new solar lights and sensors in our parking facilities at our global headquarters in New Jersey.

We continued our investment in our people, enhancing their benefits and development opportunities with a strong focus on diversity, equity, and inclusion (DEI). In 2023, we replaced our previous learning management platform with a purpose-built platform called SHI Learn. Our employees subsequently doubled their training time, with an average investment of 49 hours per person. We continue to encourage employees to contribute to their local communities, fostering engagement and skills development. Our annual employee

surveys help ensure our employee value proposition remains attractive, enabling us to retain the right talent and energy to drive our business growth.

On our business development front, we continued engaging our suppliers and customers on diversity and sustainability. We acknowledge the critical role we play as part of their value chain and remain dedicated to supporting them in their sustainability journeys. Our 2023 SHI Fall Summit was dedicated to sustainability in IT and provided our partners with opportunities to discuss such issues as efficient IT operations, strategies for sustainable lifecycles, and how to tackle IT waste with increased data security.

Looking ahead, we are excited about our progress and are committed to further integrating sustainability into our strategy and operations.

I would like to extend my heartfelt gratitude to all our stakeholders for your support and partnership in positive change. Together, we can create a more sustainable future for generations to come. I hope you enjoy reading the report, and we welcome your feedback.



Thai Lee
President and CEO
SHI International Corp.



A message from the CFO

As SHI’s Chief Financial Officer and executive owner of SHI’s ESG strategy, I am pleased to share our progress in integrating sustainability into our strategic planning and daily operations.

Building on our foundational commitment to diversity, equity, and inclusion (DEI) and adhering to the principles of the UN Global Compact, we have elevated sustainability to the senior management agenda and made progress in managing our impacts and disclosing information to stakeholders.

In 2023, we enhanced our sustainability management approach, disclosure, and stakeholder engagement processes. Key initiatives and achievements include:

- **Climate targets:** We have established near-term climate targets encompassing Scopes 1, 2, and 3, and we intend to submit these targets for validation with SBTi in 2024.
- **Inaugural Sustainability and Action Report:** We published our first external report, detailing an inventory of key sustainability policies, activities, and metrics, and we are continuing this process with this second report.
- **Sustainability Committee:** We formed a Sustainability Committee to drive greater focus, strategic direction, and accountability for sustainability across the organization.
- **Reporting integrity:** We improved our reporting, including an independent review of our GHG inventory and continuous system enhancement of data collection automation.
- **CDP performance:** Our CDP efforts were rewarded with an improved rating of C, in line with the average score for

specialized professional services and North America. We anticipate further improvement with the adoption of our climate targets in 2024.

- **EcoVadis Silver score:** We achieved a 20% increase in our overall EcoVadis score.
- **Customer engagement:** We hosted our first Sustainability Summit, fostering dialogue and collaboration with our customers and partners. It was a tremendous success all around, as we shared and learned from our joint efforts.

We’re extremely proud of our sustainability journey and remain dedicated to making a positive impact on our environment, communities, and stakeholders.

Thank you for your continued support as we strive for a sustainable future.

Best Regards,

James Prior

James Prior
CFO
SHI International Corp.



Highlights

“Sustainability is a core tenet of SHI’s overall business strategy. We remain steadfast in our pledge to procure, manage, and deliver technology in an eco-conscious manner.”

*James Prior,
Chief Financial Officer*



2023 sustainability highlights



Recycled over
**242 TONS OF
CARDBOARD**



**RECYCLED
CARDBOARD** used
for packaging



DARK FRIDAYS
office buildings
limited light, heat,
and AC



HYBRID WORKERS
reduce car emissions
and power usage



9,197 SOLAR PANELS
generated over
10,191 GJ



**EMPLOYEE
COMMUNITY GARDEN**
donated 365 pounds
of fresh harvest to
local food bank



Nexus office
**BREEAM RATING
VERY GOOD**



Austin office
**LEED GOLD
CERTIFIED**

SHI Sustainability Summit

We held our first-ever Sustainability Summit in November 2023, bringing together stakeholders across the value chain including customers, manufacturers, and suppliers. The two-day event sparked thought-provoking conversations about sustainable IT practices and set a new standard for eco-conscious events at SHI.

WHY? IT sustainability is a top business imperative for organizations, and our goal was to showcase how SHI can help make IT sustainability a fundamental aspect of our customers’ organizational strategies.

By centering the conversation around sustainability, the event reflected a heightened awareness of the importance of sustainability in the IT landscape and demonstrated SHI’s proactive role in driving positive change within the industry.

Key highlights

Attendees had the opportunity to engage in crucial conversations and hear diverse perspectives regarding efficient IT operations, innovations for sustainable business, strategies for sustainable lifecycles, and tackling IT waste with increased data security.

Our Sustainability Summit also highlighted four ways sustainable technology can help transform organizations:

- **Invest in a sustainable data center.** By implementing end-to-end sustainable data center solutions, organizations can reduce operational costs, energy usage, and carbon emissions and consolidate data center space.
- **Migrate and optimize workloads in the cloud.** Green cloud computing promotes remote work, optimizes resource use, and enables organizations to meet green regulations with modern IT infrastructure.
- **Responsibly redeploy and recycle aging IT.** Circular IT practices help ensure data security, reduce e-waste, and boost the circular economy.
- **Choose sustainable business financing.** By driving circular consumption of sustainable technology, organizations can count on flexible, predictable payments, minimize tech waste, offload lifecycle management, fuel innovation, and accelerate transformation.



SHI is proud to support Clean Water Fund and made a \$5,000 donation to this great organization.



Sustainability by the numbers



95% OF BOOTHS
rented or reused



100% OF SURPLUS MATERIALS
sent for upcycling



0 PLASTIC
water bottles used



100% OF MEALS
organic and locally sourced



100% OF FURNITURE
rented or stored for reuse



70% OF ENERGY
sourced from renewables

Environment

“Environmental sustainability is at the heart of SHI’s ethos. We acknowledge our responsibility to the planet and are dedicated to minimizing our environmental footprint.

Through the establishment and enforcement of robust global environmental policies, management systems, and performance metrics, SHI actively promotes environmental stewardship across all our locations worldwide. We have taken direct action to reduce waste within our facilities, implementing upgrades across our sites to improve energy efficiency.”

*Steve Alt,
Vice President of Operations*

Climate targets (subject to SBTi validation)

In 2024, SHI developed our near-term science-based climate targets (SBTs) to further our commitment to sustainability

These targets are measured against a 2023 baseline and are designed to reduce GHG emissions in alignment with global efforts to limit temperature increases to well-below 2°C compared to pre-industrial levels.

To meet this global challenge, GHG emissions must be halved by 2030 and reach net-zero by 2050. Our adoption of SBTs is a significant milestone in our ESG journey that complements our customers’ efforts to decarbonize. This follows a comprehensive inventory of our GHG emissions, the establishment of reporting systems, and the identification of key decarbonization levers.

The Science Based Targets initiative (SBTi) is a leading climate action organization that defines and promotes best practices for setting SBTs. Our next step is to submit our near-term targets for validation by the SBTi, reinforcing our dedication to achieving a sustainable future.



- 2025**
100% electricity from renewable sources
- 2029**
70% of original equipment manufacturers (OEMs) by spend, covering sold and re-sold products and services, have science-based climate targets
- 2030**
50% reduction in scope 1,2 and scope 3 (waste and business travel emissions)

To effectively reduce our GHG emissions, SHI will employ a strategic mix of decarbonization levers designed to support the abatement of emissions across all scopes – Scope 1, Scope 2, and Scope 3 – ensuring a comprehensive approach to our climate targets. Some of these measures have already been implemented, and we will continue to build on these efforts.

Decarbonization levers



ALTERNATIVE FUELS
Minimizing reliance on traditional fossil fuels.



BUILDING EFFICIENCY AND OFFICE OPTIMIZATION
Reducing our carbon footprint through energy efficiency and office downsizing.



ON-SITE SOLAR GENERATION AND RENEWABLE PROCUREMENT
Lowering emissions by investing in on-site solar and procuring renewable energy.



GRID DECARBONIZATION
Aligning with country-specific renewable energy goals to forecast future grid emissions.



RECs/VPPAs
Utilizing renewable energy certificates and Virtual Power Purchase Agreements to support renewable generation without onsite installations.



SUPPLIER ENGAGEMENT
Collaborating with suppliers to reduce emissions and adhere to sustainable practices.



WASTE AND RECYCLING
Minimizing operational waste through comprehensive recycling initiatives.



BUSINESS AND EMPLOYEE TRAVEL
Reducing the environmental impact of travel by promoting virtual meetings and sustainable practices.



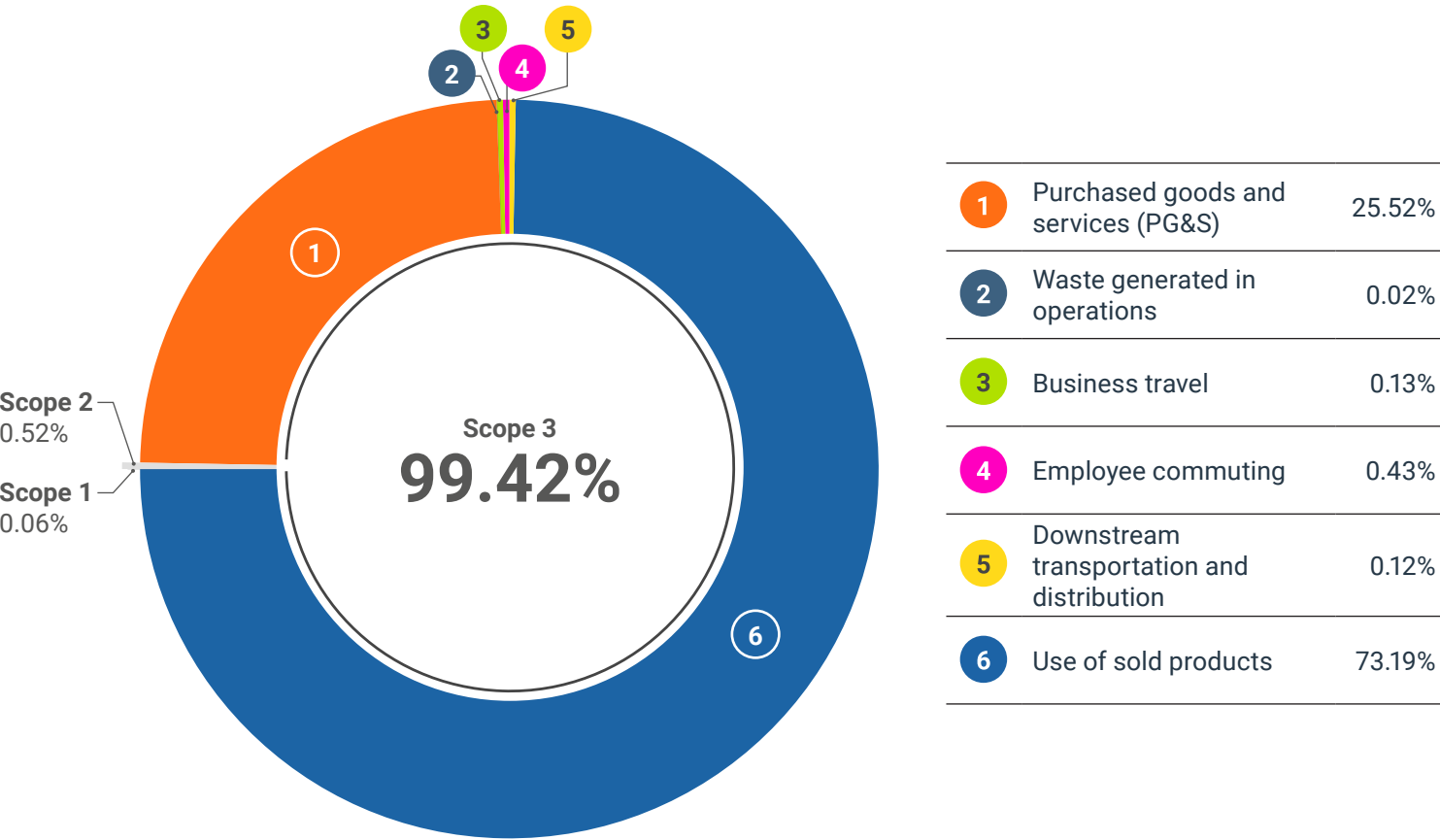
VALUE CHAIN ENGAGEMENT
Encouraging manufacturers to develop more energy-efficient products.



CUSTOMER INCENTIVES
Supporting customers’ sustainability efforts and driving positive outcomes across our value chain.

Carbon emissions profile

SHI is deeply committed to sustainability and environmental responsibility. We measure our carbon footprint using the operational control approach, which involves monitoring and measuring the greenhouse gas emissions from all operations over which SHI has control. This process allows us to gain a comprehensive understanding of our environmental impact. In our pursuit of transparency and accuracy, this data is verified by a third party, and the calculations are performed in accordance with the standards set by the Greenhouse Gas Protocol. These steps enable us to develop more effective and scientifically sound strategies to reduce our carbon footprint. In 2024, we aim to finalize the development of our science-based climate targets and submit them to the SBTi for validation. This will be a significant step in our ESG journey, following an inventory of GHG emissions, the establishment of reporting systems, and the identification and analysis of decarbonization levers.



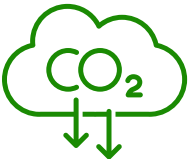
Total GHG emissions (MT CO2e)			
Total Scope 1 and 2 emissions (MT CO2e)	2021	2022	2023
Scope 1	1,032	1,302	1,279
Scope 2 (location-based)	6,426	8,440	10,310
Scope 2 (market-based)	6,677	8,760	8,897
Total Scope 1 and 2 (location-based)	7,458	9,742	11,589
Total scope 1 and 2 (market-based)	7,709	10,062	10,176

* Through third-party verification, SHI reviewed its carbon inventory management plan and identified data modeling opportunities for satellite offices. Accordingly, the 2021 and 2022 data have been updated.

2023 Total Scope 3 emissions (MT CO2e)	1,977,905
Cat 1. Purchased goods and services (PG&S)	507,770
Cat 5. Waste generated in operations	317
Cat 6. Business travel	2,653
Cat 7. Employee commuting	8,595
Cat 9. Downstream transportation and distribution	2,477
Cat 11. Use of sold products	1,456,094

SHI has conducted a comprehensive Scope 3 Materiality assessment, identifying relevant emissions categories. This was performed in accordance with the stringent criteria set by the Science Based Targets initiative (SBTi). SBTi encourages businesses to establish ambitious emissions reduction targets that align with contemporary climate science. The standards require that at least 95% of Scope 1 and 2 emissions are included within the targets. Furthermore, for companies like SHI, where Scope 3 emissions comprise ≥40% of total gross emissions (encompassing Scope 1, 2, and 3 emissions), the targets must also cover at least 67% of Scope 3 emissions.

Emissions reduction initiatives



In December 2021, we partnered with En-Power Group to develop a Carbon Reduction Plan. The reduction plan, which details short and medium-term projects, aims to help modernize our facilities and operations with progressive tools to manage our carbon footprint.

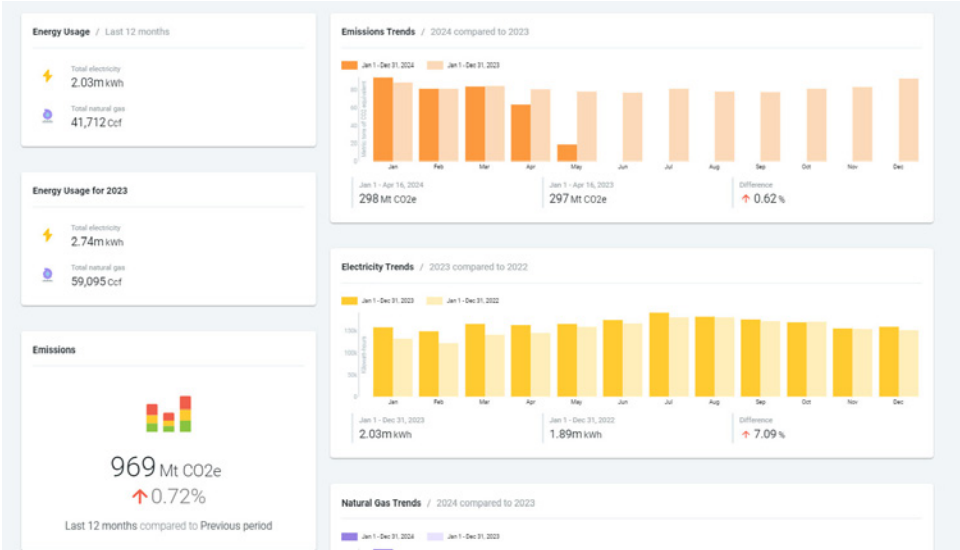
Use of renewable energy

In 2023 **SHI doubled the solar array capacity at our Ridge Integration Center** by installing 2,197 solar panels, generating an additional megawatt of capacity.

Total solar panels (NJ and TX)	9,392
Annual solar energy generation (GJ)	10,191

Monitoring energy consumption

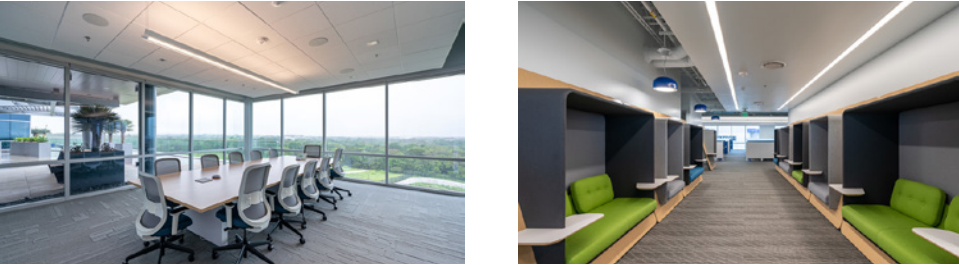
During 2023, SHI has been monitoring the Energy Consumption and associated Carbon Emissions utilizing Atrius’ Building OS system which was implemented as part of the Energy Audit conducted by our partner En-Power Group. This technology provides real-time insights, and the data points are captured directly from Utility Billing Information, reducing the risk of errors and ensuring independent verification from En-Power Group.



Energy efficiency in buildings

We have adjusted computer room air conditioning temperatures to reduce electricity usage, customized HVAC schedules and setpoints to better align with space occupancy throughout the day, upgraded to more efficient LED lighting, and added a reduced energy consumption functionality to the building management system.

LEED building certifications



Global HQ (NJ)
**Awarded Gold for
Commercial Interiors**



Regional HQ (TX)
**Awarded Gold for Building
Design and Construction**

Lower-carbon shipping

Over 96% of our U.S. product shipments are delivered by logistics providers who have partnered with the U.S. EPA SmartWay program to measure, benchmark, and improve their performance on air quality and fuel efficiency metrics related to freight transportation.



Hybrid working

We have continued our hybrid working policy in the post COVID-19 era, enabling decreased in-office operations and employee commutes. We understand the importance of in-person collaboration while also acknowledging the simultaneous benefits that hybrid working brings to our employees’ physical and mental health.

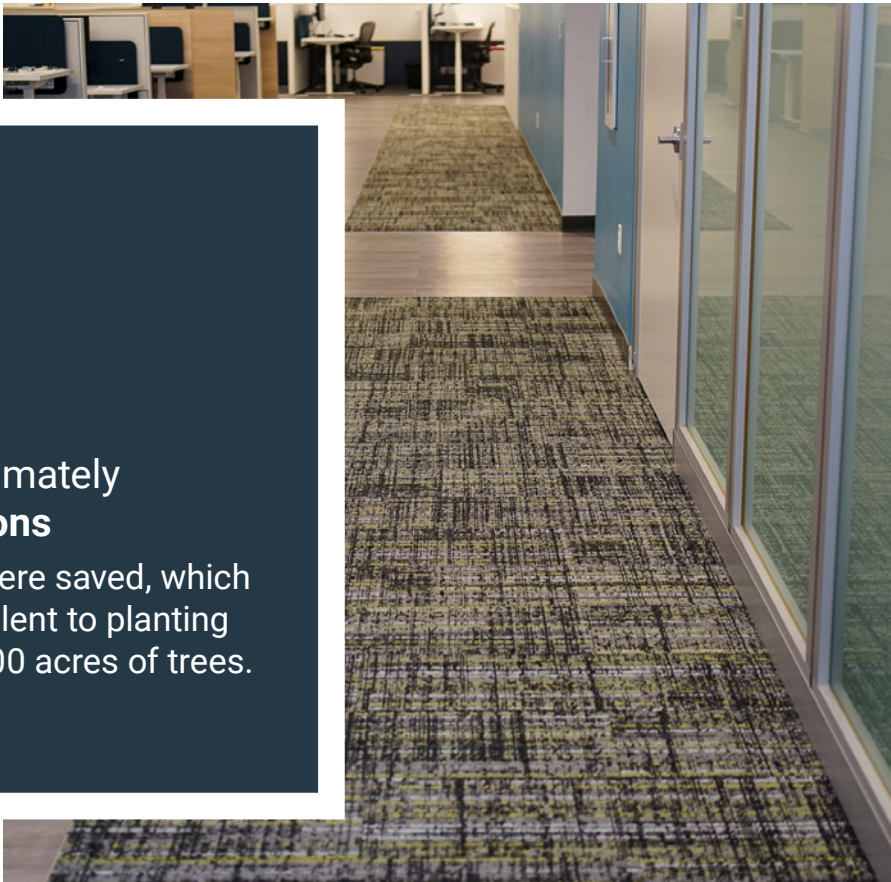


CASE STUDY

SHI Office upgrades

SHI commissioned NJ-based architectural designer Cornerstone to renovate three of our office buildings: two in Somerset, NJ, and one in Bethlehem, PA. The work included reconfiguration of space, new finishes, and electrical and mechanical upgrades.

Electrical upgrades included replacing all non-LED lighting fixtures with new LED fixtures and the addition of lighting controls with motion sensors and daylight harvesting. Mechanical upgrades included the replacement of one chiller to ensure proper cooling of IT rooms and the installation of outside air intakes to provide increased ventilation rates. Where possible, the existing carpet was removed and returned to the original manufacturer for recycling. All new workstations incorporated height adjustable (sit-stand) desks, which have been shown to have positive effects on health, as well as lower panels to provide increased daylight and better access to exterior views from within the open office areas. An energy analysis will be performed to provide metrics on performance gains and energy savings.




Carpet waste environmental impact report


The impact SHI made returning 19,958 square yards of EcoWorx® carpet:

CIRCULAR ECONOMY

 Approximately **54,886 tons** of old EcoWorx® carpet have been recycled, thus preventing them from going to the landfill.

CARBON IMPACT

 This is the equivalent of **18,530 gallons of gasoline**, which is enough to drive 417,100 miles in an average car

 Approximately **181.6 tons** of CO₂ were saved, which is equivalent to planting nearly 200 acres of trees.

CASE STUDY

Monitoring and reducing carbon emissions in France

At our SHI office in France, we have been actively monitoring our carbon footprint using Bilan Carbon, a carbon accounting method developed in France in 2004 by ADEME and now endorsed by the Bilan Carbone Association. The primary goal is to quantify all emissions directly linked to the company’s operations. By conducting employee surveys, we have gathered valuable data that has provided insightful findings.

Our team has developed a heightened awareness of their carbon footprint, and has identified several carbon reduction opportunities:

- Prioritizing travel by train over air travel whenever feasible
- Opting for electric cars for rental needs
- Encouraging carpooling and ridesharing for both business and commuting purposes
- Providing education on eco-friendly driving practices and reducing consumption
- Offering incentives for using public transport and cycling for commuting
- Promoting the adoption of vegan diets for at least one day per week
- Implementing measures to reduce waste and raise awareness about energy conservation

CASE STUDY

Improving energy efficiency in the UK and supporting international climate projects

SHI performed a third-party verified Streamlined Energy and Carbon Reporting Regulation (SERC) assessment, a mandatory annual U.K. assessment to report on a company’s energy use and carbon emissions, and to perform the Energy Savings Opportunity Scheme (ESOS) assessment, which enabled us to identify opportunities to improve our facilities and reduce our carbon emissions. Additionally, to achieve carbon neutrality on scopes 1 and 2, SHI purchased verified carbon standard offsets. This supported the following projects:



Avoid: REDD+ protecting the Amazon

The Amazon, home to 10% of the world’s species, faces severe deforestation threats, particularly in Para, where the Pacajai REDD+ Project operates. This project, certified by the Brazilian Amazon Verified Carbon Standard (VCS), prevents emissions from logging and land conversion while safeguarding biodiversity. Local villagers, trained and employed, actively protect the forest. Moreover, the project’s Gold Level CCB Award, currently undergoing revalidation, underscores its outstanding social and environmental benefits.

Reduce: Providing clean cookstoves in Kenya

In Kenya, a significant 83% of households rely on traditional biomass stoves and open fires for cooking. To address this, a project was implemented to distribute locally made energy-efficient cookstoves free of charge to rural households still using outdated cooking methods. By replacing these traditional stoves and fires, the project aimed to reduce the reliance on non-renewable sources like coal and wood, thereby promoting sustainability in food preparation practices.

Reduce: Renewable energy, delivering wind generation in India

This project aims to produce clean electricity using wind energy in Maharashtra, India. It consists of 40 turbines with a capacity of 2MW each and 57 turbines with a capacity of 2.1MW each. By utilizing renewable energy, it reduces reliance on fossil fuels for electricity generation, thereby mitigating climate change effects.

Remove: Tree planting in the U.K.

This project entails planting trees in various locations throughout the U.K., such as school grounds, parks, farms, woodlands, and biodiversity sites. This not only creates habitats for wildlife but also fosters educational and community benefits. As part of the offset purchase, 45 trees were planted in the U.K.

Sustainability highlights for our U.K. office and warehouse facility, Nexus.



RATINGS AND CERTIFICATIONS

- BREEAM rating: Very Good
- EPC rating: A
- ISO 14001 certified



FRESH AIR CIRCULATION SYSTEM

installed in place of HVAC in office spaces



ELECTRIC VEHICLE BENEFITS

- Priority car parking for EVs and multioccupancy vehicles
- Free EV charging for employees and visitors



GREEN DELIVERY PARTNERS

- Primary courier: [DHL](#)
- Specialist same-day deliveries: [Apollo Distribution](#)
- International logistics: [Maurice Ward](#)



EMPHASIS ON WASTE REDUCTION AND RECYCLING

- All packaging used at Nexus contains a minimum of 30% recycled materials
 - Packaging infill is primarily paper infill rather than plastic infill
 - Packaging tape is paper rather than plastic
 - We have an onsite cardboard baler, and all waste cardboard is baled and recycled
- All waste is segregated to separate recycling/non-recycling bins.
 - Waste disposal contractor: [Biffa](#)



THERE IS AN ENVIRONMENTAL COMMITTEE

at Nexus that meets quarterly.

Minimizing environmental impact

Waste management

SHI encourages individual responsibility and supports waste minimization by:

- Ensuring maximum reuse and recycling of materials at all company facilities, including large volumes of cardboard at our integration centers
- Replacing mailed paper documents with digital PDFs
- Establishing target goals for recycling
- Complying with county and municipal recycling regulations
- Recycling toner, computers, and other office equipment according to U.S. EPA guidelines

Additionally, original equipment manufacturers (OEMs) have engaged SHI to drive a circular economy by integrating considerations around sustainable delivery. As a standard practice, we consider the entire lifecycle of a product from device manufacturing, delivery, use, and retirement. We also use environmentally friendly packing materials to ship products from our locations to the customer, consolidating shipments where possible.

Water consumption

SHI has installed water-efficient, low-flow plumbing fixtures, which reduces water usage by 40%. Our Global Headquarters in Somerset, NJ, has zero irrigation landscaping, while our Regional Headquarters in Austin, TX, has implemented systems for rainwater management. Our mechanical systems include highly efficient chillers and associated cooling towers. We have also installed water coolers throughout our offices to encourage employees to use reusable water bottles.



SHI has taken the following eco-friendly actions at our Knox and Ridge integration centers:

- Carton certification**
We use FSC-certified cartons for our packaging needs.
- Packaging material reuse**
We promote the reuse of skids and packaging material.
- Recycling program**
We initiated a recycling program to reduce waste.
- Emission reduction**
We are reducing our daily warehouse runs in order to reduce our carbon footprint.
- Energy-efficient lighting**
We installed LED lighting throughout Knox.
- Motion sensor lighting**
We installed motion sensors for some lighting to save energy.

SHI is also exploring the following:

- We are implementing an environmental management system to help control our significant environmental impacts and improve our sustainability efforts in accordance with ISO 14001:2015
- Waste audit: A waste audit was completed to help achieve a level of recycling that results in a zero-waste output.
- Carbon footprint reduction: We are looking for ways to reduce the carbon footprint of our packaging materials, including the use of Airpad paper, which is made of recyclable materials.



CASE STUDY

Turning waste into charitable donations



Any time an organization moves or renovates, much of the existing workplace – furniture, appliances, equipment, supplies – often ends up in the landfill. In fact, up to 10 million tons of these workplace assets end up in North American landfills each year. This contributes to carbon emissions and other forms of pollution while also locking away valuable materials that could be reused.

SHI chooses to partner with Green Standards on their workplace projects to ensure a better outcome. Green Standards employs charitable donation, resale, and recycling to keep workplace furniture and equipment out of landfills while generating positive local community impact.

SHI and Green Standards have collaborated since July 2023. This cumulative report highlights the environmental and social impact of all projects completed together.

SHI projects with Green Standards have resulted in:



SHI donation supports veterans in Arlington

Reveille Grounds aims to connect people, convene resources, and curate opportunities for veterans in Maryland. To ensure that all who live, work, play, and serve in Maryland are given the opportunity to thrive, Reveille Grounds is building a tech-empowered home base that equips military-affiliated individuals to climb the ladder of transition and continue to be community leaders.

We just obtained 6,700 sq.ft. of gorgeous, open-concept space right off of I95. Our team was thrilled to find a lease opportunity that was already configured in a way that gave us collaborative huddle rooms, plenty of coworking and “Third Space” square footage, and a large area just begging to host yoga practices, VA Claims Clinics, workforce development programs, workshops, speaker series, comedy shoes featuring veteran talent, and Open Mic Nights. The only thing the space didn’t have was the furniture to activate the space and make it somewhere our veterans want to be! Thank you for sharing your office furniture with us. While we have much more to procure, we’ve already been able to host a few meetings and our very first monthly Muster this past Wednesday. Your gift made it possible!

Katie Kilby, Founder/President, Reveille Grounds



SHI’s donations go a long way for Houston families

Since 1987, individuals, businesses, and groups have joined Houston Habitat for Humanity to build or improve a place people call home. Through shelter, they empower people to build a better future for themselves and their families by completing financial and home maintenance training, building homes alongside volunteers, and purchasing their homes with affordable mortgages. With this hand up, they achieve strength, stability, and self-reliance.

This furniture donation will strengthen our mission by allowing us to purchase materials to build more homes in Houston. The proceeds from the sale of furniture items will help Houston Habitat for Humanity procure land to continue our mission to put an end to the affordable housing crisis. This donation has helped put much-needed furniture items in the homes of people in our communities. Thank you so much!

Adam McClarin, Director, Houston Habitat for Humanity



Eternal Light enjoys much-needed donations from SHI

Eternal Light is a nonprofit charity based in Dearborn Heights, MI specializing in food distribution, food drives, and much more, including foster care orphanage.

Thank you for this donation. The items we received have been put to use in our food bank and helped in building the soup kitchen. We definitely appreciate the work the team has done for us!

Sam Bazzi, Founder, Eternal Light

SHI sustainable solutions

Broad portfolio to help customers meet their sustainable IT goals

Sustainable data center

End-to-end sustainable data center solutions

- Lower operational costs
- Reduce energy usage
- Consolidate data center space
- Lower carbon emissions
- Colocation facilities

Our services

- Data center infrastructure site survey
- Data center infrastructure management
- Data center server virtualization
- Data center colo services
- Data center server energy efficiency services
- IT emissions management on-ramp

Green cloud computing

Migrate and optimize workloads in the cloud

- Reduce carbon footprint
- Optimize resource use
- Promotes remote work
- Meets green regulations
- Modernize IT infrastructure

Our services

- Cloud migrations for sustainability
- Cloud/IT infra optimization
- App/code-level optimization
- ARM chipset adoption (Graviton, Altra, Tau)
- FinOps and GreenOps workshop
- AWS/Azure well-architected sustainability framework

EUC/IT recycling and asset recovery

Responsible recovery and recycling of aging/retired IT

- Boost circular economy
- Ensure data security
- Redeploy old equipment
- Responsible e-waste recycling
- Extended warranties

Our services

- Asset disposal
- Asset recovery
- E-waste recycling
- Hardware redeployment
- Extended warranties
- Device lifecycle management
- Zero touch provisioning

Sustainable business financing

Drive circular consumption of sustainable tech

- Flexible, predictable payments
- Minimize tech waste
- Fuel innovation
- Accelerate transformation
- Offload lifecycle management

Our services

- Sustainable financing with SHI Capital
- Carbon removal units
- Streamlined IT procurement, integration and configuration
- Sustainable IT workshop

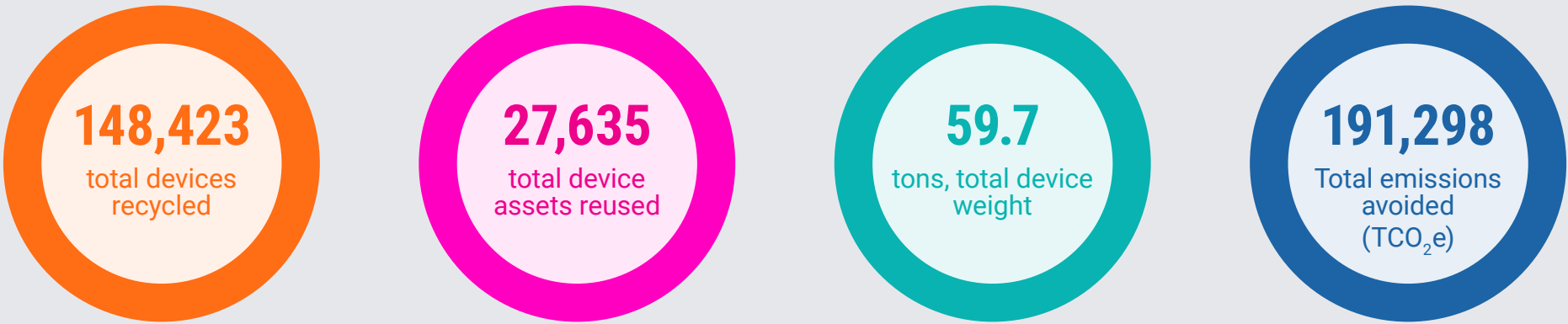


SHI sustainable solutions

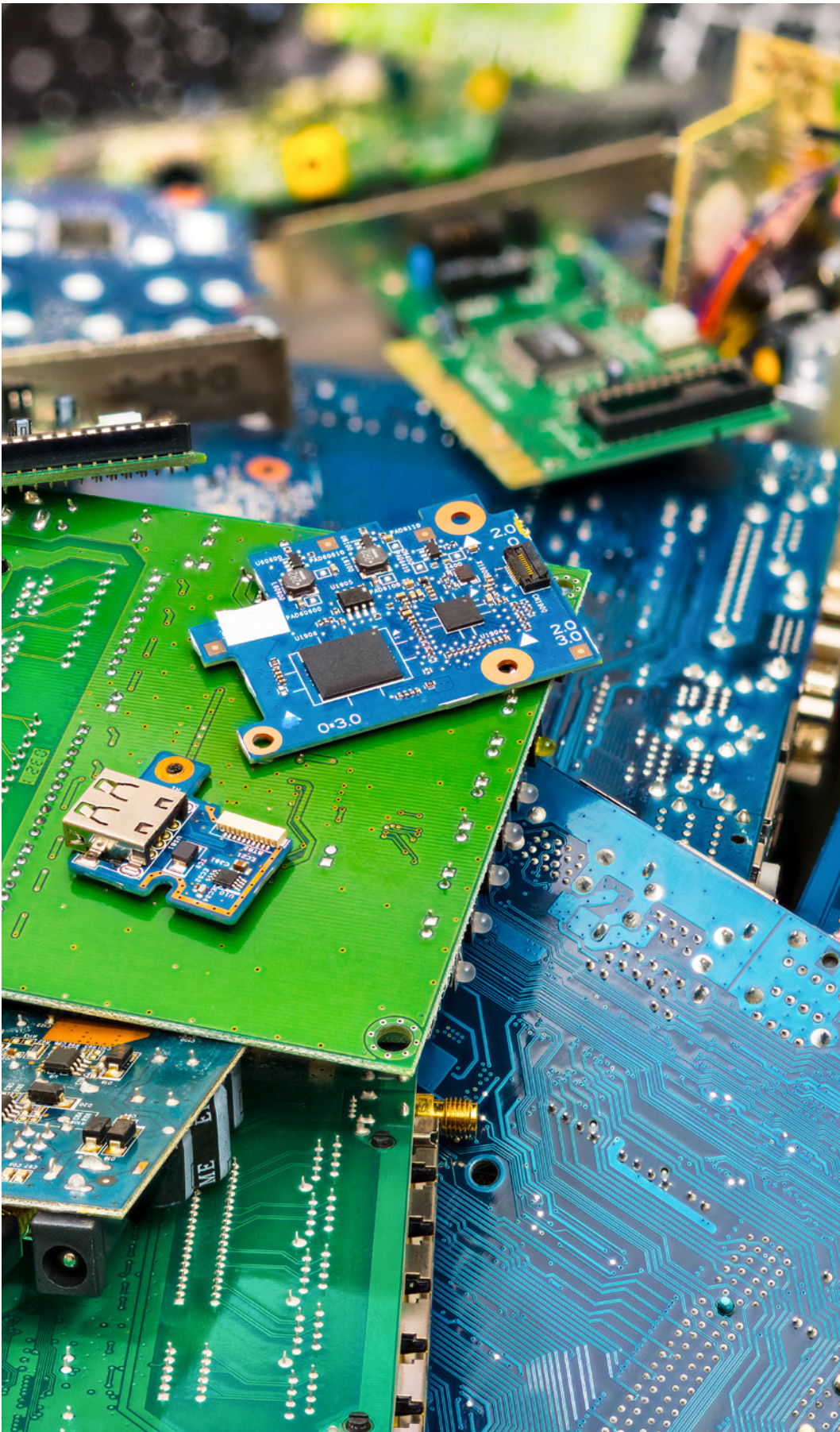
ITAD program

SHI’s IT Asset Disposition (ITAD) program is anchored on sustainable solutions, focusing on asset recovery. Through partnerships with top vendors, SHI ensures customers achieve optimal ROI on their end-of-life technology. The program prioritizes compliance with contracts, legal requirements, and environmental standards, offering a comprehensive solution for managing EOL technology responsibly.

ITAD program: 2023 environmental impact



- Cut data center emissions
- Reduce energy usage
- Improve efficiency
- Streamline procurement
- Consolidate and optimize workloads
- Support circularity
- Responsible ewaste recycling
- Sustainable business models



Environmentally conscious partnerships

SHI is deeply committed to fostering environmentally conscious partnerships, actively engaging with our partners to promote sustainable practices within our industry. By participating in panels, partner groups, and forums, we leverage our collective expertise to develop, deliver, and shape eco-friendly solutions, amplifying our positive environmental impact.

Furthermore, our commitment extends beyond environmental sustainability. We champion diversity, equity, and inclusion and ESG initiatives. Through collaborative efforts with our partners, we drive development in tools, methodologies, and programs that promote DEI and ESG principles, aiming for both sustainable practices and high-quality end-customer experiences.

Engagement with manufacturers and suppliers

As a value-added reseller, it's crucial to establish strong relationships with our key partners. SHI actively participates in supply chain sustainability initiatives, collaborating closely with manufacturing partners such as Lenovo, Dell, HP, and Cisco.



Social

“At SHI, we recognize that our employees are our most valuable asset and are invested in their holistic well-being across the four key pillars of wellness: physical, mental, financial, and community. Every employee is empowered to pursue the opportunities that best align with their own aspirations and life goals. This individualized journey reflects the shared experience of voice and choice, celebrating our culture of inclusion.”

*Ellen Mass,
Vice President of Human Resources*



Diversity, equity and inclusion (DEI)

SHI recognizes the contributions of diverse groups to our company and country. We host webinars, panels, and interviews featuring our employees, aiming to give a voice to underrepresented groups and highlight community achievements. To this end, SHI has introduced online training modules on our internal training system to enhance employee DEI awareness and facilitate open discussions on sensitive topics. These modules are designed to help employees understand different perspectives and experiences in the workplace and promote empathy and understanding. Every employee is required to complete these trainings.

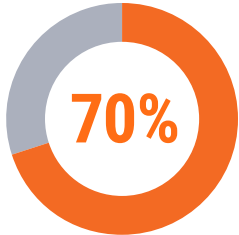
Providing a direct communication channel to our employees from the top down is integral in nurturing an environment built on equity and mutual respect across SHI's landscape. We seek to provide support and a safe space for open dialogue about complex topics with the hope that by discussing these vital topics, our collective workforce strives towards creating and maintaining an inclusive environment, especially for employees from historically marginalized backgrounds.

SHI also provides comprehensive career progression courses via our internal learning platform, SHI Learn, to help employees enhance their skills and capabilities. At SHI, we support and empower our workforce to grow professionally and thrive in their careers.



Employee Engagement

At SHI, employee feedback is crucial to upholding labour and human rights standards. We use Glint, a software platform, to measure and improve employee engagement through regular surveys. This approach helps us address concerns, foster a responsive organizational structure, and involve employees in decision-making. Our commitment to transparency is demonstrated by sharing survey results, with a 70% response rate in 2023, up from 63%. The survey focused on employees' perceptions of working conditions, well-being, and overall happiness at SHI.



response rate, up from 63%



DEI initiatives

SHI actively fosters diversity, equity, and inclusion (DEI) across its organization. As the largest minority- and woman-owned business in the United States, SHI champions programs empowering groups facing employment barriers. This commitment is rooted in the belief that a diverse workforce drives global success.

SHI's DEI initiatives are comprehensive, aiming to promote respectful communication, cooperation, and teamwork among all employees. Through robust talent acquisition and retention strategies, SHI ensures representation of diverse perspectives within our workforce. Additionally, DEI training programs equip employees with the skills to navigate multicultural environments sensitively.

Beyond internal efforts, SHI extends our commitment to DEI principles to the communities we serve, promoting greater understanding and respect for diversity. By integrating DEI into our core values and practices, SHI continues to cultivate a fair, inclusive workplace where every voice is heard and valued.

SHI's Key Diversity Initiatives

- Amplifying diverse voices
- Community outreach
- DEI training
- Employee investment
- Executive support
- Inclusive communication
- Supplier diversity

SHI aims to cultivate a varied team through active recruitment, development, and retention efforts. We engage with diversity job fairs and work closely with hiring partners who share our commitment to diversity and inclusion. Mutual respect and inclusive behavior are core expectations for all SHI employees in their daily interactions. Additionally, we foster a sense of community and belonging by supporting employee resource groups (ERGs) dedicated to celebrating diversity and enhancing our workplace culture. Each ERG is backed by a senior leader from SHI who actively engages in their events and dialogues.



Employee resource groups

BLACK CULTURE COLLECTIVE

Black Culture Collective

The Black Culture Collective at SHI is a dynamic force dedicated to uplifting, empowering, and enhancing the experiences of Black individuals both within our organization and the broader community. Through initiatives centered on leadership, education, and professional development, as well as through strategic partnerships with allies, we strive to create meaningful change. Our collective actively engages in a multitude of events that foster collaboration among members and provide opportunities for community involvement. One notable event in 2023 was the celebration of Juneteenth, where the Black Culture Collective organized block parties at our Austin and New Jersey offices. These gatherings were not only moments of celebration but also instances of community service, as our New Jersey-based members rallied to collect items for weekend meal bags donated to the Trenton Area Soup Kitchen (TASK). Additionally, local Black businesses were invited to showcase and sell their products, further enriching the festivities and supporting economic empowerment within our community.



EMBRACE

Embrace

We are here to support one another to find and be the truest, best version of themselves. We intend to do this through mindful knowledge sharing, community-based resources, and inclusive events and programming.

Embrace, SHI’s vibrant Employee Resource Group, is dedicated to fostering an inclusive and supportive environment where individuals can embrace their true selves. Through mindful knowledge sharing, community-based resources, and inclusive events, Embrace endeavors to empower its members to be their best selves. With a focus on fun, allyship, intersectionality, health, safety, education, and global inclusion, Embrace actively engages in initiatives that celebrate LGBTQIA+ diversity and advocate for positive change. From sponsoring annual pride events to partnering with organizations like Knit the Rainbow, which provides handmade items for homeless LGBTQ+ youth in NYC, Embrace is committed to making a difference both locally and globally. Whether through in-person meetups, online knit-alongs, or collaborative efforts with other Employee Resource Groups, Embrace provides a supportive space for all.



Employee resource groups



WiSH

WiSH, SHI’s Women in Technology Employee Resource Group, is dedicated to celebrating and connecting the diverse voices of women in the tech industry. Our mission is to inspire, empower, and foster collaboration among all employees through a variety of events and forums held throughout the year. WiSH hosts monthly committee calls, providing a safe and inclusive space for women and allies to discuss resources available to all SHI employees, events supporting women at SHI and other ERGs, daily challenges and strategies for maintaining a healthy work/life balance, and plans for expanding WiSH’s reach and impact, including local events. Additionally, WiSH actively participates in STEAM activities, aiming to support and encourage women’s involvement in science, technology, engineering, arts, and mathematics. Join us in our journey to empower and elevate women in technology at SHI.



Asian Business Community

Formed in February 2024, SHI’s newest employee resource group, the Asian Business Community, meets regularly to discuss and celebrate Asian heritage. The group’s mission is to promote a culture of inclusion, integrity, advocacy, and education, ensuring all employees feel welcome, supported, and empowered to excel.

Planned initiatives for 2024 include:

- Quarterly members meetings and monthly newsletters to foster a culture of inclusion, integrity, advocacy, and education.
- Recognition of members who exemplify these values.
- A bagged lunches volunteer event and a food drive in honor of World Hunger Day.



Supplier diversity

Over the last 20 years, SHI’s supplier diversity program has enhanced our presence in the minority business community and grown our diversity business development program to help economically strengthen diverse-owned businesses. We have an executive-level role with a dedicated team that handles supplier diversity matters.

Our supplier diversity program fosters relationships with diverse-owned companies, aligning with SHI’s core values. We view diverse suppliers as vital for our success, helping us consciously source products and services while maintaining profits, growing our customer base, boosting the economy, and promoting innovation.

Every year, SHI sponsors and supports diversity-related events. In 2023, we sponsored NMSDC in Baltimore, Maryland, and WBENC in Nashville, TN. SHI currently has over 2,000 diverse partners and continues to increase the number of diverse suppliers in SHI’s Managed Partner Network.

Fostering and uplifting a larger community of diverse suppliers, partners, and employees extends and enhances our service quality. As our employees’ and customers’ priorities change, we constantly review our objectives against diverse perspectives.



DEI awards and certifications

NATIONAL CERTIFICATION AFFILIATIONS



certified
WBENC
WOMEN'S BUSINESS ENTERPRISE



NMSDC
National Minority Supplier
Development Council
Advancing Business
Connections that Count

Corporate Plus Member

New York – New Jersey MSDC

WPEO – New York

INTERNATIONAL CERTIFICATION AFFILIATIONS



CAMSC

**Canadian Aboriginal and
Minority Supplier Council**

Certified
WEConnect
INTERNATIONAL
Women's Business Enterprise

SHI CORPORATION UK LIMITED
SHI Global IT Solutions Ireland Limited
SHI International SAS France
SHI Singapore Solutions PTE. LTD

AWARDS AND RECOGNITION



WBENC
NY WBE Connection Award
(WBENC Regional Home Council)



AT&T

Mega Deal Supplier
Diversity Award



Blue Cross
Blue Shield
Blue Care Network
of Michigan

Secure Diverse Supplier
Achievement Award



Aflac
Partner of the Year Award
Diversity Supplier Recognition



CRN UK
WOMEN & DIVERSITY
IN CHANNEL AWARDS 2022
Gender Parity Award

Nominated by Merck for



FAST★100
USPAAACC
FAST 100 AS AN AMERICAN BUSINESS AWARD



WRMSDC

2023 Supplier of the Year



**CUSHMAN &
WAKEFIELD**

2022 Diverse Vendor
of the Year

STATE GOVERNMENT CERTIFICATIONS



STATE OF
DELAWARE



STATE OF
MASSACHUSETTS



STATE OF
MISSOURI



STATE OF
NEW JERSEY



STATE OF
NORTH CAROLINA



STATE OF
TENNESSEE



STATE OF
VIRGINIA



STATE OF
WISCONSIN



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Health and safety

Working conditions

SHI has embarked upon a facilities improvement program to enhance and support workplace safety and working conditions within our office spaces. As part of SHI’s ongoing commitment to employee health and wellbeing, we have introduced standing riser desks to provide our workforce with the option to alternate between sitting and standing during the workday. This change is designed to improve posture, reduce the risk of sedentary-related health issues, and enhance overall well-being. LED lighting systems have been installed throughout our facilities, offering better illumination and reducing eye strain. This ensures our employees have a well-lit workspace, contributing to their comfort and productivity. In response to feedback from our employees, SHI opted to expand desk space, removing unnecessary tabletop shelving and clutter and allowing for more organized and efficient work setups, which also functions well as a hybrid desk-sharing option. The wider desk space fosters a clutter-free and ergonomically sound workspace. We’ve redesigned office layouts to create an airy and spacious environment, allowing for improved circulation and a pleasant atmosphere. This redesign contributes to a more comfortable and positive work environment.



Occupational health and safety

SHI collects and analyzes health and safety performance data in compliance with local legislation and as part of our management approach. By understanding the root causes of incidents, we can identify potential hazards, assess risks, and implement preventive measures to prevent incidents and improve employee well-being, fostering a culture of safety within the organization. To improve health safety and reduce injuries, we foster a culture that prioritizes safety by carrying out regular safety training, enforcing strict safety protocols, providing appropriate personal protective equipment (PPE), conducting regular safety audits, and promoting open communication about safety concerns. Our U.K. facility, Nexus, holds ISO 45001 Occupational Health and Safety Management Systems certification, and we are actively pursuing ISO 45001 at our Knox and Ridge facilities in New Jersey.



Employee well-being

The heartbeat of SHI is our employees – all 6,000 of them. Every one of them has their own story about why they choose to work at SHI. Here’s a few of their “why SHI” reasons:

Commitment to diversity.

SHI is the largest minority- and woman-owned enterprise in the United States. From employee resource groups to DEI trainings to diverse talent acquisition practices, we are passionate about building a more inclusive, more equitable workplace where every employee feels seen and valued.



Continuous professional growth opportunities.

At SHI, training doesn’t stop after the first few weeks. We offer LinkedIn Learning for all employees, providing access to thousands of on-demand training modules. We have built a comprehensive leadership training curriculum for current and aspiring managers. And we’re committed to helping employees attain certifications that will help them advance in their careers.



Benefits to offer peace of mind to employees and their families.

We do not want employees to lose sleep over healthcare or financial security when they work for SHI. That is why we offer comprehensive medical, vision, and dental insurance; 401(k) matching, life insurance, and flexible spending accounts; paid vacation, sick, and wellness days; and wellness programs to support their mental and physical health.



World-class facilities – in our offices or theirs.

We have over 35 offices around the globe, and each of our flagship facilities offers amenities like gyms and basketball courts to promote well-being and camaraderie, cafeterias, and even gardens where they can pick fresh enhancements for their lunches. But we also have many employees who are hybrid or fully remote. We ensure that no matter where they log in, they have the right technology to thrive in their dream roles.



Healthier Somerset

Healthier Somerset Gold Award for our employee Wellness Program

Award criteria from the Healthier Somerset Coalition: “The Healthier Somerset Coalition seeks nominations to honor companies for their outstanding achievements in implementing worksite wellness programs that improve the health and well-being of their employees.”



Healthier Somerset Sustainability Award for our employee Wellness Program

Award criteria from the Healthier Somerset Coalition: “An employee wellness program that is actively continuing to grow through membership and program opportunities. Program must be active and growing for three or more years.”



CASE STUDY

When we unplug

At SHI, our social community thrives through a variety of lunch break and after-hours activities designed to promote well-being and camaraderie among employees. Employees regularly gather for social events. From friendly games at the basketball and volleyball courts or softball fields in Somerset to fitness sessions at Garza Ranch’s gym, there’s always something to keep us active and connected.

Beyond physical activities, our social community extends to community spots where colleagues unwind and build friendships outside the office environment. These informal gatherings not only strengthen bonds but also contribute to employee well-being by providing opportunities for relaxation and socializing.

Additionally, SHI fosters a supportive environment that values employee well-being. Whether through wellness programs, mental health initiatives, or community engagement activities, we prioritize the holistic health of our team members. By promoting social interaction and offering diverse activities, we aim to create a vibrant and inclusive community where everyone can thrive professionally and personally.



The gym at our workplace is something I genuinely appreciate. It enables me to utilize my lunch break effectively by getting in a workout session, a good break from the continuous sitting we do all day. It’s a healthier alternative to the usual routine of eating out, which only adds to our sedentary lifestyle. The cherry on top is its cost-free accessibility, making it an unbeatable perk. Moreover, it contributes to our overall well-being, helping us stay fit and healthy.

The experience is great. I have the opportunity to engage in workout sessions alongside my colleagues, which makes the experience enjoyable. Despite the fun and laughter, we still manage to maintain the seriousness of our exercise routine. After each session, I am left with a sense of accomplishment and a feeling of increased strength.

Rita Katransky, Purchasing Trainer

The SHI gym is an excellent destination for a refreshing energy boost during the day. Additionally, it serves as an informal setting where you can interact and catch up with your colleagues. The gym facilities are indeed one of the highly valued benefits of being an SHI employee.

I make it a point to visit the gym as frequently as I can. At SHI, I also participate in special events and classes conducted by the fitness staff. If I’m not in the gym, I’m likely to be found outdoors, taking advantage of our beautiful campus for exercise.

Christopher Bergen, Purchasing Representative



CASE STUDY

SHI's Gardening Club

The club cultivates more than just plants—it fosters connections among SHI colleagues, neighboring communities, and local schools. Our community garden is a vibrant hub of activity, brimming with a variety of vegetables, fruits, herbs, and flowers, all lovingly tended by our dedicated volunteers. In alignment with our commitment to sustainability, the garden is entirely organic, free from harmful chemicals, and includes diverse species of flowers to support pollinators. Beyond our core gardening group, over 100 volunteers from our Public Sector teams pitch in throughout the year, contributing to our collective efforts. In the past year alone, our harvest yielded an impressive 356 pounds of fresh produce, ranging from crisp vegetables to succulent fruits and fragrant herbs, all of which were joyfully donated to those in need.

365

pounds of
produce

Our harvest yielded 356 pounds of fresh produce, ranging from crisp vegetables to succulent fruits and fragrant herbs, all of which were joyfully donated to those in need.



3 GOOD HEALTH AND WELL-BEING

To ensure healthy lives and promote well-being for all at all ages

SUSTAINABLE DEVELOPMENT GOALS

Recruitment and training

Recruitment

Recruiting and retaining a diverse workforce is essential to our success, providing us with a wealth of skills and ideas, increasing employee engagement, and tying us closer to the clients we serve within our local communities. We are committed to providing an environment of mutual respect where equal employment opportunities are available to all applicants and teammates. Our most important asset is the diverse group of employees who make up our SHI community. We acknowledge and support the collective sum of the individual differences, life experiences, knowledge, innovation, self-expression, unique capabilities, and talent that our employees bring to SHI.

To support these efforts, SHI partners with various third parties to promote our job opportunities nationally across job boards that promote diversity, such as military and veteran sites, underrepresented group sites, state job banks, colleges, universities, and more. SHI partners with vendors who are committed to providing equal access to the opportunities available at SHI and that promote diversity and inclusion. SHI.com and SHI.com/careers pages have content devoted to hiring a diverse workforce. We are also an equal opportunity employer and comply with all characteristics protected by applicable law.

Training

We have implemented online DEI training modules via our internal training system to enhance employee awareness and foster constructive dialogues on sensitive topics. These modules cover unconscious bias, how to foster inclusive teams, anti-harassment and anti-discrimination policies, and more. They are mandatory for all employees on an annual basis and are designed to encourage empathy by allowing employees to understand diverse perspectives within the workplace. Additionally, in 2023, we integrated ESG-focused training into our new hire curriculum. Our leadership and professional development initiatives also incorporate visual aids and language support to effectively promote and foster diversity principles.



SHI's community engagement

At SHI, our dedication to diversity and inclusion doesn't stop at our office doors. It permeates into the communities we call home. Our goal is to empower our employees to enrich the communities we serve, extending the values of SHI beyond corporate boundaries. We actively engage in local initiatives such as blood drives, food bank donations, and fundraising efforts for causes close to our employees' hearts. Moreover, we encourage our employees to volunteer their time and skills to support local charities and initiatives, embodying our commitment to making a positive impact on those in need.

Explore a few examples of our community involvement below:

Atlanta Community Food Bank

Staff from SHI volunteered their time at the Atlanta Community Food Bank, which helped to provide **37,060 pounds of food**. This equated to **3,883 meals for local residents in need**. Through these efforts, **146 families were fed**.



Blood drives with Robert Wood Johnson and other organizations

SHI hosted our annual blood drive with Robert Wood Johnson in late November. Employees were encouraged to pre-register or walk in to donate their blood. **We had over 25 employees donate their blood in NJ, and another 30 employees in Pennsylvania** donated in a separate blood drive. We aim to start hosting blood drives at our NJ headquarters twice a year.



28th Annual Legends at Woodcreek Charity Golf Tournament and Banquet

This event broke all previous years' records, **raising over \$15,000 to benefit Bruno's Foundation**, a dog rescue in Lincoln, California. These funds will be used to help rescue dogs at risk of euthanasia throughout central and Northern California's shelters.



Local NJ schools

Over a dozen SHI staff members helped raise funds for two local schools in New Jersey. Through these efforts, **our team furnished students with a reading nook, bookshelves, an ottoman, floor cushions, and vital school supplies**.



Food, clothing, toy, and pet supply drives

SHI hosts donation drives in our New Jersey and Austin locations throughout the year. In May, we hosted a donation drive for pet donations in honor of National Pet Month. We collected pet supplies and donated them to our local animal shelter. From October-January, we host an annual Giving Season in our New Jersey and Austin locations, collecting coats, clothing, food, and toys to donate to the following organizations: Casa Marinella (Clothing, Austin, TX), Central Texas Food Bank (Food, Austin, TX), RWJ Specialized Children's Hospital (Toys, New Brunswick, NJ), Franklin Food Bank (Food, Somerset, NJ), and Jersey Cares (Coats, NJ).



SHI's community engagement

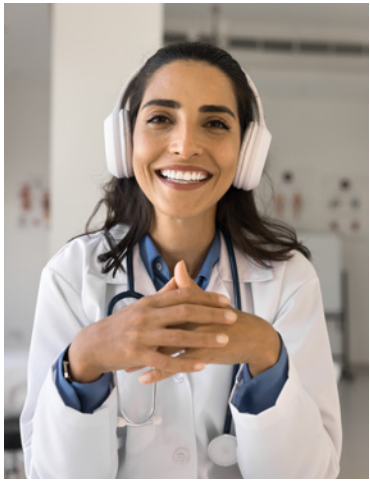
Leukemia and Lymphoma Society volunteer opportunities

On April 5, 2023, SHI hosted a virtual webinar with the Leukemia and Lymphoma Society to provide employees with information on volunteer opportunities in their local communities with the organization. Over 30 employees participated in the webinar, with a subset joining the volunteer activities.



Robert Wood Johnson mental health and nutritional health webinars

SHI regularly partners with Robert Wood Johnson professionals for educational webinars. In 2023, we hosted a webinar on May 12 for Mental Health Awareness Month. Additionally, we hosted a webinar on March 31 for National Nutrition Month. We had around **200 participants** in both webinars, and we hope to continue hosting these events annually.



Local park cleanups

The Black Culture Collective partnered with the International WeLoveU Foundation, a Korean-owned nonprofit, to collect **41 bags of trash weighing 1,025 pounds and 18 bags of recyclables weighing 270 pounds**. Additionally, our team painted over two large graffitied walls, amphitheater stairs, and railings, and planted seeds.



Trenton Area Soup Kitchen

Several members of SHI's Black Culture Collective group volunteered at the Trenton Area Soup Kitchen (TASK) in New Jersey. **The team provided nourishing meals to 187 individuals and donated food parcels** collected during their Juneteenth food drive. This act of generosity further exemplified their dedication to positively impacting the community.



SHI Meals on Wheels group

For the past 13 years, every Monday, the SHI Meals on Wheels group members have been delivering food to 6-8 elderly and disabled clients within their local south Austin area. In December 2023, SHI employees assembled holiday gift bags for these regular clients. The impact of this ongoing initiative has provided these clients with a sense of security, companionship, and community support. SHI employees are filled with a sense of purpose and satisfaction, knowing they are making a meaningful difference in the lives of others.



Big Brothers Big Sisters of Central Texas

An SHI staff member has been deeply involved with Big Brothers Big Sisters, dedicating over seven years to mentoring a young man named Javon. Through this mentoring program, our employee provided guidance and support to Javon, who has since entered the Navy at the age of 18. Their ongoing relationship is a testament to the positive impact of mentorship.

In addition to his mentorship role, our employee organized a toy drive and collected donations from over 30 SHI employees, resulting in **\$400 worth of gift cards** distributed to children at the organization's Christmas party. Moreover, our employee's commitment extended beyond his personal time investment, as he estimated around **\$2,000 was raised collectively by SHI employees for events like Bowl for Kids and the annual Ice Ball Gala.**

These initiatives not only provide financial support but also foster community engagement and support for young people in need of positive role models who may come from low-income or disadvantaged families.



SHI's community engagement

Christmas toy drive

During the 2023 holiday season, nearly **30 SHI employees** donated money to purchase toys for local children in Austin, TX. Toys were purchased and personally delivered to the following initiatives: Any Baby Can, Toys for Tots, Blue Santa, SAFE Children's Shelter, and Big Brother Big Sisters. This initiative is an annual event, typically taking place once a year in November, with donations collected by December, fostering continued support and engagement from SHI staff.



Hill Country Nursing and Rehab Center

Our SMB Cares Organization partnered with HPE to **spread love during Valentine's Day** by delivering roses and handmade cards to the Hill Country Nursing and Rehab Center.



The Beanhill Community Garden

Six SHI volunteers dedicated their well-being days to supporting The Beanhill Community Garden in Milton Keynes, U.K. They weeded, cleared up, and disposed of the rubbish, leaving behind a pristine environment for the local community. The impact was tangible, as the tidy space now serves as a valuable learning resource for the nearby primary school. Managed by the Woughton Community Council, it fosters community engagement and educational opportunities.



Ronald McDonald House

The IT Fun and Giving Committee in Austin, TX, organized a successful Rose Sale, with **all proceeds benefiting the Ronald McDonald House of Central Texas.**

Stacy Albrecht, Chief Advancement Officer at Ronald McDonald House Charities of Central Texas, wrote in to express gratitude for the support:

"Grateful. It's one of the words that comes up most often when we read notes from the families at Ronald McDonald House Charities of Central Texas. They are grateful to have a comfortable place to stay near their hospitalized child, a warm meal, and the kindness of our staff, volunteers, and friends like you."

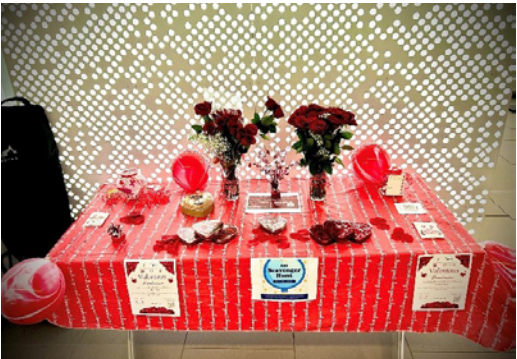
Thank you for your amazing support. The kids and families at Ronald McDonald House Charities of Central Texas are facing difficult times, but because of you they won't face them alone. A family who recently stayed in one of our Ronald McDonald Family Rooms summed it up perfectly:

"It's been hard having him here but it would have been so much harder if we couldn't be close to him."

Please know that your generosity is already hard at work. Thank you again for helping families stay close to each other and for the care their children need.

Elijah's Promise Charity

The IT Fun and Giving Committee at SHI received tremendous support as **46 participants** assembled snack bags and boxed them for delivery. It was a gratifying experience for all involved. In total, **80 snack bags** were prepared and delivered to the local food bank, Elijah's Promise, located in New Brunswick, NJ. All donations originated from the IT department in Somerset, NJ.



Supply chain

SHI’s Supply Chain department conducts reviews to assess current practices and identify areas for enhancement in alignment with our sustainability objectives. The review emphasizes policy and compliance, supplier assessment, environmental impact, social responsibility, risk assessment, and performance metrics. It aims to drive innovation, align with industry reporting standards, and leverage best practices from Fortune 100 partners and customers. Specific objectives include evaluating supplier sustainability initiatives, ensuring compliance with SHI’s ethical standards, and enhancing the procurement strategy. Our Sustainable Procurement Policy and Framework provide guidelines for purchasing decisions, reflecting SHI’s commitment to sustainability, ethical practices, and social responsibility.

Where possible, our Supply Chain department seeks to minimize its environmental impact, optimize resource usage, and uphold ethical labor practices throughout the supply chain lifecycle.

SHI dispatches shipments to customers by logistics providers enrolled in the U.S. EPA SmartWay program to measure, benchmark, and improve their performance on air quality and fuel efficiency metrics related to freight transportation.

The SmartWay program helps companies advance supply chain sustainability by measuring, benchmarking, and improving freight transportation efficiency.



Governance

“We believe that effective governance is crucial for our development and business strategy at SHI. By promoting transparency and accountability, we aim to enhance decision-making and ensure timely implementation. Our ESG efforts, such as establishing a new Sustainability Committee and publishing our first Sustainability and Action Report, have contributed to advancing our governance. We are dedicated to continuously improving on this journey.”

*Kuli Sidhu,
Director of Business Assurance and ESG*

SHI’s commitment to ethics and integrity

The SHI Code of Ethics, Anti-Bribery, Anti-Corruption, and Whistleblowing Policy, which applies to all officers and employees, serves as the foundation for high standards of integrity and ethics throughout all levels of our organization, the deterrence of wrongdoing, and the promotion of compliance with applicable regulations. These policies and processes are overseen by General Counsel and are readily available to all employees.

Audit Committee

At SHI, we believe in robust and transparent corporate governance. An integral part of this commitment is our Audit Committee, a committee comprising our Executive Leadership, chaired by CFO James Prior. The Audit Committee meets quarterly and provides oversight for the integrity of our financial reporting, internal controls, and compliance with laws and regulations. The Audit Committee is the cornerstone of our commitment to maintaining ethical practices and high standards of corporate governance.

Sustainability Committee

At SHI, our Sustainability Committee plays a pivotal role in fostering environmental stewardship and social responsibility throughout our operations. Headed by CFO James Prior, supported by the ESG Department and comprising representatives from various departments, the committee convenes bimonthly to assess our sustainability performance, identify areas for improvement, and develop strategies to minimize our environmental footprint. By meeting regularly, we ensure ongoing progress and alignment with our sustainability goals. Recent initiatives have included implementing energy-saving measures, reducing waste through recycling and composting programs, and promoting employee engagement in sustainability practices. Through collaborative efforts and innovative projects, our Sustainability Committee strives to drive positive change within our organization and contribute to a more sustainable future for all stakeholders.



Cybersecurity and data privacy

At SHI, our commitment to sustainability extends beyond environmental practices to encompass the security and privacy of information vital to our business, customers, and employees. Our cybersecurity and data privacy initiatives adhere to stringent state and global data privacy laws and cybersecurity frameworks, including the California Consumer Privacy Act (CCPA) and European Union (EU) General Data Protection Regulations (GDPR).

Our cybersecurity and data privacy programs are continuously updated and incorporate robust physical, administrative, and technical controls to safeguard our systems, networks, and sensitive data. Aligned with ISO 27001, NIST, PCI DSS, SOC 2, and Cyber Essentials frameworks, our cybersecurity and data privacy programs are at the forefront of industry standards.

Our cybersecurity department oversees all aspects of our security strategy, from proactive risk management to ongoing education for our workforce. Comprising seven specialized teams, including security engineering and architecture, offensive security, and threat and vulnerability management, we ensure comprehensive protection against evolving threats.

For further insight into our cybersecurity and data privacy initiatives, please reach out to your SHI sales representative for access to our detailed Cybersecurity and Data Privacy Overview documentation. Together, we remain steadfast in our commitment to sustainability through robust cybersecurity practices.

Risk management

SHI consistently conducts thorough assessments to identify and address potential threats with the greatest impact on the organization. These assessments meticulously analyze the convergence of assets, threats, and vulnerabilities to create a comprehensive risk profile.

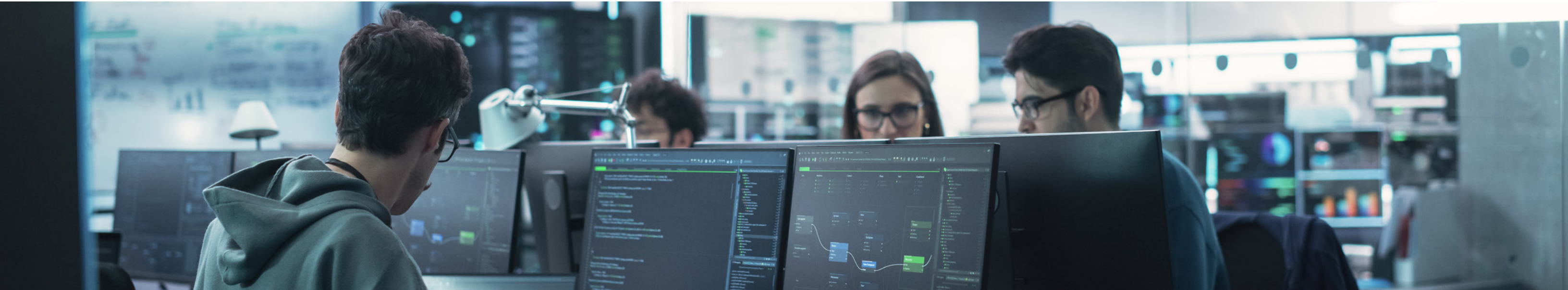
The Risk and Resiliency Steering Committee, comprised of SHI’s Executive Leadership Team, spearheads the establishment of the organization’s global risk management strategy. This committee plays a pivotal role in major decision-making related to operational risk, including oversight of the Business Continuity Program and the Core Team. Empowered by the committee, designated representatives can assess and declare business continuity incidents, activating appropriate portions of our Business Continuity/Disaster Recovery (BC/DR) Plans.

SHI prioritizes the development and refinement of detailed Business Continuity and Disaster Recovery Plans, regularly testing their efficacy to ensure critical processes and operations can be swiftly restored. Dedicated resources bolster contingency planning, disaster recovery initiatives, and incident response efforts.

Key elements of SHI’s planning approach include:

- Identification of alternate physical site locations and readiness
- Strategic human capital resource planning and coverage models
- Ensuring network and telecommunications accessibility
- Robust cybersecurity incident response and management protocols
- Critical system backup and recovery procedures
- Cultivation of strong supplier and third-party partnerships supported by formal agreements.

SHI’s Risk Management framework emphasizes effective and efficient practices aligned with ISO 31000 standards, highlighting the value and intent behind risk management efforts. Additionally, SHI conducts third-party assessments of operational vendors to evaluate their control environments against established standards and accepted information security practices.



Reporting

“We understand that our sustainability reporting integrity reflects our approach to financial reporting. Transparent reporting on our sustainability progress is not just about compliance; it is a crucial part of our corporate responsibility and a commitment to our stakeholders. It allows us to accurately measure our impact on the environment and society, establish meaningful goals, and track our progress with the same diligence we apply to our financial results. By openly discussing our achievements and areas requiring improvement, we build trust and ensure that our sustainability efforts align with our corporate values and long-term strategic objectives. We believe that transparency is essential for sustainability, and we are dedicated to keeping all stakeholders informed about our progress.”

*James Prior,
Chief Financial Officer*

Material ESG topics

We recognize the importance of transparency and accountability in our sustainability efforts. Through a materiality assessment, we have identified key sustainability topics that are significant to our stakeholders and have a substantial impact on our business operations. These material topics encompass environmental, social, and governance aspects of our operations. Our sustainability strategy and reporting are aligned with addressing these material topics, demonstrating our commitment to responsible business practices and long-term value creation for all stakeholders.



Regulatory disclosures

SHI adheres to global regulatory disclosure requirements. As a private company, we are subject to fewer disclosure regulations than a public company; however, we promptly submit data requests to regulatory bodies around the world. Examples include France’s mandatory carbon disclosures and the U.K.’s mandatory gender pay gap reporting. In addition to regulatory disclosures, we also submit voluntary disclosures to EcoVadis and CDP, as outlined in the Framework Alignment Section.

SHI Corporation UK Limited recently conducted its second annual gender pay gap report in accordance with the U.K. Government’s regulations. By regularly examining and analyzing the pay disparities between genders, we can identify areas where gender biases may exist within our compensation practices. This allows SHI to implement targeted strategies to address these disparities and ensure that employees are compensated fairly for their work, regardless of gender. View our [2023 U.K. Gender Pay Gap Report](#).



Framework and standards alignment

SHI supports and participates in the following sustainability frameworks and standards:



The Sustainability Development Goals (SDGs) are a set of 17 global objectives focused on tackling issues such as poverty, hunger, education, healthcare, gender equality, clean energy, environmental conservation, and peace. They provide a framework for international cooperation to build a more sustainable and equitable world for all.

We have aligned ourselves with eight of these goals:



The United Nations Global Compact (UNGC) is a voluntary initiative that encourages businesses and organizations to adopt sustainable and socially responsible policies and practices. It provides a framework for companies to align their operations and strategies within ten universally accepted human rights, labor rights, environment, and anti-corruption principles. Signing up for the Global Compact includes a commitment to submit an annual Communication on Progress (COP) report. In 2022, SHI signed up with the UNGC and publicly declared our commitment to sustainable development and responsible business practices.



CDP is a global nonprofit that helps organizations disclose their environmental impacts, focusing on climate change, water security, and deforestation. They promote transparency and action to address environmental risks and opportunities.

SHI participates in the annual CDP climate and water assessment, and our most recent 2023 assessment results are as follows:

Climate Change score: C
Supplier Engagement score: B -
Water Security score: D



The International Financial Reporting Standards Foundation(IFRS Foundation) develops global accounting and sustainability disclosure standards, known as IFRS Standards. These include SASB’s sustainability accounting standards, which govern how companies disclose environmental, social, and governance (ESG) information to investors.

Please refer to [page 44](#) for our list of SASB standards report.



EcoVadis is a platform that assesses and rates companies’ sustainability practices. It helps businesses understand their strengths and weaknesses, benchmark against peers, build reputation, manage risks, collaborate with suppliers, and access markets. It promotes responsible business practices and sustainability integration. Every year, SHI completes an EcoVadis assessment that evaluates our business practices within four areas: environment, ethics, sustainable procurement, and labor and human rights.

EcoVadis uses a rating scale ranging from 0 to 100. The scores are based on evidence-based qualitative and quantitative factors, considering the company’s policies and practices.

This year, SHI increased our score from 52 (Bronze medal) to 62. EcoVadis awarded us our first Silver medal for our efforts.



Framework and standards alignment



The GHG Protocol is a globally recognized initiative establishing standardized frameworks for measuring and managing greenhouse gas (GHG) emissions. It covers many entities, including private and public sector operations, value chains, and mitigation actions. The GHG protocol provides comprehensive guidelines and tools to help organizations accurately measure, report, and manage their GHG emissions. SHI utilizes these guidelines to help manage and reduce our environmental impact while contributing to sustainability efforts.



Science-based targets provide companies with a clearly defined path to reduce emissions in line with the Paris Agreement goals. The Science Based Targets initiative (SBTi) provides a recognized framework for setting science-based targets aligned with the goals of the Paris Agreement. It is a collaborative initiative between several organizations, including the United Nations Global Compact (UGNC), the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

Streamlined Energy and Carbon Reporting Regulation (SECR)

Streamlined Energy and Carbon Reporting (SECR) is a mandatory reporting framework in the U.K. aimed at increasing transparency around energy consumption and carbon emissions for large organizations. It applies to U.K.-incorporated companies and limited liability partnerships (LLPs) that meet certain criteria regarding energy usage and employee count. SECR has been implemented in the U.K. to help businesses understand and manage their energy consumption and carbon emissions better. Find out more information about our report on [page 14](#).

Energy Savings Opportunity Scheme (ESOS)

Energy Savings Opportunity Scheme (ESOS) is a mandatory energy assessment scheme in the U.K. aimed at increasing energy efficiency and reducing carbon emissions for large enterprises. ESOS applies to U.K.-based organizations that meet certain criteria regarding energy usage, such as having over 250 employees or an annual turnover exceeding a specified amount. ESOS has been implemented in the U.K. to help businesses identify energy saving opportunities and improve their overall energy performance. Find out more information on [page 14](#).

Partnerships to enhance data quality

We work with third-party consultants to measure our carbon emissions data against Scope 1, 2, and specifics of Scope 3. Moving forward, we plan to include more Scope 3 data that has been recently identified as relevant to our business within our annual reports. For more information, see [page 11](#).





Appendix:

Sustainability Accounting Standards Board ("SASB") Disclosure

The Sustainability Accounting Standards Board is an independent non-profit organization that sets standards to guide the disclosure of financially material sustainability information by companies. The SASB reporting standards are sector specific, covering ESG reporting criteria for 77 different industries. Each SASB standard defines a minimum set of ESG-related topics that are reasonably likely to affect a company's long-term performance based on the industry it operates within. For SHI, the most relevant industry group is Software and IT Services. Certain accounting metrics within the SASB Standard for Software and IT Services were deemed not material or not relevant based on SHI's business model. These metrics would be explicitly omitted based on allowable justifications by SASB.

Appendix

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Material Topic	SASB Code	Accounting Metric and Disclosure
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	<i>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable</i> (1) Total Energy Consumed – 112,271 GJ (2) Percentage Grid Electricity – 91% (3) Percentage Renewable – 9% Note: <ul style="list-style-type: none">• Energy amounts were converted from kWh to GJ using standard conversion of 1 GJ = 277.8 kWh.• Percentage Renewable includes renewable energy from solar panels installed at SHI facilities.
	TC-SI-130a.2	<i>(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress</i> (1) Total water withdrawn - 16,855,683 gallons (63,806 cubic meters) (2) 0% from regions with High or Extremely High Baseline Water Stress Note: <ul style="list-style-type: none">• Using the WRI Aqueduct tool, SHI determined that SHI locations with water metrics (addresses in New Jersey and Texas) do not fall in the High or Extremely High Baseline Water Stress range. SHI determined that their locations with water metrics (addresses in New Jersey and Texas) do not fall in the High or Extremely High Baseline Water Stress range..• New Jersey locations are Medium – High (20-40%)• Texas locations are Low – Medium (10-20%)
	TC-SI-130a.3	<i>Discussion of the integration of environmental considerations into strategic planning for data center needs</i> Omitted – This metric is not relevant to SHI’s operation.

Appendix

Table 1. Sustainability Disclosure Topics & Accounting Metrics (continued)

Material Topic	SASB Code	Accounting Metric and Disclosure
Data Privacy & Freedom of Expression	TC-SI-220a.1	<i>Description of policies and practices relating to behavioral advertising and user privacy</i> SHI’s Data Privacy program is compliant with state and global Data Privacy laws and regulations, including the California Consumer Privacy Act (CCPA) and General Data Protection Regulation (GDPR). <ul style="list-style-type: none">• SHI designates a Data Protection Representative to oversee the Data Privacy program.• SHI regularly engages a multi-national law firm to ensure our policies and procedures remain compliant with updates to Data Privacy laws and regulations.• SHI provides consumers certain rights with respect to their personal information. These rights include the rights to deletion, to be informed, to opt out, to access, to have data portability, and not to be subject to discrimination for the exercise of these rights.• Where SHI has been engaged by our corporate customers to process personal information on behalf of the corporate customer, SHI’s Terms and Conditions include Data Protection Agreements as applicable to the services.• SHI identifies operational vendors with whom SHI shares personal information and signs Data Protection Agreements with these vendors as applicable to the services.
	TC-SI-220a.2	<i>Number of users whose information is used for secondary purposes</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-220a.3	<i>Total amount of monetary losses as a result of legal proceedings associated with user privacy</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-220a.4	<i>(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-220a.5	<i>List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring</i> Omitted – This metric is not relevant to SHI’s operations.
Data Security	TC-SI-230a.1	<i>1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-230a.2	<i>Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards</i> See Cybersecurity and Data Privacy under the Governance section of this report.

Appendix

Table 1. Sustainability Disclosure Topics & Accounting Metrics (continued)

Material Topic	SASB Code	Accounting Metric and Disclosure
Recruiting & Managing a Global, Diverse and Skilled Workforce	TC-SI-330a.1	<i>Percentage of employees that are (1) foreign nationals and (2) located offshore</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-330a.2	<i>Employee engagement as a percentage</i> SHI performs annual employee engagement surveys through Glint. Employee participation in 2023 was 70%, up from 63% in 2022.
	TC-SI-330a.3	Percentage of people managers with one or more racial/ethnic backgrounds: 23% Percentage of people managers who identify as female: 32% Percentage of technical staff with one or more racial/ethnic backgrounds: 63% Percentage of technical staff who identify as female: 7% Percentage of all other employees with one or more racial/ethnic backgrounds: 33% Percentage of all other employees who identify as female: 36%
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	<i>Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations</i> Omitted – This metric is not relevant to SHI’s operations.

Appendix

Table 1. Sustainability Disclosure Topics & Accounting Metrics (continued)

Material Topic	SASB Code	Accounting Metric and Disclosure
Managing Systematic Risks from Technology Disruptions	TC-SI-550a.1	<i>Number of (1) performance issues and (2) service disruptions; (3) total customer downtime</i> Omitted – This metric is not relevant to SHI’s operations.
	TC-SI-550a.2	<i>Description of business continuity risks related to disruptions of operations</i> SHI has dedicated resources to support its contingency planning and disaster recovery program. Key features of SHI’s planning process include alternate physical site location and preparedness, human capital resource planning and coverage models, network and telecommunications accessibility, critical system backup and recovery, and supplier/third-party agreements. The business continuity management (BCM) program consists of policies that govern the health and validity of the framework. The policies and guidelines align to ISO 22301 and incorporate industry best practices. See Cybersecurity and Data Privacy and Risk Management under Governance section of this report for further details.

Table 2. Activity Metrics

SASB Code	Activity Metric and Disclosure
TC-SI-000.A	<i>(1) Number of licenses or subscriptions, (2) percentage cloud based</i> Omitted – This metric is not relevant to SHI’s operations.
TC-SI-000.B	<i>(1) Data processing capacity, (2) percentage outsourced</i> Omitted – This metric is not relevant to SHI’s operations.
TC-SI-000.C	<i>(1) Amount of data storage, (2) percentage outsourced</i> Omitted – This metric is not relevant to SHI’s operations.

Appendix

Table 3. Waste Metrics

Other	Activity Metric and Disclosure
Waste Management	Total weight of waste: 814 tons Total weight of general waste: 446 tons Total weight of hazardous waste: 0 tons Total weight of waste recycled: 368 tons Total weight of WEEE-waste collected: 59.7 tons

Table 4. Accidents and Injuries

Other	Activity Metric and Disclosure
SHI Global Accident and Injury Stats	Lost time injury (LTI) frequency rate for direct workforce: 0.6 Lost time injury (LTI) frequency rate for temporary workers: 0.0 Lost time injury (LTI) severity rate for direct workforce: 1.0 Lost time injury (LTI) severity rate for temporary workers: 0.0 Number of days lost to work-related injuries, fatalities, and ill health: 101 Number of fatalities as a result of work-related injuries and ill health: 0 % of all operational sites for which an employee health & safety risk assessment has been conducted: 100%