



Accelerate the global net zero

Environmental and Energy Transition Policy

June 2024



Sustainability is embedded in Sonepar's long term strategy.

Business has been engaged on climate issues for some years now, but in truth the scorecard is mixed. Efforts range from outright greenwashing to pioneering revolutionary new materials and short economic circuits. We must learn from younger generations. It is they who have grasped the fact that climate change needs rapid and concerted action by everyone concerned – government, regulators, business, and consumers. Today, Sonepar is the world No. 1 in sales of energy-efficient products. Our responsibility as the world's leading electrical distributor is to grasp the big picture – and help bring about more radical and coordinated change.

In our sector, the green materials and technologies we need to drastically reduce emissions already exist – it is more a question of adopting them. Sonepar is well placed here too: we operate across 40 countries and 2,400 branches – which gives us global impact. In addition, we are privately held – so our shareholders are focused on the long term; and we have a committed workforce of 45,000 associates – who represent collectively Sonepar's core strength.

Our strategy is to leverage this key position of influence, at the heart of the B2B electrical ecosystem to champion more sustainable offerings from our suppliers, and to educate and empower our associates as they encourage our clients and their customers to adopt solutions that are better for the planet.

In 2023, Sonepar launched its purpose: Powering Progress for Future Generations. As part of this launch, Sonepar announced six bold commitments that will make our Purpose more concrete. Three group-wide bold commitments, engaging associates and stakeholders concern sustainability: Product Circularity, Sustainable Customer Journey and Continuous Education.

We are Sonepar. Powered by Difference.

Matt Potheary

Chief Communications
Officer & Sustainability



Tanguy Griffon

VP Group Sustainability
& Energy Transition



Committed to a sustainable future.

Climate Change is the most pressing challenge facing society today.

As suppliers to the building and industrial sectors, the largest emitters of CO₂, the electrical industry has a central role in reducing emissions.

At Sonepar, we are committed to a sustainable future and can all contribute to the greater good.

Until CO₂ removal technologies are scalable, electrification, renewables and energy efficiency are our most valuable allies. Sonepar, the world's leading electrical distributor, is perfectly positioned to accelerate the adoption of these solutions towards achieving Global Net Zero. Resources are also finite and becoming increasingly scarce.

This presents a unique opportunity for the Group to become a hub of circularity and create new business models with manufacturers to extend product life.

We can act with confidence; our family shareholders, especially the young generation, are united in their desire for Sonepar to lead by example, so we aim to reduce our buildings and fleets impact, develop a sustainable culture, and promote most sustainable solutions and services across our 40 countries.

To achieve our ambition, we foster collaboration with suppliers, customers, and experts to enhance transparency in environmental impacts, thus helping customers to make more informed decisions, and suppliers to enhance their eco-designed solutions. We are grateful to all our associates for their commitment to drive change and make Sonepar a leader in the field. We will maintain a constant focus on developing our expertise and innovating to drive most sustainable solutions to market and make a lasting impact for generations to come.

Sonepar's Vision



Sonepar wants to leverage its leadership as an electrical distributor to help reduce the carbon footprint of its value chain.



The Group is well positioned to **promote and develop sales of renewable and energy-efficient solutions** that are better for the environment. Sonepar aims to become the world's leading electrical distributor **accelerating the market adoption of clean energy solutions, a circular economy and net zero emissions.**

The Group plans to achieve its goal by working with its **entire portfolio of customers**, the world's leading electrical equipment manufacturers, and by motivating its 45,000 associates across its value chain to **accelerate the implementation of its Global Net Zero Standard program.**

Sonepar aims to **reduce its CO₂ emissions** in order to meet the science-based targets set to hold temperature rise below 1.5°C and to **develop circularity** throughout the product life cycle to reduce waste.

Group Sustainability Governance



 Since 2019, Sonepar has created a network in every country to achieve its sustainability goals

Sonepar has set up a dedicated department to manage the Group's sustainability strategy. Its environmental policy applies to the 45,000 associates present in 40 countries.

The **VP Group Sustainability and Energy Transition** coordinates actions under the supervision of the **Chief Communications and Sustainability Officer**, who is a member of the **Executive Committee**.

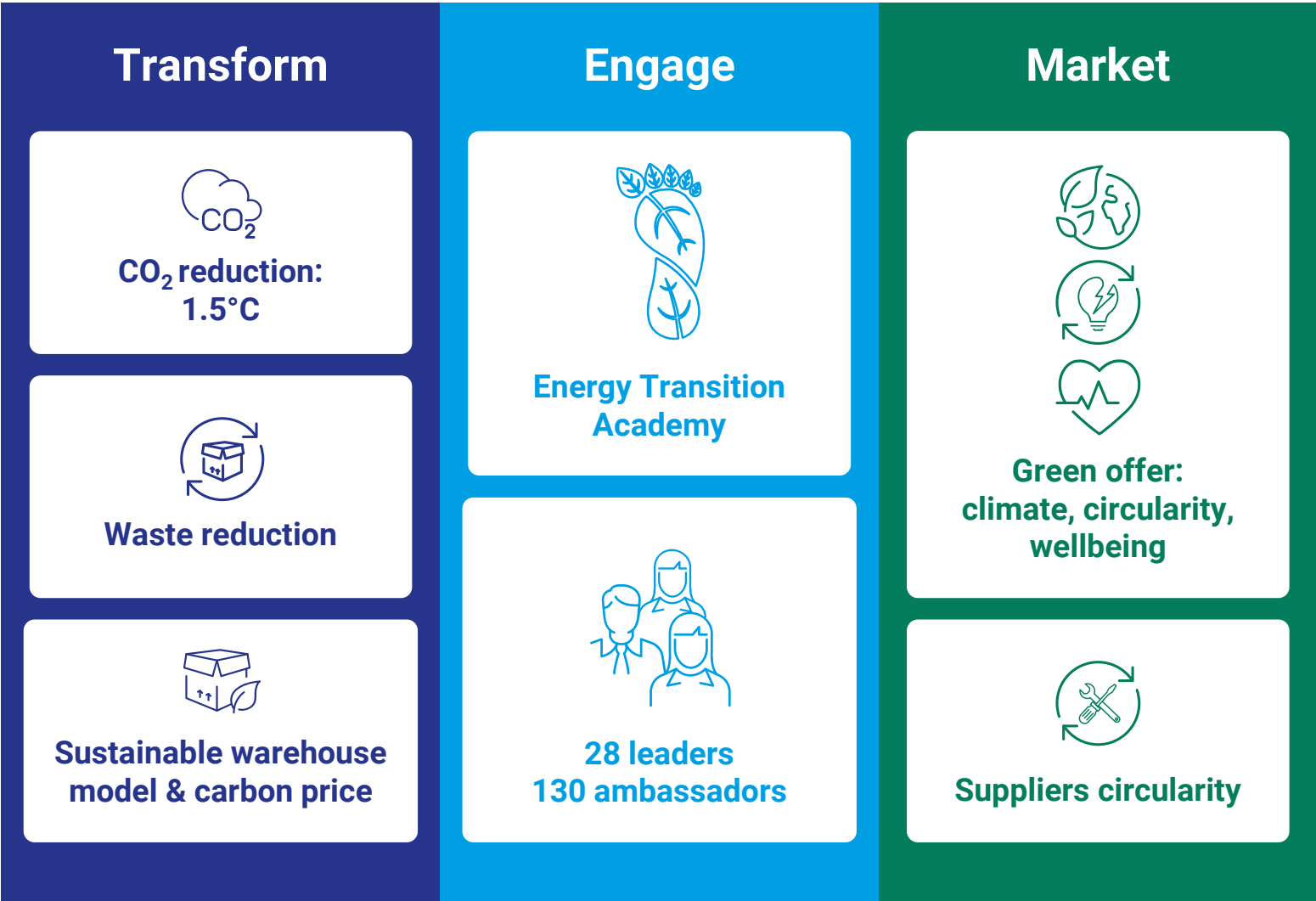
At a local level, the **Company Executives** report on the commitments, action plans and results of the "Planet" pillar of the **Impact strategic plan** at Country Board meetings.

The Group has brought together a network of **28 internal experts** worldwide to form the **Sustainability Leadership Committee (SLC)**.

Twice a year, the **VP Group Sustainability and Energy Transition** presents the current progress towards set goals to all Group **Company Executives** to engage their support on targets, strategic priorities, and action plans in order to make the Group's vision a reality.

The strategy is also presented to the **Corporate Board** once a year.

Sustainability Strategy



The Group’s positioning is clearly reflected in its three goals set as part of its 2028 strategic plan:

Transform

To reduce its impacts and take steps towards achieving the Net-Zero Standard group CO₂ and waste reduction targets.









Engage

By training its 45,000 associates, especially to advise customers and encourage them to improve their practice.

Market

With the launch of a Green Offer, the first-ever solution to help customers reduce their impacts and remain a leader in the B-to-B sale of energy-efficient products.

Our commitments: Group Priorities and Ambition

Market Promoting sustainable consumption	   	Sonepar's Green Offer	Launched in all countries onboarded on Sonepar's omnichannel platform by 2026
			By 2028, Sonepar intends to provide each customer with the lowest CO2 alternative for every quotation
Engage With our Stakeholders towards a more sustainable future		Energy transition academy	100% of our associates trained on our modules on CO ₂ footprint and Circularity.
		Annual sustainability trainings	100% of associates by 2028
		Sales force trained on sustainable solutions	100% of sales force by 2028
Transform Reducing our carbon footprint	 	Green electricity	85% of electricity consumption by 2030
		Own renewables production	15% of electricity consumption by 2030
		Low carbon cars	100% of company cars with low carbon technologies by 2030
		LED lighting	100% deployed by 2025
		Buildings with energy management system	100% of buildings using energy management systems by 2030
Transform Becoming a circular hub		Waste recovery ratio	100% waste recovery from CDCs (0 landfill) by 2030
		Recycled packaging purchase	100% by 2028
		Returned product recycled or resold via circular service	100% by 2028

Sustainability Strategy: Transform



Reduce impacts and take steps towards the Net-Zero Standard.

Sonepar wants to set an example for its customers and implement technologies that reduce its impacts. Sonepar focuses on reducing its carbon footprint, which propels the Group to reduce waste and define a roadmap in line with the 1.5°C target validated by the Science Based Target initiative.



100% Green electricity including 15% of own production by 2030

Sonepar aims to consume 100% of green electricity across its operations. This includes electricity from green providers or from its own production for at least 15%.



100% Low Carbon Cars by 2030

Sonepar's goal is to have 100% low carbon cars in its internal fleet: electric, plug-in hybrid or ethanol.



The lowest CO₂ alternative in each quotation by 2028

Sonepar's goal is to transform its supply chain to promote products with environmental performance throughout its omnichannel.



100% Energy management By 2030

Sonepar intends to have an energy management system in 100% of its warehouses in order to better manage and control the energy consumption.



100% LED Lighting by 2025

Sonepar plans to have 100% LED lighting in every building.

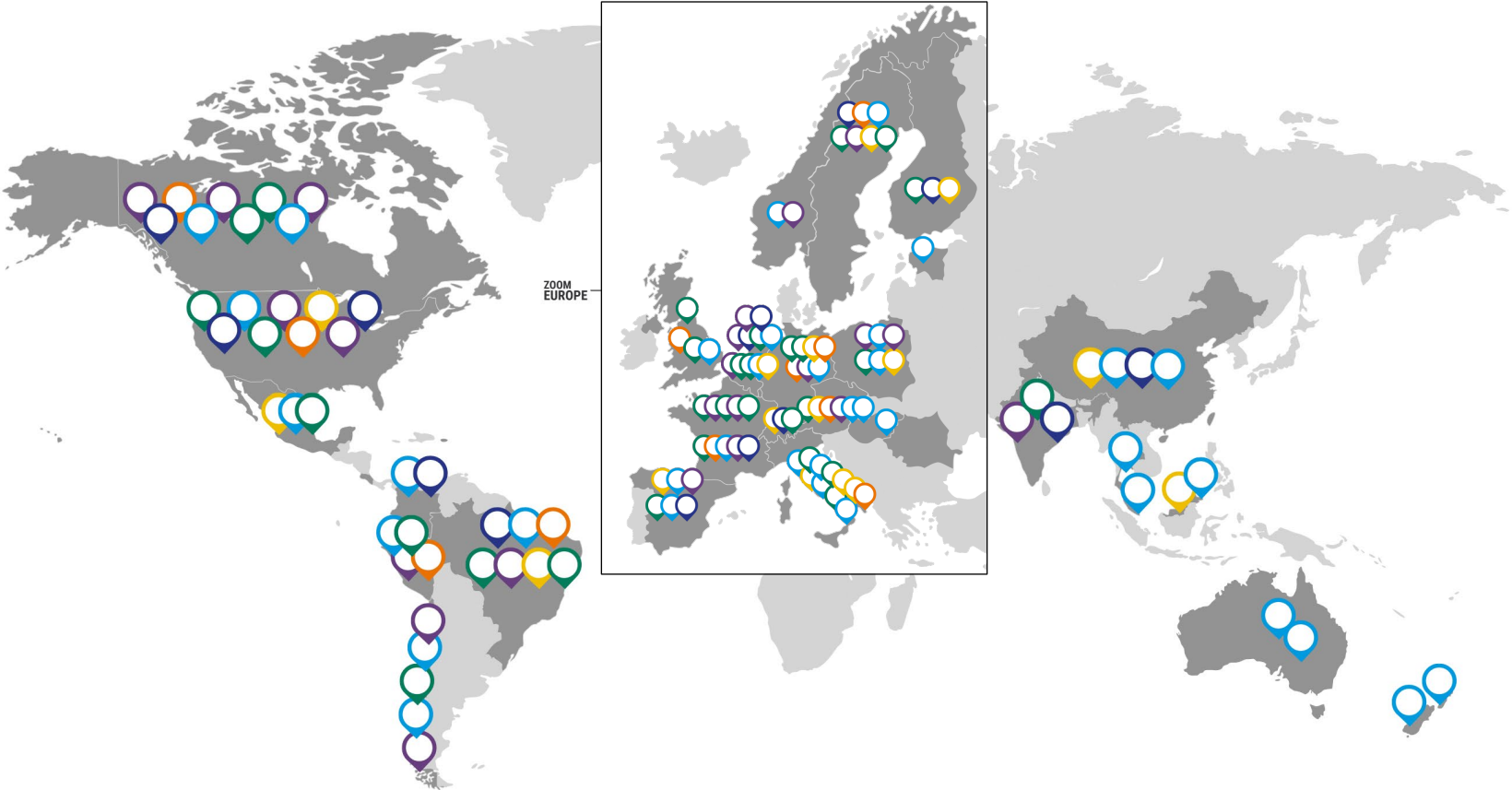


100% Waste recycling in warehouses by 2030

Sonepar targets 100% of waste recycling in warehouses.

These actions are priorities that must be taken by every country in the Group.

Focus on **our main actions** within Sonepar





All countries and associates take part into this initiative and act towards these objectives.

More than **200 initiatives** already in place are available here:


 [Sustainability Initiatives](#)

Sustainability Strategy: Science Based Targets initiative (SBTi)


Scope 1 & 2
197 KTCO₂e (0.4%)




Internal fleet



Energy and refrigerants



Electricity

 -46.2% by 2030

In December 2022, the Group joined the Science Based Targets initiative (SBTi) and pledged to set carbon reduction targets in line with the Paris Agreement to limit global warming to 1.5°C. The Group has since set 2030 carbon reduction targets for Scopes 1, 2 and 3.



**Total scope 1, 2 & 3
Group emissions:**
55,411 KTCO₂e

Scope 3 upstream
1,729 KTCO₂e (3.1%)



Packaging and waste



Commuting



Resource extraction



Upstream logistics





Product purchases




Immobilization

 -13.5% by 2030


Scope 3 downstream
53,485 KTCO₂e (96.5%)



Third-party logistics



Use of sold products



Products end-of-life

 -13.5% by 2030
2019 - baseline

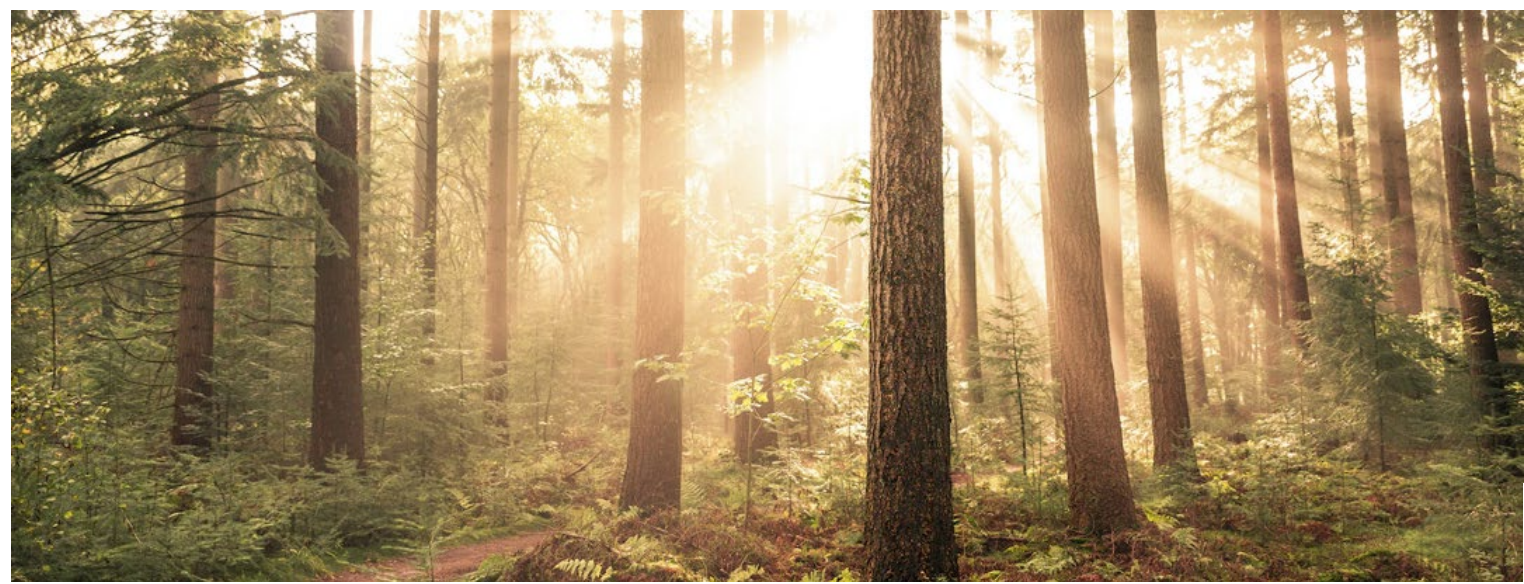
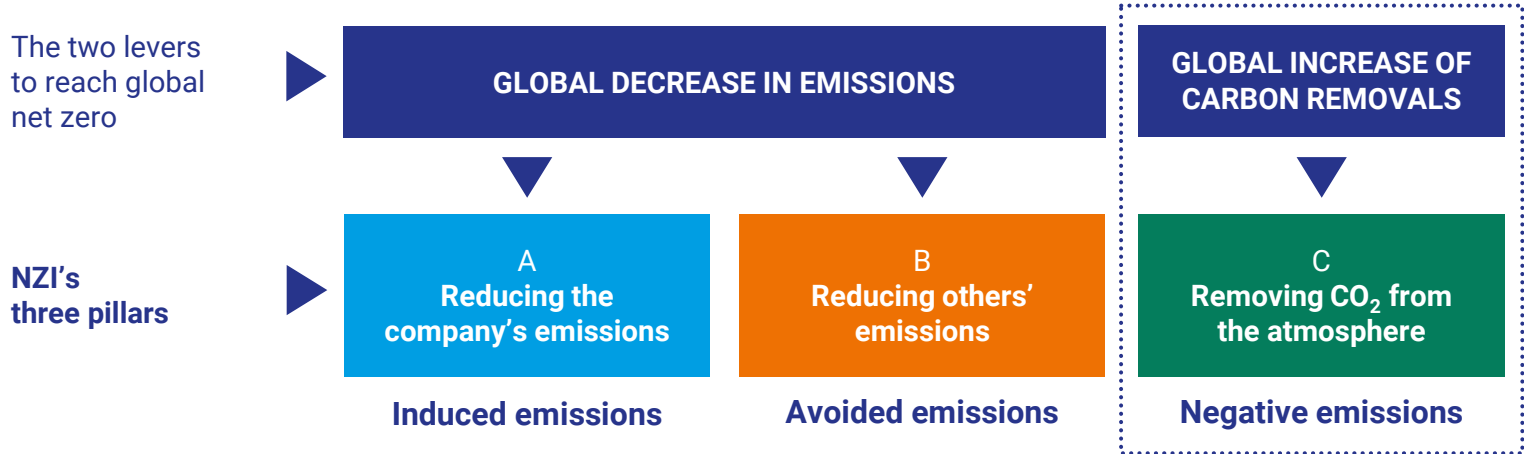
Carbon Removals

Sonepar is working to reduce its carbon impact by following the principles of the Net Zero Initiative (NZI).

It is a unique framework for the private sector to work towards the only meaningful carbon neutrality: that of the planet.

Sonepar is focusing its strategy primarily on reductions and avoided emissions. To contribute on a voluntary basis, countries should select nature-based (forestry, mangrove), multi-impact projects combining climate, biodiversity, and socio-economic benefits.

These projects should pass the five criteria of Additionality, Measurability, Permanence, Unicity, Transparency and Verifiability.





Biosphere integrity including Biodiversity loss and extinction is one of the nine **planet boundaries** which is at very high risk today. The impact of human activities in the past 50 years has increased the **risk of abrupt and irreversible changes**.

Sonepar has a **role to play** to limit its impact on ecosystems and biodiversity loss.

In 2023, the group launched a **biodiversity screening** on its activities to evaluate those that are most impactful.

The methodology used is based on the Science Based Targets Network which

extends the SBTi's scope with an emphasis on nature in **5-steps**: Assess, Interpret & Prioritize, Measure set & disclose, Act, Track.

The main impacts from the initial screening are coming from:

- **Climate change** due to emissions
- **Water and land use, water and soil pollutants** due to raw material extraction, especially rare metals, and manufacturing

To reduce impacts or contribute, the next step is to guide and support countries proposing impactful initiatives on a voluntary basis on four areas:

Circularity
services

Green Offer

CO₂, packaging
and waste
reduction

Biodiversity
contribution

Water and Air Pollution



Due to the nature of most of its processes, water is not generally a critical resource for Sonepar. As a retailer, the group has very few emissions linked to **highly polluting industrial processes**.

Sonepar strongly engages its associates to “**respect the environment in conducting Sonepar’s business activities**,” and suppliers to “respect their environment and work to minimize environmental impacts linked to their activities.”

Water consumption is part of the **Key Performance Indicators** reported in the CSR report.

An aerial photograph of a large, circular, concrete-lined well. The well is filled with dark water. A group of approximately 20 children are sitting on the concrete rim of the well, looking down into the water. The surrounding ground is dry and dusty. A blue rectangular box is overlaid on the right side of the image, containing white text.

Water and air pollution

are two of the biggest challenges we need to face today.



ENERGY TRANSITION ACADEMY
SUSTAINABILITY



We aim to train Sonepar's

45,000

associates to promote best practices.




ENERGY TRANSITION ACADEMY
CIRCULARITY



Sonepar has developed the **Energy Transition Academy**, which aims to accelerate a change in corporate culture by creating a generation of responsible, driven advocates, and educating all associates. The Academy will eventually be opened to Sonepar's customers.

In 2023, **73%** of our associates have been trained on Sustainability and **79%** on Circularity (launched on June 1st).




Continuous Education

Sonepar intends to provide annual sustainability training for all associates. Our salesforce will be the best trained in the electrical distribution industry to promote sustainable solutions.

Sustainability Strategy: Green Offer



Sonepar has developed its **Green Offer**, a methodology and **environmental indicator** that customers can use to compare a product's CO₂ rating and therefore reduce their impact by choosing the **most sustainable products and solutions**.



Sonepar's Purpose Commitment:


Sustainable Customer Journey

By 2028, Sonepar intends to provide each customer with the lowest CO2 alternative for every quotation.

This **unique methodology** is based on four pillars:


01

Product-level granularity

Click to find out more 


02

Whole life emissions figures

Click to find out more 


03

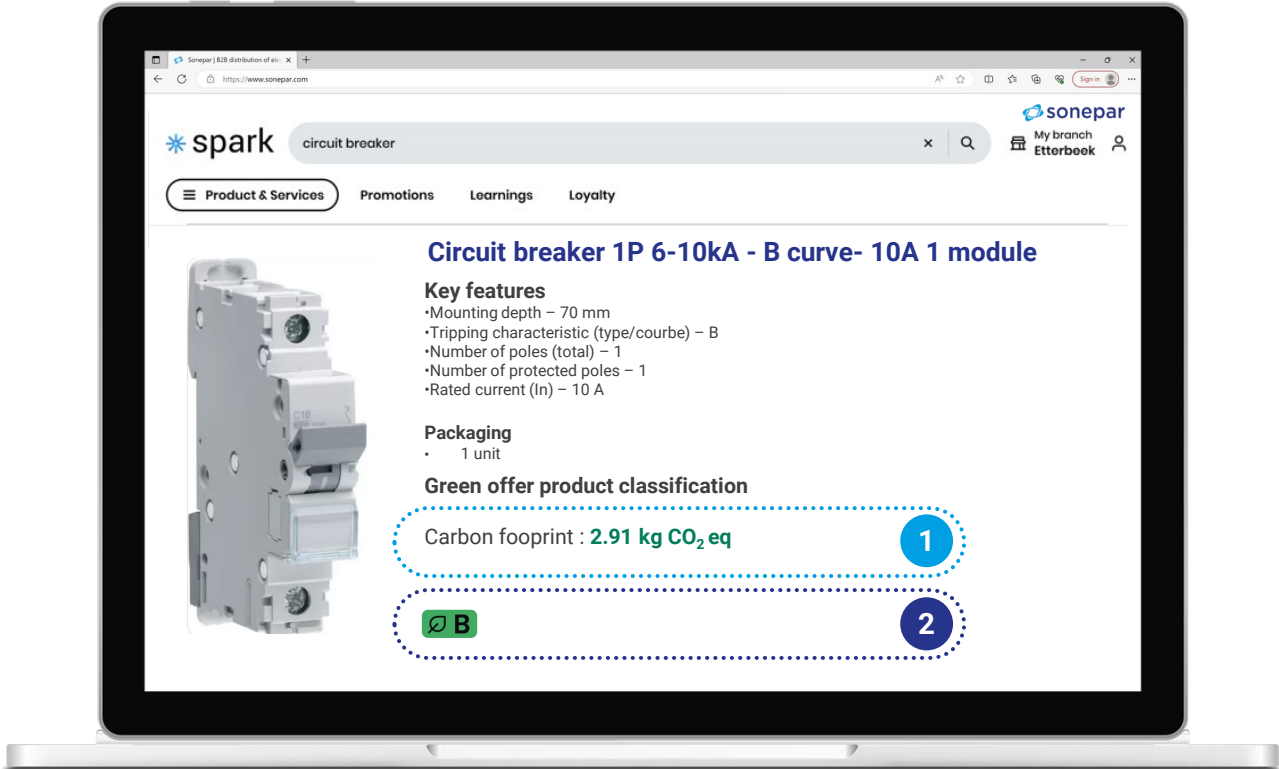
Like-for-like comparison

Click to find out more 

04

Independently verified methodology

Click to find out more 



1

Product CO₂ footprint

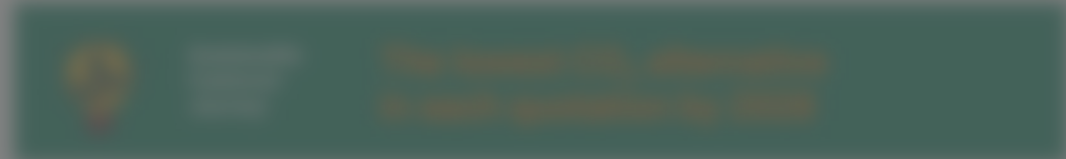
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Classification



Sustainability Strategy Green Offer

Sonepar has developed the Green Offer, a methodology and communication initiative that contributes to the company's commitment to reducing its carbon footprint and promoting the most sustainable products and solutions.



This unique methodology is based on two pillars:

01
Product-level
granularity

Click to find out more

02
Carbon footprint
reduction

03
Sustainable
products



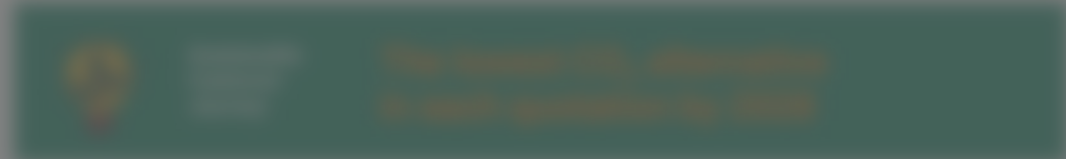
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Product-level granularity

Sonepar's Green Offer methodology calculates emissions directly at product level. This enables customers to compare products based on their emissions. It also allows them to measure their project footprint by aggregating products' impacts.

Sustainability Strategy Green Offer

Sonepar has developed its Green Offer, a methodology and methodology indicator that considers the entire lifecycle of products, from design and production to usage and end-of-life, allowing the most sustainable products and solutions.



This unique methodology is based on five pillars:

- 01 Product and services
- 02 Whole life emissions figures
- 03 Life cycle cost
- 04 Sustainability metrics

02 Whole life emissions figures

Click to find out more



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Whole life emissions figures

Sonepar's Green Offer methodology covers the entire lifecycle, including manufacturing, transport, usage and end-of-life.


Discover how Sonepar's Green Offer, a methodology and environmental declaration that harmonizes data on the environmental impact of products, allows our customers to compare the impact of choosing the most sustainable products and solutions.



This unique methodology is based on two pillars:

03

Like-for-like comparison

Click to find out more 

Product and service

Technical features

Environmental declaration

Environmental impact

Environmental declaration

Environmental impact

Environmental declaration

Environmental impact



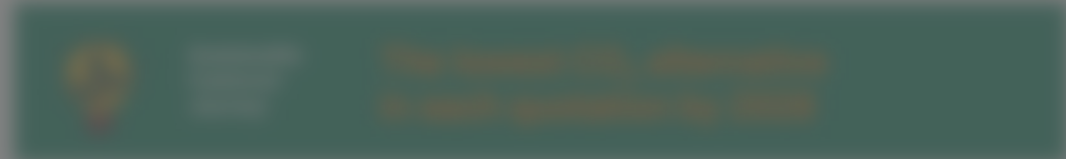
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Like-for-like comparison

The suppliers provides Sonepar their environmental product declarations and their products' technical features.

The Green Offer methodology allows to harmonize this data. As a result, customers can compare two products on an equivalent basis.

Sonepar has developed the Green Offer, a methodology and environmental indicator that enables you to quantify a product's CO₂ saving and therefore reduce the impact of choosing the most sustainable products and solutions.



This unique methodology is based on five pillars:

1. Product and service

2. Energy efficiency

3. Carbon footprint

4. **Independently verified methodology**

5. Social and environmental impact

Click to find out more



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Independently verified methodology

While the result of the Green Offer is a simple environmental indicator, its production requires complex data and calculations. Sonepar's methodology has been meticulously and independently verified by Bureau Veritas.



The **Customer Impact Tracker** can track the CO₂ of purchased goods and services every quarter and provide customers with detailed reports. The methodology is based on LifeCycle assessment. Therefore, customers can reduce their impact by prioritizing the product families with the lowest emissions.

In its development strategy, Sonepar focuses on developing environmentally responsible products to accelerate the energy transition.

In 2023, Sonepar generated **€2.2 billion** in sales of renewable energy products and €2.8 billion in sales of energy efficient solutions.



Sustainable Strategy: **Circularity Services**



Sonepar has a **global network** of 180 distribution centers and warehouses as well as 2,400 branches, which represent “**points of contact**” through which the Group offers its customers services that support the circular economy.

Sonepar involves its associates involved in developing with **sustainable actions and solutions** for customers to give products a second life. This includes product collection for recycling, product repair service, pilot project to sell second-hand products. Sonepar wants to **accelerate partnerships with suppliers** to better structure waste collection and develop new models to **extend the product’s life within its value chain**.

Sonepar’s Purpose Commitment:



Product
Circularity

By 2028, Sonepar intends to use 100% of packaging coming from recycled materials and to recycle 100% of products returned to Sonepar by customers.

Some examples for our customers in the building sector...



**RENEWABLE
ENERGY**

The installer **returns** the PV panels to Sonepar, who stores them in a **dedicated bin**.

The partner comes to Sonepar to collect the bin when it is full and recycles the materials.

... and the industry



**INDUSTRIAL
CONTROLS &
AUTOMATION**

When a product malfunctions, a customer can ask for an onsite service to **maintain, repair, refurbish**, or even bring the product to the **repair center**.

Sonepar’s dedicated brand-certified technicians repair, remanufacture, or refurbish products.

Issues

Sonepar occupies a leading position, offering a diversified range of products and solutions comprising up to **100,000 products available from branches and distribution centers** across numerous countries.

It is imperative to place **product compliance and safety at the heart of Sonepar's concerns**. This is crucial not only for customer and end-user satisfaction, but also to respect the environment.

Governance

Sonepar is committed to complying with current local and international regulatory requirements.

In 2022, Sonepar Global Sourcing was created with the mission of leading the strategic development of own brands while improving the supply chain and services offered to customers. Sonepar has also chosen to market products that meet sustainability standards. The use of innovative, recycled and renewable materials in the manufacture of products and their packaging is a priority.

Regulations

Sonepar attaches great importance to compliance with environmental regulations, in particular the **Restriction of Hazardous Substances** (RoHS) directive and the **Registration, Evaluation, Authorization, and Restriction of Chemicals** (REACH) regulation.

These regulations aim to ensure a high level of health and environmental protection by encouraging the adoption of alternative methods for assessing the risks of hazardous substances in products. It is the responsibility of manufacturers, importers and downstream users to ensure that the substances they use present no risk to human health or the environment.

Action plans

Evaluation questionnaires are sent to suppliers at the customer's request, guaranteeing **transparency throughout the supply chain**.

Partnerships



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

WE SUPPORT



PEP
eco
PASS
PORT

ecovadis

Transform

The baseline year for the 2030 targets is 2019. Sonepar uses a **market-based** method to calculate and report **Scope 2 GHG emissions**.

Location based approach	Market based approach
reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data)	reflects emissions from electricity that companies have purposefully chosen (Renewable Energy Certificates, PPA)

Sonepar follows the GHG protocol to report its emissions. CO₂ data collection is managed both locally by **Sustainability leaders** and at Group level for the products and immobilization categories. Some data can be estimated when not available at the moment of the reporting.

Global Net Zero:
Net Zero means reducing Scope 1,2,3 emissions as much as possible close to zero and making a contribution to the remaining emissions with carbon removal projects. The Global Net Zero is only relevant at a Planetary level.
[Net Zero Initiative \(net-zero-initiative.com\)](https://net-zero-initiative.com)

Market

The Green offer starts with **Sonepar's suppliers**, some of which already have data on emissions for Environmental Product Declarations or Life Cycle Assessments. They share this data with Sonepar, which ensures data is complete for all steps in the lifecycle. Sonepar takes this data and applies its own rigorously developed methodology – validated by Bureau Veritas – to get a comparable **calculation of equivalent CO₂ (CO₂ eq) for the product over its whole lifecycle**. The figure is then converted into an indicator, rating the product as **C, B, or A**, which correspond to “good”, “better”, or “best”.
The carbon footprint unit is in **kgCO₂ eq** which includes CO₂ but also other greenhouse gases recommended by the IPCC (Third Assessment Report, 2001).
[Sonepar's Green Offer](#)

This Environmental Policy is to be revised regularly when significant change is required.

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