Dell Technologies (Dell)

	GHG EMISSIONS	WATER
ACKNOWLEDGE	●●●●	●●○○
PRIORITISE	●○○○	●○○○
SET STRATEGY & GOALS	●●○○	●○○○
TRACK	●○○○	●○○○

Background on Dell

Dell is an American multinational information technology company that was founded in 2016 and is headquartered in Round Rock, Texas. The company was formed through a merger between Dell Inc. and EMC Corporation. Dell's portfolio includes personal computers, servers, smartphones, television manufacturing, computer software, computer and network security, and other information security services. It operates globally and employed 140,000 people in 2016. It reported revenues of US$74 billion in 2016 and is publicly listed on the New York Stock Exchange.

How did Dell come to start thinking about context?

Dell began reviewing its approach to sustainability in early 2011 and quickly realised that it was being more reactive to key socio-ecological issues as opposed to being proactive[1]. Up until this point it had been setting sustainability goals, but those goals were set in silos, on different time frames and they had not been related to each other by an underlying strategy[1]. This realisation led to the launch of Dell's 2020 Legacy of Good Plan in 2012 that aimed to bring together its sustainability strategy and to set a trajectory for how socio-ecological issues would be addressed going forward[2]. The plan included 21 strategic goals, bounded by an end date of 2020, that covered all aspects of Dell's impacts on the planet[2]. Having now set these 21 strategic goals, Dell spent the rest of 2012 and 2013 developing the goals and eventually got executive approval in October 2013[1]. At the time, David Lear, Dell's executive Director of Sustainability, commented that "the company's 'capstone goal' was to understand the net positive value of information technology — proving that the value its customers gain from IT

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[1] Science-Based Targets (2016). Case Study: Dell. Accessed at:
    http://sciencebasedtargets.org/case-studies/case-study-dell/
[2] Dell (n.d.) Dell 2020 Legacy of Good Plan. Accessed at: http://
    www.dell.com/learn/us/en/uscorp1/2020-goals

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solutions are 10 times greater than the footprint of the technology[3]." For Dell, the concept of net positive meant it aimed to be an organisation that put more back into society and the environment than it took out[4].

Then in 2015, as part of Dell's review of its strategy on climate change, the company presented the work it had been doing around its GHG emissions goals to CDP and WWF to understand if this work would be consistent with the requirements for assessment set out by the Science-Based Targets initiative, which it was[1]. Later that year, Dell signed on to the We Mean Business coalition and the American Business Act on Climate pledge[5].

In 2016, Dell became a founding member of the Net Positive Project, an organisation aimed at bringing Forum for the Future, Center for Technology and Sustainability, and SHINE together to encourage more effective collaboration that advanced net positive thinking[4]. David Lear commented that this initiative formed part of Dell's broader goal to "facilitate the creation and standardisation of definitions and tools relating to the net positive movement, to avoid divergence on the subject as the 'immature science' continues to take shape[3]."
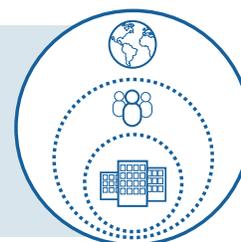
What does context look like at Dell?

1 ACKNOWLEDGE the need to operate within global, regional, and/or local socio-ecological thresholds.

GHG EMISSIONS ● ● ● ●   WATER ● ● ○ ○

GHG emissions: Dell acknowledges that climate change is real and that the effects caused by climate change should be mitigated through the reduction of global emissions to levels that are guided by science[5]. Dell also acknowledges that businesses need to help tackle this serious long-term challenge[1]. Dell is committed to minimising the impacts of its business operations and those of its value chain[5]. This commitment means reducing its own GHG emissions while helping its customers and value chain reduce their impacts on this threshold.

Water: Dell acknowledges that water stress and scarcity is an enormous threat to humans, plants, and animals and is therefore committed to reducing its use of water, especially in water-stressed areas[4]. Dell has acknowledged the importance of this threshold but it does not yet commit to operating within the limits of the threshold and does not outline its intention to support its value chain in adhering to the limits of the threshold.

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[3] Sustainable Brands (2015). Dell on Mission to Measure Net Positive Impact of IT on Education, Healthcare, Logistics and Beyond. Accessed at: http://www.sustainablebrands. com/news_and_views/ict_big_data/jennifer_elks/dell_mission_measure_net_positive_ impact_it_education_heal

[4] Dell (2016). FY16 Corporate Social Responsibility Report. Accessed at: http://i.dell.com/ sites/doccontent/corporate/corp-comm/en/Documents/fy16-cr-report.pdf

[5]   Dell (n.d.). Reducing our Impact. Accessed at: http://www.dell.com/learn/us/en/uscorp1/ dell-environment-sustainable-operations?c=us&l=en&s=corp&cs=uscorp1

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Other thresholds: Dell acknowledges other socio-ecological issues including waste and energy but does not yet discuss them with reference to thresholds.

2 Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.

GHG EMISSIONS ● ○ ○ ○   WATER ● ○ ○ ○

Dell uses what we would describe as a "classic" approach to materiality whereby it identifies and prioritises its material issues based primarily on the importance of the issue to both its internal and external stakeholders, rather than by the extent of its impact on the corresponding socio-ecological threshold[1].

GHG emission: Dell discusses how it is working to develop its understanding of the impacts that it has on this ecological threshold to better allow it to manage its impacts. However, Dell believes that has a greater opportunity to indirectly support wider reductions of impacts on this threshold by being a provider of technology that can drive research, innovation, and meaningful action[5]. David Lear commented that Dell is "very aware of the role technology plays in effective strategies to address the causes and consequences of climate change. We look forward to collaborating with customers, suppliers and partners who are undertaking the same journey[6]."

Water: Dell outlines how it uses water and how it impacts water quality through the activities of its business operations. Dell describes its progress on water as being slow, steady, and incremental, and with a focus on areas that show high or extreme water stress[1]. Dell has committed to explore how it can more effectively account for its water-related footprint within its decision-making process; however, it has not yet outlined how this will be achieved[4]. The company does explain that most of its impacts on this threshold come from the business operations of its value chain and that it is working with them to develop reduction plans and mitigation strategies[4].

Other thresholds: Dell prioritises other socio-ecological issues including waste and energy but does not yet discuss the associated thresholds.

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[6] Science-Based Targets (2015). Companies Commit to Set Ambitious Science-Based Emissions Reduction Targets, Surpassing Goal. Accessed at: http://sciencebasedtargets.org/2015/12/08/114-companies-commit-to-set-ambitious-science-based-emissions-reduction-targets-surpassing-goal/

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3 **SET STRATEGY AND GOALS** by transparently articulating the current performance gap and what portion of this gap the business will address.
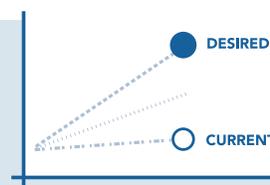
GHG EMISSIONS   ● ● ○ ○   WATER   ● ○ ○ ○

GHG emission: **Dell commits to reducing its GHG emissions by 50% from its direct operations (Scope 1 and 2) using a 2010 base-year[1]. Dell additionally commits to reducing the energy intensity of its product portfolio 80% by 2020, using a 2011 base-year[1].** Dell described the process of setting its own GHG emission goal as relatively simple, but setting a downstream goal that affected its value chain was more challenging[1]. The company decided to set an energy intensity goal for its products, rather than a GHG emissions goal, on the basis that the former can be used as a proxy for the latter. While Dell has set a contextual GHG emissions goal, it has not yet outlined the rationale or assumptions that it used to develop it. Dell cites challenges around the sensitivity of information and the data behind the targets as the main reason for it not outlining its approach to setting the goal[1]. Dell has not outlined how this goal specifically applies to its value chain or how it will work to support them in adhering to the limits of this threshold.

Water: Dell commits to reusing or reducing its use of fresh water in water stressed regions by 20% by 2020[7]. This goal is not contextual as Dell has yet to outline how it is beginning to understand the threshold and the gap between its current performance and the performance that is needed to operate within the limits of this threshold. Dell acknowledges that much of its water impacts are a result of activities carried out by its value chain but has yet to set a goal to cover these.

Other thresholds: Dell has not yet set contextual goals in relation to any other thresholds.

4 Transparently **TRACK** performance against realistic trajectory targets.

GHG EMISSIONS   ● ○ ○ ○   WATER   ● ○ ○ ○

GHG emission: Dell has a history of reporting its GHG emissions reduction performance but has not yet used this to set a realistic set of trajectory targets that could be used to monitor its progress towards its contextual goal[4]. The company has also not yet outlined it if will be setting targets or metrics that would allow it to assess the influence it is having on supporting its value chain in adhering to the limits of this threshold.

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[7]   Dell (n.d.). Our 2020 Goals. Accessed at: http://www.dell.com/learn/us/en/uscorp1/corp-comm/2020-goals-overview?c=us&l=en&s=corp&cs=uscorp1

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Water: Dell has a history of reporting its water use performance and separates out the performance of its facilities that operate within water-stressed areas[4]. It has not yet used this reporting to develop a realistic set of trajectory targets that could be used to monitor its progress towards its goal, or outlined if it will be developing targets or metrics that would allow it to assess the influence it is having on supporting its value chain in adhering to the limits of this threshold.

Other thresholds: Dell reports its performance against other socio-ecological issues including waste and energy but does not yet report its progress in relation to their associated thresholds.

What is the road ahead for context at Dell?

Dell recognises that more work needs to be done on understanding the footprint of its value chain and will be expanding the measurements of its GHG emissions and water footprints in the coming years[4]. Dell believes that by setting a contextual GHG emissions goal, it is helping to ensure not only its own sustainability but also the sustainability of businesses in the future[1]. It is also committing to further collaborate with other like-minded organisations to raise the profile of the net positive movement by sharing best practices, developing tools and methodologies, and publishing a white paper outlining the finding of its net positive pilot studies[1]. Dell believes that the net positive movement offers the business community an opportunity to demonstrate that it can have positive social and environmental impacts but the jury is still out on whether customers will understand the concept[8].

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[8] The Guardian (2016). Can a company ever claim to be making a better world?
    Accessed at: https://www.theguardian.com/sustainable-business/2016/aug/24/
    company-claim-better-world-net-positive-dell-dow

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