



08/23. Carbon Reduction Plan



KYOCERA Group UK

Working towards a sustainable world.

Kyocera Document Solutions UK Group (Kyocera Document Solutions UK Limited, Annodata Limited and Midshire Communications Ltd)

Carbon Reduction Plan

Publication date: 08/2023

Commitment to achieving net zero.

Kyocera Document Solutions UK Limited, Annodata Limited and Midshire Communications Ltd are committed to supporting the UK's target to achieve Net Zero emissions by 2050, in line with the overall global commitment by our ultimate parent company Kyocera Corporation, details of which are published here:

https://global.kyocera.com/sustainability/eco/greenhouse_effect.html

As of 2022, Kyocera Document Solutions UK Group made the decision to meet its obligations 28 years early and offset the entirety of its UK operations' CO₂ emissions. This is a key carbon mitigation strategy that fits alongside our efforts to organically reduce carbon emissions through ongoing initiatives.



Key Development: Focus on Scope 3 emissions:

A concerted effort has been made to expand the reporting of scope 3 indirect carbon emissions (upstream and downstream) resulting from operational activities. This is done with the understanding that it will significantly impact reporting figures for total carbon emissions, however, this not only improves the accuracy of reporting, but reinforces our commitment to sustainability.

The range of scope 3 now includes (but not limited to) factors such as homeworking, purchased capital goods (IT), employee commuting, transportation of goods, production and transport of electricity, and water waste treatment. These are calculated in accordance with the Greenhouse Gas (GHG) protocol and UK GHG reporting conversion factors.

“Regulations such as SECR in the UK and the EU CSRD require greater disclosure and accuracy in carbon reporting. Combine this with growing pressure from investors and consumers, and it’s clear that the bar has been raised for comprehensive, high quality and transparent reporting.”

~ Source: Carbon Trust¹



¹<https://www.carbontrust.com/news-and-insights/insights/unlocking-net-zero-the-potential-role-of-carbon-footprinting-software>

Baseline emissions & reporting year.

As a result of broadening the range of scope 3, Kyocera Document Solutions UK Group has seen a 310% increase in reported scope 3 emissions for reporting year 2022-23 based on the previous scoping. This should be considered when comparing with prior years. Comparing like for like Scope 3, Kyocera Document Solutions UK Group has increased by 16.2% in reporting year 2022-2023.

As with a large portion of UK businesses, we are open to the fact that with ongoing maturity in terms of accuracy and access to carbon emissions data, we shall likely see a continued upward trend in scope 3 reporting figures before they are reduced in line with carbon reduction initiatives.

For the Kyocera Document Solutions UK Group, this continued strive for industry leading reporting emphasises our dedication towards the environment and how building a sustainable future is integral to our company philosophy and principals.

Reporting Figures for 2022-23

2019-20 remains the baseline for emissions we assess against alongside the year-on-year changes from 2021-22. The baseline is a record of historic greenhouse gas emissions that have been produced in the past prior to the introduction of any strategies to reduce emissions. These act as a reference point against which emissions reduction can be measured.

Both the baseline and our target emissions are those produced by our UK operations. They include Scope 1 and 2 categories. As indicated above, the only Scope 3 emissions included in both the baseline year and 2021-22 are those for company travel.

Reporting Year: 2019-20

Baseline emissions

Emissions	Total (tCO2e)
Scope 1	1,072
Scope 2	194
Scope 3 (previous scoping) *	230
Total emissions	1,495

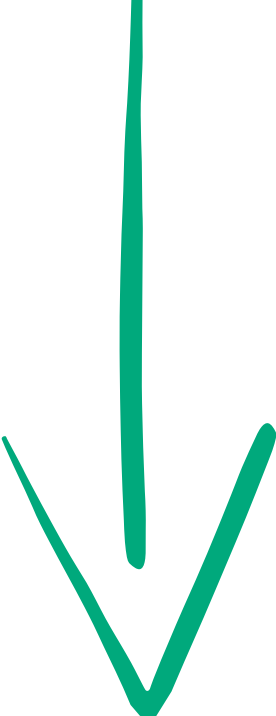
Note: First year of reporting under SECR standard with full data set.

Reporting Year: 2021-22

Previous Year Emissions

Emissions	Total (tCO2e)
Scope 1	668
Scope 2	137
Scope 3 (previous scoping) *	123
(transport fuel use from business travel)	
Total emissions	928
% Emissions offset	100%
Remaining emissions	0

Commitment to achieving net zero.



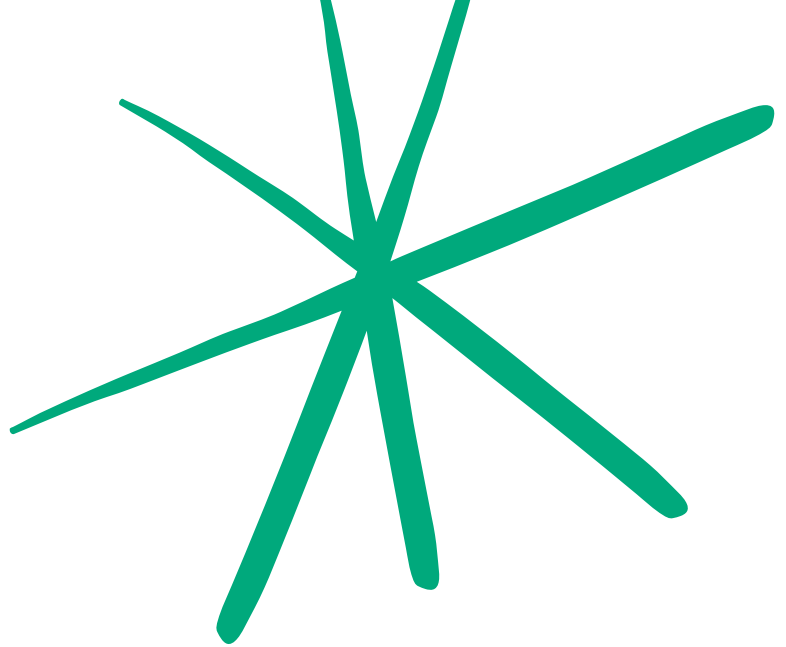
Reporting Year 2022-23

Current Emissions Reporting

Emissions	Total (tCO2e)	Versus 2019-20 Baseline	Vs 2021-22
Scope 1	685	↓36.1%	↑2.5%
Scope 2	102	↓26.3%	↑25.3%
Scope 3 (previous scoping) *	143	↓37.6%	↑16.2%
Scope 3 (new scoping)	587	-	-
Total emissions			
Per previous scoping	930	1,495	928
New scoping	1,374	-	-
% Emissions offset	100%	-	100%
Remaining emissions	0	-	0

* Previous scope 3 covered transport fuel use from non-company cars





Scope

Scope 1 & 2 Emissions:

2022-23 results show an overall 37.8% decrease in scope 1 & 2 emissions against the 2019-20 baseline, which is attributable to both the positive impact of ongoing carbon reduction initiatives (refer to Carbon Reduction Projects below), lower workforce numbers and our hybrid working policy allowing office-based staff to partly work from home.

In comparison to 2021-22, the combined scope 1 and 2 emissions have decreased by a total of 2.2% (18 tCO₂E).

Breaking down this data shows an increase in scope 1 emissions which arose from the increased travelling by company vehicles brought on by removal of COVID-19 restrictions and subsequent increased presence in customer's premises.

This increase was counteracted by a decrease in scope (25.3%) energy consumption within Kyocera Document Solutions UK Group locations. This is partially due to downsizing of property portfolio and equipment efficiencies whilst other factors such as the milder weather and limited HVAC operation have had an impact.

Scope 3 Emissions:

Previous scoping:

When considering the previous scoping of scope 3 emissions, which covered transport fuel use from non-company cars, there has been a significant increase in scope 3 emissions year-on-year versus 2021-22 (16.2%). This comes as a result of increased movement as restrictions from COVID-19 were lifted, and subsequently increasing our engagements such as customer visits, trade shows and other events.

A review against the 2019-20 baseline saw 37.6% like-for-like decrease in scope 3 emissions demonstrating that despite increase in traveling from reporting year 2021-22, total travel emissions is lower than the baseline.

New scoping:

As outlined above, with the significantly broader range of in-scope indirect emissions (scope 3), the total scope 3 emissions for 2022-23 have subsequently risen by 80% to 587 tCO₂E (based on previous scoping in 2021-22) as a result of this re scoping.

This figure now considers the transfer of energy consumption from scope 1 and 2 categories to scope 3 as a result of increased working from home (hybrid work policy) replacing consumption from work premises.

The largest area of scope 3 emissions comes from transportation and distribution (upstream and downstream), which is used for both hardware and consumable deliveries. This is in line with expectations such as the volume of goods being delivered.

As with 2021-22, 100% of identified carbon emissions have been offset.



Progress against targets.



Progress against these targets can be seen in the graphs below.

The “30 Year View” graph shows a linear target reduction for achieving net zero by 2050 (blue bars), which include scope 1 & 2 as well as “all scope” targets. Progress towards net zero are demonstrated by the line plotted in yellow and green.

As indicated by point 1 in the “Five Year View”, the baseline of 2019-20 is the starting point in which modelling has commenced.

Progress against these targets can be seen in the graph below.

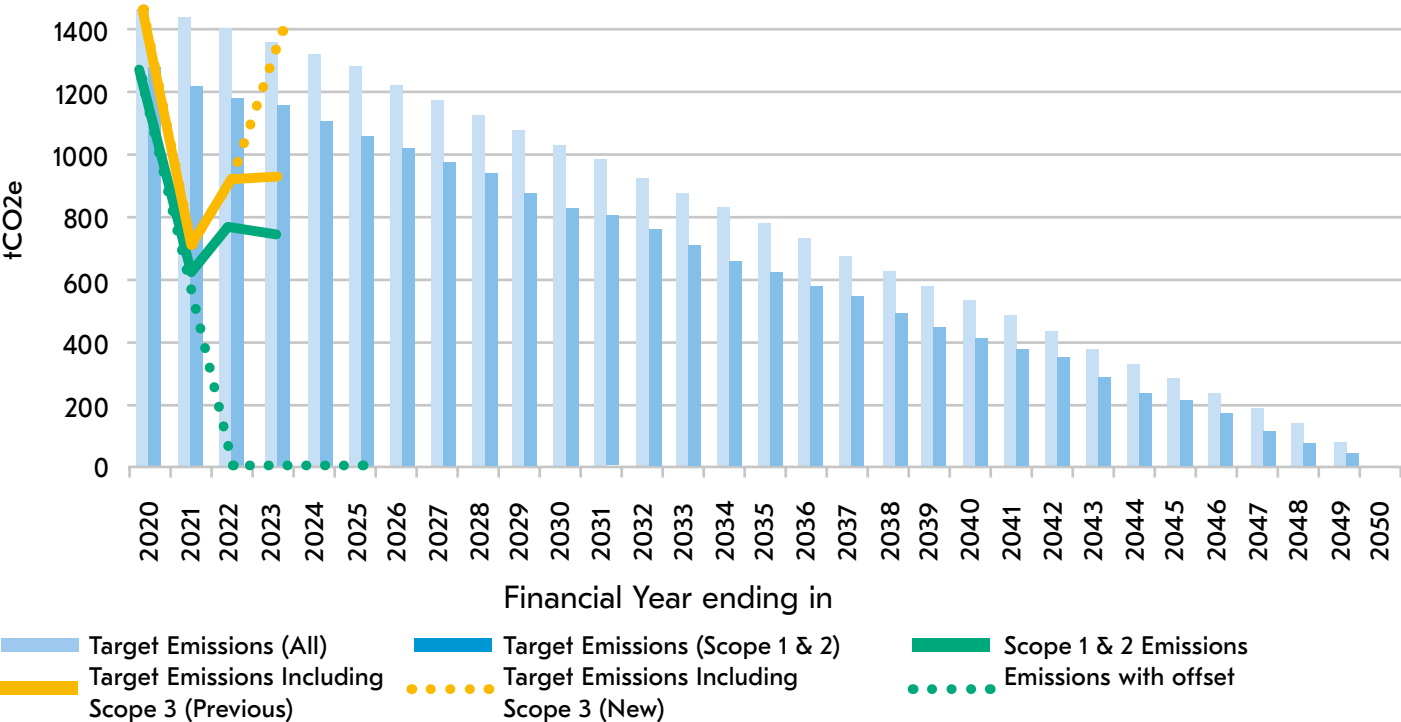
The graph shows a linear target reduction to achieving net zero by 2050 (blue bars) together with the actual emissions produced since the 2020 baseline financial year (yellow bars).

From 2022 onwards, we are offsetting the entirety of our UK operation’s emissions each year, as measured by the SECR standard by investing in carbon-reduction projects certified to international standards, allowing us to be carbon-neutral from this year onwards (green line).

During FY20/21 and a portion of FY21/22 emissions have been impacted by pandemic-related temporary changes to our business operations, namely a significant reduction in employee travel due to lockdowns and a reduction in our building occupancy as staff worked from home.

We have seen an increase in emissions produced during FY21/22 as travel increased again and customer activity returned to normal.

Our emissions - 30 Year View



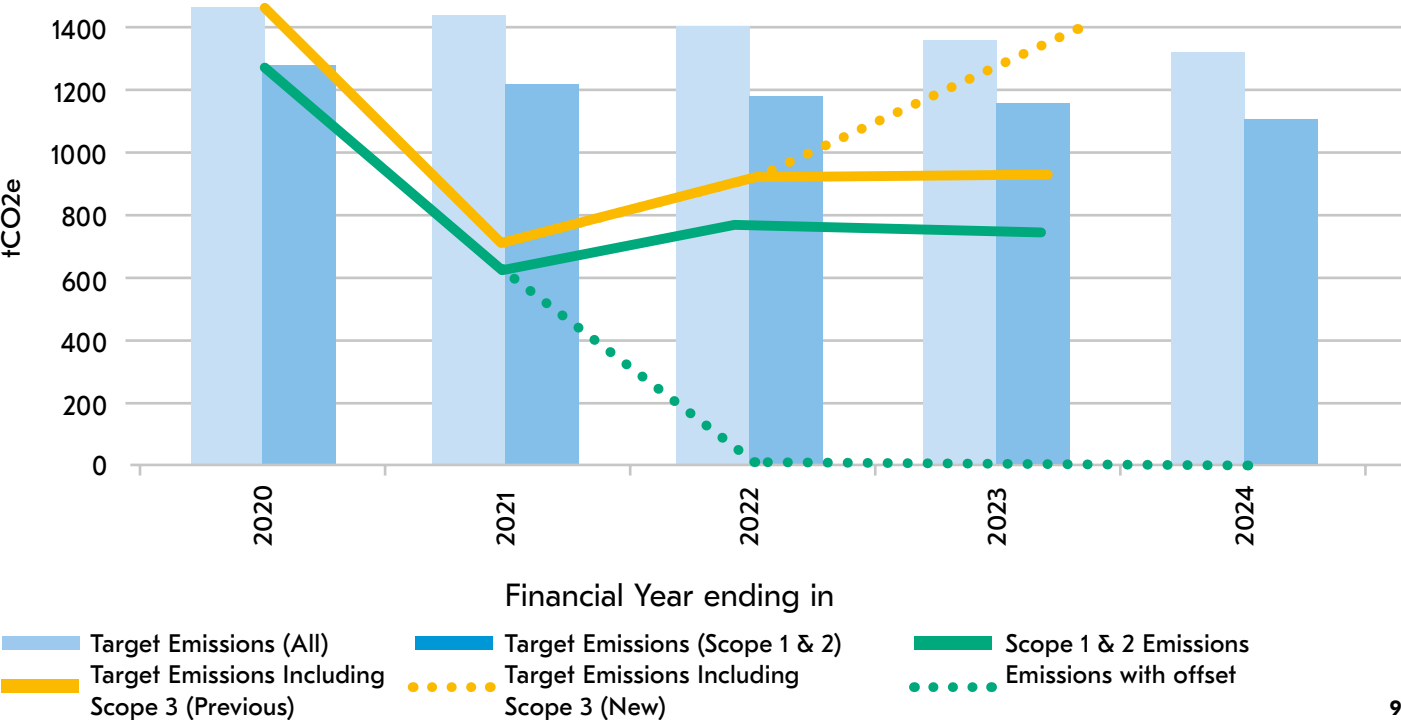
Commitment to achieving net zero.

As demonstrated by point 2 in the “Five Year View” shown below, from 2022 onwards, a commitment was made for offsetting the entirety of our UK operation’s emissions each year, as measured by the SECR standard by investing in carbon-reduction projects certified to international standards, allowing us to be carbon-neutral from 2022 onwards (green dotted line). This has helped us achieve our target of being carbon neutral 28 years ahead of plan.

A review of targeted levels shall be undertaken ahead of the next carbon report to ensure that our focus on scope 3 emissions is duly taken into consideration.

The current level of scope 1 & 2 emissions tracks well below the target level, which are used to assess organic progress towards net zero without offset. Total emissions using the previous scoping (scope 3) would also fit well below this target, however, the new scoping in line with increased dedication to sustainability narrowly exceeds the targeted level yet sits below the baseline level (see point 4).

Our emissions - 5 Year View



Carbon reduction projects.

Completed carbon reduction initiatives.

The following environmental management measures and projects have been completed or implemented since the 2020 baseline. All these measures are managed under our ISO 14001 certified environmental management system.



The initiatives we have implemented during 2022-23:

01. Increased the range of products offered with carbon offset for manufacturing and shipping as standard, at no additional cost to the customer.
02. Enhanced focus on scope 3 emissions leading to a greater number of identified emissions sources (based on GHG protocol categories). Subsequently carbon emissions for identified scope 3 emissions have been offset.
03. Transitioned to a new toner cartridge recycling provider based within the UK, (previous provider based in Germany) to limit transport emissions. The new provider is committed to 100% "no landfill"
04. Changes to our hybrid working policy allowing office-based staff to work from home for 40% of their working week, thus reducing commuting.
05. Solar panels have been installed at one of our locations, which should lead to significant reductions in emissions from that site.
06. We have achieved a 15% reduction in use of paper by the Kyocera Document Solutions UK Group. All remaining paper usage has been offset, reforesting what we have used.

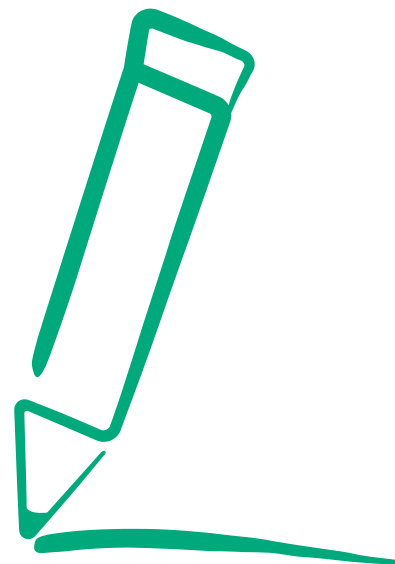
Future carbon reduction initiatives.

In the future we hope to implement further measures such as:

01. Review of Kyocera Document Solution UK Group's carbon footprint to understand and further determine emissions from scope 3 categories.
02. An initiative is under development to increase access to electric vehicles to reduce commuting emissions.
03. Improve the supply-chain assessment process to better understand reporting capabilities.
04. Reduce our Scope 1 car fuel emissions further by selecting lower emissions vehicles for our fleet when this is renewed in 2024.



Declaration and sign off.



This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard² and uses the appropriate Government emission conversion factors for greenhouse gas company reporting³.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁴. This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Kyocera Document Solutions UK Limited, Annodata Limited and Midshire Communications Limited:

A green line drawing of a handwritten signature, appearing to read 'Rod Tonna-Barthet'.

Rod Tonna-Barthet
Chief Executive Officer
27. July 2023

²<https://ghgprotocol.org/corporate-standard>

³<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁴<https://ghgprotocol.org/standards/scope-3-standard>



Did you know our Reading HQ
has an apiary on the roof, with
a growing population of 100k
honey bees ready to earn their
stripes as the latest additions
to the Kyocera UK team.

Bee & Kind.
Honey.

Kyocera Document Solutions has championed innovative technology since 1959. We enable our customers to turn information into knowledge, excel at learning and surpass others. With professional expertise and a culture of empathetic partnership, we help organisations put knowledge to work to drive change.

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