

# 10/24. 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: 10/2024

### 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' CO<sub>2</sub> emissions. This is a key carbon mitigation strategy that fits alongside our efforts to organically reduce carbon emissions through ongoing initiatives.

# We're striving to reduce our environmental impact.

## At a glance

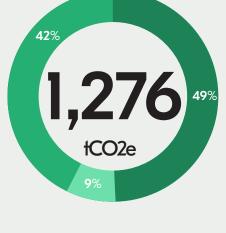
### 2023-24 v 2022-23 results



Reduction in total emissions



Reduction in scope 3 emissions



### **Remaining Emissions 100% offset**

Scope 1 Scope 2 Scope 3

Performance against target



Below target on scope 1 & 2 emissions 2023-24

Reduction in scope 1  $\delta$  2 emissions 019-24

On track to be organically net zero without the need to offset by 2050.

## **Everything counts**



**Employee volunteer** hours up 338% 2023-24



Honey harvest from our rooftop bees 2023-24

40k

Less pages printed by employees 2023-24

# Best in class carbon offsetting.

We are proud to have achieved a 7.13% reduction in year-on-year carbon emissions (versus 2023-24) across our UK operations, especially as a modest scope increase for paper usage (see below) was included for the first time.

## Summary of CO<sub>2</sub> Emissions for 2023-24

This success can be attributed to a range of factors from the reduction in the use of air freighting through to the improved quality of reporting that more accurately allows for the assessment of CO2 emissions.

As standard, all emissions that have not been produced using verified green methods (e.g. renewables) have been offset.

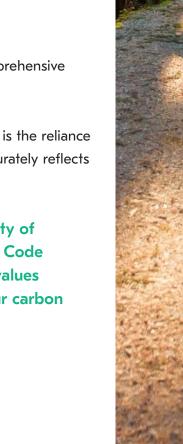
# "Call to action" for the availability of emissions data

In our previous plan we highlighted the need to gather more comprehensive and higher quality emissions reporting.

Significant limitations exist, in particular to scope 3 emissions, such is the reliance on our supply chain for data that with a degree of confidence accurately reflects emissions attributable to Kyocera Document Solutions UK Group.

"We are calling on UK businesses to improve the availability of CO<sub>2</sub> emissions data. We address this through our Supplier Code of Conduct and specifically seek partners who share our values which forms part of Kyocera's commitment to reducing our carbon footprint."

Matt Hayman, Head of Governance & Standards





Commitment to achieving net zero.

# Continued focus on Scope 3 emissions.

Harmonious coexistence is the underlying foundation of all our business activities. We do business based on this concept and as a philosophy it's integral to building a sustainable future. Our continued strive for industry leading reporting emphasises our dedication towards the environment.

Further to the increase in scope 3 emissions reported in 2022-23, we continue to broaden the range we measure, to include:

- Energy and heating used by staff and contractors when working from home, as part of our hybrid working policy.
- Upstream and downstream transportation of Kyocera goods undertaken by third-party courier/transit companies, including road and air freight.
- Emissions from purchased capital goods (relating IT operations).
- Supply and treatment of water to and from Kyocera's UK sites.
- Generation and transportation of electricity used at Kyocera's UK sites.
- Staff commuting to and from their homes to their designated place of work.
- Other expensed fuel usage from staff and contractors (in line with SECR reporting).
- Paper usage by Kyocera Document Solutions UK Group operations (an addition for this 2023-24 report).

These are calculated in accordance with the Greenhouse Gas (GHG) protocol and UK GHG reporting conversion factors.

It is important to highlight difficulties within supply chain for obtaining accurate CO2 emissions relating to services provided to their UK operations that may hamper identification of and subsequent offsetting of scope 3 emissions.

Carbon Reduction Plan: 10/24

## Baseline emissions & reporting figures for 2023-24.

### **Baseline emissions**

2019-20 remains the baseline for emissions we assess against alongside the year-on-year changes from 2022-23. 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 2022-23 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

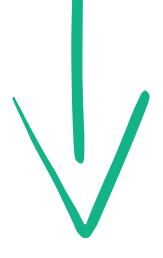
Note: First year of reporting under SECR standard with full data set.

### Reporting Year: 2022-23

#### **Previous Year Emissions**

Emissions	Total (tCO2e)	
Scope 1	685	
Scope 2	102	
Scope 3	587	
Total emissions	1,374	
% Emissions offset	100%	
Remaining emissions	0	

### Commitment to achieving net zero.



## Reporting Year 2023-24

### **Current Emissions Reporting**

Emissions	Total (tCO2e)	Versus 2022-23	Versus Baseline (2019-20)
Scope 1	626	<b>685 ↓8.6</b> %	1,072 ↓41.6%
Scope 2	111	102 18.8%	194 ↓42.8%
Scope 3	539	587 ↓8.2%	230* 134.3%
Total emissions	1,276	1,374	1,495 ↓14.6%
% Emissions offset	100%	100%	-
Remaining emissions	0	0	-

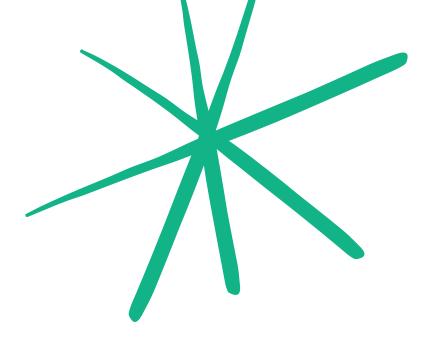
\* Previous scope 3 covered transport fuel use from non-company cars



Commitment to achieving net zero.

# "We're calling on UK businesses to improve the availability of CO2 emissions data"

Matt Hayman, Head of Governance & Standards



## Scope

## Scope 1 & 2 Emissions:

#### **Versus Baseline:**

The 2023-24 results show a significant reduction of 41.8% from 1,266 to 737 tCO2e in scope 1 & 2 against the 2019-20 baseline.

This 529 tCO2e decrease is attributable to several factors, including:

- + we downsized our property portfolio
- our hybrid working policy, presenting a switch of energy usage from scope 1 & 2 to scope 3
- a fall in mileage from customer site visits e.g.
  maintenance activities now being performed remotely.

#### Year-on-Year (Versus 2022-23):

Scope 1 emissions decreased by 8.6% or 59 tCo2e, attributable to the closure of our Manchester satellite office and a conscious effort to reduce gas consumption.

A corresponding 8.8% uplift in scope 2 emissions, equivalent to a rise of just 9 tCO2e is due to increased mobility and the promotion of face-to-face meetings with stakeholders – customers and suppliers - to foster better engagement in a post-COVID world.

The overall decrease of 50 tCO2e across scope 1 & 2 is a positive sign towards the organic reduction of carbon emissions.

### Scope 3 Emissions:

#### **Versus Baseline:**

There is little value in reviewing this year's scope 3 emissions against the baseline which allows us to assess against changes in Scope 1 & 2 emissions, when:

- + data reporting quality has improved since 2019-20
- + broader range of identified emissions since the 2022-23 re-scoping
- + a new reporting baseline will be considered for future versions of this Carbon Reduction Plan.

#### Year-on-Year (Versus FY2022-23):

This is the first year we can make a like-for-like comparison of our more extensive range of scope 3 emissions (see page 4 above).

The 2023-24 results show an 8.2% reduction in scope 3 emissions even with a minor increase in scope to include company-wide paper usage.

Contributary factors include:

- the combustion of waste rather than reliance on landfill is significant as less CO2 emissions are produced through the process.
- + several small-scale reductions in other scope 3 categories (as outlined in on page 3).

Outside of commuting, the largest contributory category (26.8%) for scope 3 emissions remains transportation and distribution (upstream and downstream) of our hardware and consumable products. This saw an increase of 12.5 tCO2e in 2023-24 due to increased freighting as logistical limitations experienced in 2022-23 resolved.

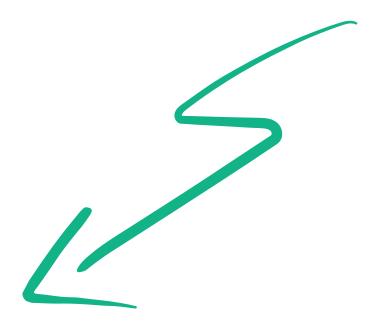
In line with SECR reporting, reported scope 1 and 2 emissions are broken down into three categories:

Combustion of gas within our sites (Scope 1).

• Use of purchased electricity (Scope 2).

 $<sup>\</sup>cdot$  Combustion of fuel for transport – e.g. using company vehicles etc (Scope 1).

# Progress against targets.



#### 30 Year View

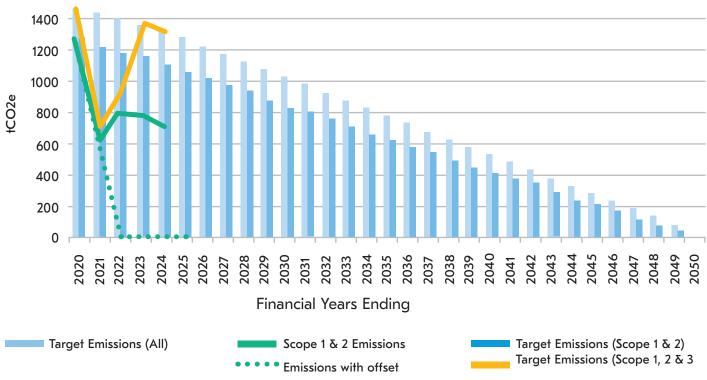
The graph shows a linear target reduction for achieving net zero by 2050 (blue bars) which includes scope 1 & 2 as well as "all scope" targets (yellow line).

Progress towards net zero is demonstrated by the lines plotted in green showing actual emissions since the 2019-20 baseline

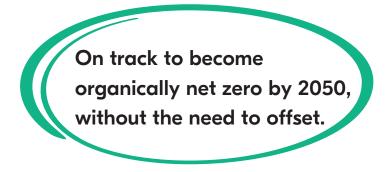
In 2022 we made a commitment to offset the entirety of our operational emissions each year, as measured by the SECR standard by investing in carbon-reduction projects certified to international standards. This allowed us to be carbonneutral from 2022 onwards (green line) 28 years ahead of plan. During 2020-21 and a portion of 2021-22 emissions were impacted by pandemic related temporary changes to our business operations, resulting in significant reductions in employee travel due to lockdowns and building occupancy as staff worked from home.

An increase in emissions produced during 2021-22 is evident as travel increased and customer activity returned to normal.

The increase in emissions in 2022-23 shown in both graphs highlights the expansion of scope 3 reporting and reflects our ongoing commitment to true best-in-class carbon reduction.



### **Our emissions - 30 Year View**



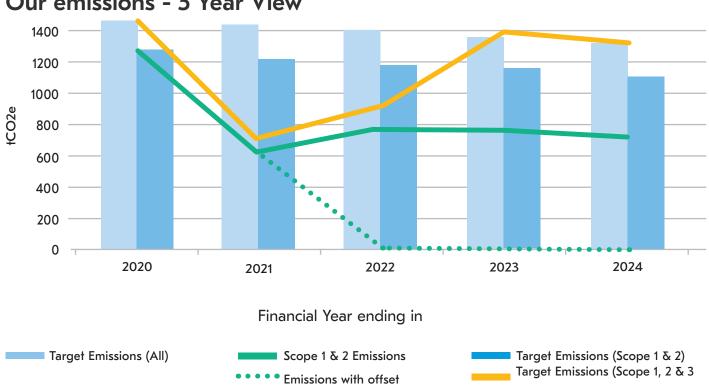
#### **30 Year View**

The graph shows that even with the expanded reported scope 3 emissions versus the baseline year, we are under the target set versus the old scoping, with a goal of becoming organically "Net Zero" by 2050, without need for offsetting.

Point 1 below indicates the baseline of 2019-20 as the starting point when modelling commenced. Point 2, from 2022 onwards, demonstrates the commitment made to offset the entirety of our UK operation's emissions each year to SECR standards.

Both graphs shows scope 1 & 2 emissions are well below target levels for 2023-24 (67.2%) and are tracking towards target levels for 2032.

This is a testament to the commitment made by the Kyocera Document Solutions UK Group to reducing our carbon emissions and negative impact on the environment.



### **Our emissions - 5 Year View**

## **Carbon reduction projects.**

# Completed carbon reduction initiatives.

Many 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.



# Recent initiatives implemented during 2023-24:

- 01. Consolidated toner recycling to a single UK provider with a zero waste to landfill commitment to limit transport emissions, meaning customers can request the collection of empties under Kyocera's Toner Take Back programme.
- 02. New energy efficient HVAC installed at our Reading HQ, replacing an archaic heating and cooling system, which was a major source of electricity usage and carbon emissions for Kyocera Document Solutions Group UK. The benefits of this change will be notable in 2025-26.
- **03.** Supplier Code of Conducts have been implemented for the Kyocera Document Solutions UK Group supply chain, ensuring that, to the greatest extent possible, suppliers will assist by providing information on carbon emissions, and actively look to limit this within their own supplier operations.
- **04.** An electric car salary sacrifice scheme was launched in line with the UK government initiative.
- **05.** Solar powered electric vehicle charging infrastructure installed at Pershore office.
- **06.** We reforested the 376,000 pages we printed as a business. As part of the inclusion within this report and per our prior practice paper usage is subject to offset through reforesting.

# Future carbon reduction initiatives.

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

- **01.** Working with key suppliers to improve access to and the veracity of carbon emissions data relating to goods and / or services provided to the Kyocera Document Solutions UK Group.
- **02.** Improving current fleet efficiency and emissions following a review of the company carpool undertaken during 2024-25.



- **03.** We are looking to expand use of solar panels within the business, leveraging Kyocera's panel manufacturing capabilities.
- **04.** Engaging third-parties to support our emissions data veracity and drive further potential improvements.



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 X Kind. Honey.

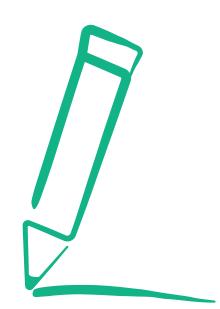
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## Declaration and sign off.



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 standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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) Standard<sup>3</sup>. 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:

**Rod Tonna-Barthet** Chief Executive Officer 01, October 2024

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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