

## Strategic report (continued)

### Section 172 (1) Statement

The directors of Quadient International Supply Ltd act in the way they consider would be most likely to promote the success of the Company, for the benefit of its members as a whole, and in doing so have regard to the following:

#### *People and Communities*

Empowering a diverse workforce to achieve our strategy and drive positive change in our communities

- Provide great working conditions empowering all Quadient's employees to perform at their very best.
- Create a diverse and inclusive culture indicative of Quadient's equal opportunity employer philosophy.
- Give all employees the opportunity and the means for personal and career development and empower them to contribute to the Company's success.
- Encourage employees to support the communities that make sense for them.

This will be enabled through

- Ongoing Employee Engagement surveys
- Global Wellness and employee assistance program
- Agile working arrangements
- Extensive Learning and Development, e-program and online English classes
- Internal mobility for career development
- Diversity & Inclusion: Increase of gender parity at Senior Leadership level and increased recruitment of differently-abled, senior and millennial talents
- 'Empower Women' Leadership Program
- Community support for International Women's Day and ongoing charity outreach in all our regions

#### *Solutions*

Delivering the best customer experience by offering innovative, reliable and sustainable solutions

- Leverage digital technology and innovation to develop new functionalities for existing solutions and design tomorrow's solutions.
- Design cutting-edge solutions to help our customers fulfil their needs while contributing to sustainable development.
- Deliver high quality, reliable and secured products, solutions and services.

This will be enabled through

- Innovation events, such as 'Global Inspire Days' and 'Local Innovation Days'
- Investments in innovation and R&D (Quadient's group investing 4% turnover per year)
- Intellectual property management policy and patents
- Solutions which reduce CO2 emissions, such as our Standard Parcel Locker which avoids the energy spent by missed parcel deliveries to people's homes, and also CVP Automated
- Packaging Solutions which reduces the volume (and therefore materials) of packaging (plastic/cardboard etc) for parcels
- Solutions which support our customers' digital transformation

## Directors' report

### Streamline Energy Carbon Reporting

In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 our energy use and greenhouse gas (GHG) emissions are set out below. The data relates to UK emissions for the 12-month period from 1 February 2020 to 31 January 2021.

#### Quadient Holdings UK Ltd Energy Use and Associated Greenhouse Gas Emissions

Total Energy consumption	2,845,295 KWh
Emissions from combustion of gas (Scope 1)	13 tCO <sub>2</sub> e
Emissions from combustion of fuel for the purposes of transport (Scope 1)	580 tCO <sub>2</sub> e
Emissions from purchased electricity (Scope 2)	63 tCO <sub>2</sub> e
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	17 tCO <sub>2</sub> e
Total gross emissions	673 tCO <sub>2</sub> e
Emissions per £m sales revenue	2tCO <sub>2</sub> e per £m sales revenue
Total Gross Scope 1, Scope 2 [market based] & Scope 3 emissions (tCO <sub>2</sub> e) [optional]	635

#### (a) Quantification and Reporting Methodology:

We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). The 2020 UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment Food & Rural Affairs (DEFRA) are used to convert energy use in our operations to emissions of CO<sub>2</sub>e. Carbon emission factors for purchased electricity calculated according to the 'location-based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. Data sources include billing, invoices and the Group's internal systems. For transport data where actual usage data (e.g. litres) was unavailable conversions were made using average fuel consumption factors to estimate the usage.

#### (b) Intensity Ratio

We have chosen to report our gross emissions against £m Sales Revenue. [Optional: Explain reason for choice of intensity ratio].

#### (c) Energy Efficiency Action:

Quadient Holdings UK Ltd are committed to reducing the environmental impact of our operations. In the period covered by the report we have planned to implement our Project Epace; a dynamic call scheduling software for field service engineers. This would result in less driving time on the road through efficiency planning, travel time optimized and less fuel consumption meeting environmental requirements. The roll out of Hybrid Cars to the company car fleet began late last year.