

## Directors' report for the year ended 31 March 2021 (continued)

### Directors' indemnities

The company maintains liability insurance for its directors and officers. The company has maintained its policy of indemnity for its directors and the secretary, which is a qualifying third-party indemnity provision. The policy was in force throughout the financial year and also at the date of the approval of these financial statements.

### Charitable donations

The company made charitable donations of £nil during the year (2020: £8,500).

### Streamlined Energy and Carbon Reporting

This report fulfils Kyocera Document Solutions (U.K.) Limited's (KDUK) obligation under the changes to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") which implemented the government's policy on Streamlined Energy and Carbon Reporting (SECR).

#### Scope of reporting

KDUK operates across the UK and has no offshore operations. The logistics operation for KDUK is largely outsourced and therefore energy usage for this element is outside of the direct control of the company. Whilst KDUK serves customers in both Northern and Southern Ireland, the operation of this service is also outsourced to partners, and therefore energy usage for this element is outside of the direct control of the company and has not been included in this report. The sources for KDUK's energy consumption are therefore: energy used in running buildings used in its operation and fuel used for journeys on behalf of the company, by sales, office and field service staff.

#### Greenhouse Gas (GHG) emissions and energy use data for year 1 April 2020 to 31 March 2021

	Current reporting year 2020-2021	Comparison reporting year 2019-2020 (from ESOS reporting)
	UK (no offshore operation)	UK (no offshore operation)
<b>Energy Consumption</b>		
Of which: from combustion of gas – kWh (Scope 1)	nil	nil
Of which: from combustion of fuel for transport purposes – kWh (Scope 1)	1,675,220	2,759,395
Of which: from business travel in non-company vehicles where the company purchases the fuel – kWh (Scope 3)	234,637	183,563
Of which: from purchased electricity – kWh (Scope 2)	357,460	537,456
Energy consumption used to calculate emissions based on the above (kWh)	2,267,317	3,480,414

## Directors' report for the year ended 31 March 2021 (continued)

	Current reporting year 2020-2021 UK (no offshore operation)	Comparison reporting year 2019-2020 (from ESOS reporting) UK (no offshore operation)
<b>Greenhouse Gas Emissions</b>		
Emissions from combustion of gas - tCO <sub>2</sub> e (Scope 1)	nil	nil
Emissions from combustion of fuel for transport purposes - tCO <sub>2</sub> e (Scope 1)	420	709
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel - tCO <sub>2</sub> e (Scope 3)	60	90
Emissions from purchased electricity - tCO <sub>2</sub> e (Scope 2, location-based)	83	146
Total gross CO <sub>2</sub> e based on above tCO <sub>2</sub> e	563	945
<b>Intensity ratios</b>		
tCO <sub>2</sub> e /£100k revenue	1.21	1.13
tCO <sub>2</sub> e /FTE	1.73	3.20

	Current reporting year 2020-2021 UK (no offshore operation)	Comparison reporting year 2019-2020 (from ESOS reporting)
<b>Methodology</b>		
Methodology used for disclosure calculations above	GHG Protocol , financial control approach, including Scope 1 and scope 2 emissions using UK Government GHG Conversion Factors for Company Reporting 2020	GHG Protocol , financial control approach, including Scope 1 and scope 2 emissions using UK Government GHG Conversion Factors for Company Reporting 2020

For full transparency and completeness, the following emissions, whilst outside of the scope of SECR emissions reporting, are also part of the emissions generated by the company's activities

### Outside of Scopes Greenhouse Gas Emissions from biofuel components of forecourt fuels used

Emissions from biofuel components of forecourt fuels used for transport purposes - tCO <sub>2</sub> e (outside of scopes)	4	24
Emissions from biofuel components of forecourt fuels used for business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel - tCO <sub>2</sub> e (outside of scopes)	1	2

## Directors' report for the year ended 31 March 2021 (continued)

### Energy Efficiency Action:

KDUK operates an ISO 14001 certified environmental management system that includes the tracking of energy usage.

The UK Government's introduction of movement restrictions in response to the Covid-19 pandemic impacted most of the reporting year. As a result of the restrictions, we closed the offices to staff and restricted staff travel during March to July 2020 and again December 2020 to April 2021. This has been the biggest contributing factor to the reduction in electricity consumption.

KDUK buildings are already very energy efficient, leaving limited scope for improvement. All of our buildings are being supplied with 100% renewable electricity from "Ecotricity", meaning that for this reporting year all of our purchased electricity came from renewable sources.

Reduced movement of staff during the "lockdown" periods was a significant factor in the 40% reduction overall in emissions from the use of fuel for transport purposes and business travel.

The increase shown in the business travel emissions is done to two factors: We merged the field service team of our sister company Annodata Limited into a single team inside KDUK during 2019-20. Since this employee group is the largest consumer of transport and other company-paid fuel, this means there are now significantly more users of fuel compared to the prior year. We continued to provide field service operations to key services during lockdown periods, so this consumption was affected less by COVID-19 restrictions. In addition, there was a shift in the field service staff from the use of company fuel cards (accounted for as transport consumption) to more employees only claiming fuel expenses.

We have replaced our company car fleet with newer more fuel-efficient models (by around 5%) and reduced the overall number of employees, so do expect to see a reduction in emissions compared to the previous usage across both companies.

### Methodology notes:

The above disclosures are based on the following data sources and carry the following limitations for completeness:

- Electricity usage is taken from utility bills. KDUK does not use any gas in the operation of its buildings.
- Fuel usage for transport represents the use of fuel in company cars that are paid for via fuel cards. In this case, volume amounts are available per fuel and converted using the UK Government GHG Conversion Factors.
- Scope 3 transport fuel usage is calculated from mileage claims via the expenses system which records totals for mileage claims by fuel and converted using the UK Government GHG Conversion Factors.

## Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

### Section 172 Statement - Introduction

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. This S172 statement, explains how Kyocera Document Solutions (U.K.) Limited (KDUK) Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year.

### The Kyocera Philosophy

Being part of the Kyocera Group of companies, KDUK and its Directors follow the Kyocera philosophy (see also <https://global.kyocera.com/philosophy/>). Kyocera's management approach is built on the Kyocera Philosophy. Distilled into a single criterion — "Do what is right as a human being" — the Kyocera Philosophy represents a commitment to fair management and compliance with the most fundamental human ethics and values.

### General confirmation of Directors' duties

Kyocera Document Solutions (U.K.) Limited's Board consist of three Directors: the CEO of the company, the president of parent company and sole shareholder Kyocera Document Solutions Europe BV and the president of the ultimate parent company Kyocera Document Solutions Inc Japan. The president of the ultimate parent company changed at the end of the financial year and Mr Ina retired from the Board at the end of the financial year to be replaced by Mr Ando.

The company has a "Ringi" framework for determining the matters within the approval remit of individual members of the Board and also which members of the company should be consulted in the decision-making process. The "Ringi Criteria Chart" document sets out the approval and engagement process across the broader business. Operationally, the Board primarily divests the management and decision making for the company to the Board member who is also the CEO of the company.