

Ricoh UK Carbon Reduction Plan

Supplier name: Ricoh UK Limited

Publication date: 5th December 2023

Commitment to achieving Net Zero

Our parent company Ricoh Company Ltd (RCL), based in Japan, has an approach to sustainability that touches every part of our company, from manufacturing to distribution, business sites, to recycling, and how we support our customers.

Here in the UK, where the business focus is on distributing and servicing our products, we have been reporting our GHG emissions to our European ESG department, which feed into tracking progress to the SBTi approved (Science-Based Target initiative), group-level, 2050 Net Zero target.

Ricoh UK itself is committed to achieving the Net Zero emissions target by 2050.

Baseline emissions footprint

Ricoh UK's GHG inventory is in line with the GHG Protocol Guidance and is based on an operational control approach. We report and track Scope 2 emissions using the market-based methodology but have provided location based Scope 2 emissions too in the tables below.

| |
|--|
| Baseline Year: FY 2019/20 |
| Additional Details relating to the Baseline Emissions calculations. |
| Our baseline year is our financial year 2019/20, which is a better representation of business-as-usual pre-pandemic, than our later years. We have gathered data from this chosen baseline year to allow us to calculate our GHG inventory. It covers Scope 1 and 2 and the required Scope 3 categories as per the PPN 06/21 guidance for the emissions boundary for the three Scopes. |

| Baseline Year Emissions: FY2019/20¹ | | |
|--|---|--------------------------------|
| Type of Emission | Activity | Emissions (tCO ₂ e) |
| Scope 1 (Direct) | Natural Gas | 110 |
| | Fuel Used in Company Cars | 1,355 |
| | <i>Total Scope 1</i> | 1,465 |
| Scope 2 (Indirect) | Purchased Electricity: Location-Based | 639 |
| | Purchased Electricity: Market-Based | 494 |
| | <i>Total Scope 2 (Market-Based)</i> | 494 |
| Scope 3 (Indirect) | Category 3: Fuel & Energy Related Activities (not in Sc1 and Sc2) | 507 |
| | Category 4: Upstream Transportation and Distribution | 237 |
| | Category 5: Waste Generated in Operations | 298 |
| | Category 6: Business Travel - Grey Fleet | 1,335 |
| | Category 6: Business Travel - Other Travel ² | 866 |
| | Category 7: Employee Commuting & Homeworking | 782 |
| | Category 9: Downstream Transportation and Distribution | 49 |
| | <i>Total Scope 3</i> | 4,073 |
| Total Gross Emissions Market-Based (tCO₂e) | | 6,033 |

¹ Figures rounded to the nearest whole number which may cause minor discrepancies compared to precise totals.

² Other Travel Includes Air, Rail, and Hotels.

We have split out company cars related emissions in Scope 1 and car allowance (grey fleet) related emissions in Scope 3, to highlight our emissions hotspots. Distributing and servicing our products, primarily multifunctional devices, is enabled by these vehicles, and therefore our third-party downstream transportation and distribution emissions are low.

Current emissions reporting

Our FY22/23 GHG inventory is outlined in the table below. There have been no significant changes in our organisational and operational boundary.

| Current Year Emissions: FY2022/23¹ | | |
|--|---|--------------------------------|
| Type of Emission | Activity | Emissions (tCO ₂ e) |
| Scope 1 (Direct) | Natural Gas | 107 |
| | Fuel Used in Company Cars | 1,825 |
| | <i>Total Scope 1</i> | 1,933 |
| Scope 2 (Indirect) | Purchased Electricity: Location-Based | 248 |
| | Purchased Electricity: Market-Based | 27 |
| | <i>Total Scope 2 (Market-Based)</i> | 27 |
| Scope 3 (Indirect) | Category 3: Fuel & Energy Related Activities (not in Sc1 and Sc2) | 644 |
| | Category 4: Upstream Transportation and Distribution | 218 |
| | Category 5: Waste Generated in Operations | 54 |
| | Category 6: Business Travel - Grey Fleet | 1,087 |
| | Category 6: Business Travel - Other Travel ² | 199 |
| | Category 7: Employee Commuting & Homeworking | 636 |
| | Category 9: Downstream Transportation and Distribution | 45 |
| | <i>Total Scope 3</i> | 2,882 |
| Total Gross Emissions Market-Based (tCO₂e) | | 4,842 |

¹ Figures rounded to the nearest whole number which may cause minor discrepancies compared to precise totals.

² Other Travel Includes Air, Rail, and Hotels.

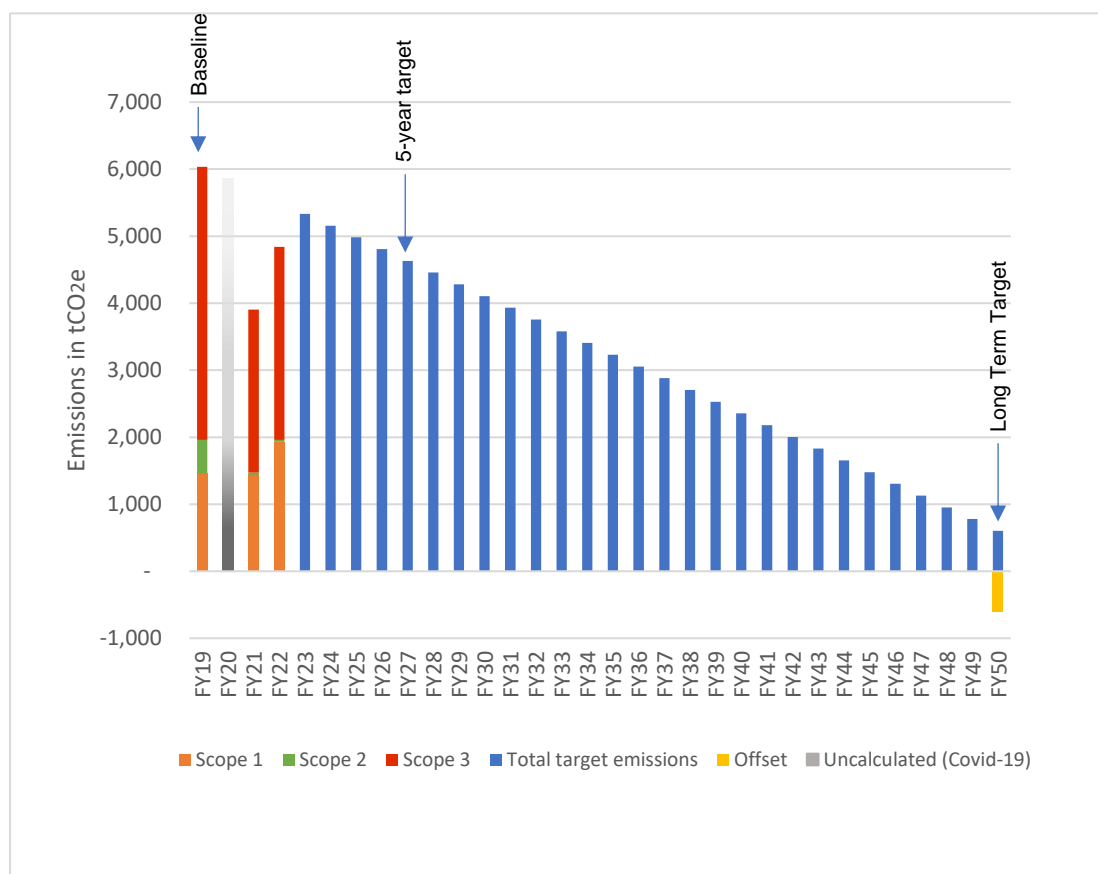
Emissions reduction targets

In order to progress to achieving net-zero, we are discussing carbon reduction targets that reflect the increased business activity since last year, when the global pandemic still had a significant effect on our operations.

We are targeting a reduction of 90% of our baseline year's GHG emissions by the year 2050, following a linear trajectory. Planned progress against this target can be seen in the graph below, with actuals for three financial years and a five-year target from FY 2022/23.

We project that carbon emissions will decrease over the next five years to around 4,630tCO₂e by FY 2027/28. This is a reduction of circa 3.5%. The 2019 to 2050 emissions pathway is in line with the Science Based Target initiative's 1.5-degree Celsius global average temperature rise scenario. Furthermore, as per the SBTi's net zero definition, we plan to use carbon credits from 2050 to offset our residual 10% of baseline year emissions (represented by the yellow bar on the graph).

Figure 1. Ricoh UK's emissions reduction target plan



We understand we need to decouple business activity and emissions. We are therefore focusing on our owned vehicles (Scope 1) and grey fleet (Scope 3) to achieve the greatest impact. We are exploring ways to incentivise greener vehicle choices through our car allowance scheme and have made progress to electrify part of our owned vehicles.

Carbon reduction projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the FY19/20 baseline. We estimate that the carbon emission reduction achieved by these schemes equate to around 5-8% reduction (300 tCO₂e -480 tCO₂e) against the baseline. The measures will be in effect when performing any contract.

Fleet operations and optimisation

Emissions due to travel for business purposes in company cars and our grey fleet represent circa half of our emissions, and therefore reduction measures in this area make a significant impact to achieving our target. Coming out of the pandemic years, we are travelling more, our emissions are rising, but in the long run we aim to decouple growth from emissions.

To reduce the impact of our fleet, we have increased the number of electric and hybrid vehicles within the company owned fleet and of our grey fleet. Most of our grey fleet is included in this initiative as employees who drive for business purposes do so mostly with a vehicle sourced through the company car allowance scheme and therefore, we have some control over the carbon intensity of these vehicle. To support this transition, we have increased the number of electric charging points on our commercial premises.

To optimise the use of our fleet and the distance travelled, we have increased the number of remote fixes by our contact centre, enabling a reduction in the number of miles taken by our engineers to emergency calls.

Site operations

Since our base year, we have reduced our estate and optimised our office space. Allowing hybrid working practices has also meant lower occupancy in our offices, lower energy consumption. To reduce our Scope 1 and 2 emissions, we have ensured that for all Ricoh UK sites, where Ricoh has direct influence, that our purchased electricity is 100% renewable, that we have obtained ESOS reports and actioned any identified outcomes (where possible), and that we have assessed our utility data to identify potential hotspots and acted on reduction opportunities.

Supplier engagement

To reduce the emissions from upstream transportation and distribution, we have encouraged conversations with Ricoh UK's top logistics partner with a view of inspiring them to change their urbanised fleet of vehicles to electric or hybrid.

Employee engagement

We have released various internal and external communications to engage our workforce on the topic of climate issues and gather support for the changes we have made, for example to our car allowance scheme to exclude carbon intensive vehicles.

Future environmental measures

Fleet optimisation

To reduce our emissions from our fleet further, we are continuing to leverage digitalisation of our services to directly reduce the number of emergency callouts. For example, we are progressing from onsite visits to self-resolution and to remote service support.

Site operations

To reduce our Scope 2 market-based emissions to 0, we are aiming to convert to renewable electricity sources across all Ricoh operations and sites, engaging with landlords to make this transition. We plan to install LED lighting throughout our Warrington site in the next financial year.

Site consolidation

To reduce our site-related emissions (Scope 1, 2, 3 from fuel- and energy-related activities, waste, employee commuting), we will relocate one of our sites to a smaller, shared occupancy office.

Client offerings

We will engage our clients on the topic of sustainability through consistent commitment and communications on our market leading green offerings such as the new IMC Greenline. In terms of our products, we will implement circular economy initiatives such as increasing the recycling rate across our product lifecycles and improving the recovery of materials to reuse in the manufacturing process.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Rebekah Wallis.....

Rebekah Wallis
Director – People and ESG

Date: 21/12/23.....

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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