

Kodak alaris

2021 Environment & Sustainability Report



Our Company

Kodak Alaris is a global technology company that's delivering value through customer solutions. Our advanced, patented intellectual property combines breakthrough technologies, digital transformation and human know-how to unlock the power of images and information. We make businesses run faster, governments run smarter and provide consumers innovative solutions to preserve and enjoy their most cherished memories.

We are UK owned, with a global reach, supporting customers in more than 100 countries. Our major office locations are in UK, Germany, US, Mexico and China.

Our **legacy** is rich: born from one of the world's most iconic brands, we have a strong heritage in innovation, and a sharp focus on bringing technology to market.

Our **future** is powered by our employees' creativity. Expect a lot from Kodak Alaris and know that we expect a lot of ourselves and the performance of the company.

Our **vision** for our business remains constant: to be recognized by the market as the leading provider of products and services in each of the segments in which we participate. We strive to lead through better products, quality, reliability, customer service, and the best and brightest employee talent, along with world class partners around the globe.

The Kodak Alaris Way: I-ACT

Our well-established Kodak Alaris values that we live and breathe by can be defined by I-ACT: **Innovation** as the core of Kodak Alaris as a technology company, **Accountability** to deliver on our commitments, **Customer Satisfaction** is our number one focus in all aspects of our business, **Teamwork** in how we resolve issues and grow our portfolio.

I-ACT

Innovation - Accountability - Customer Satisfaction - Teamwork



Kodak alaris

Mark Alflatt: CEO, Kodak Alaris

A message from our CEO, Mark Alflatt

“

I am proud to share this Sustainability Report with our interested Stakeholders. This year was an important year in our sustainability journey as we set our first “Carbon Neutral” goals that were approved by our Board of Directors in October. These goals have interim targets plus a commitment to have a Carbon Neutral Value Chain for Scope 1, 2 and 3 emissions by 2050. This requires us to continue to reduce GHG emissions associated with our products and operations around the world. I remain hugely impressed and proud of our global team that have remained dedicated to such a critical issue despite the considerable impact and distraction caused by the COVID-19 pandemic across all industries, businesses and communities.

This report demonstrates how we consider all environmental issues throughout the lifecycle of our products, in our operations from the design, and use of our products around the world through to end of life. In addition, its publication demonstrates our transparency around the establishment of our sustainability goals and progress towards these voluntary targets as part of our contribution to tackling climate change.

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If you have any questions about any aspect of our sustainability environmental performances please contact Dr Greg Batts our Global Sustainability Manager. gregory.n.batts@kodakalaris.com

Kodak Alaris 5-Year Environmental Goals - Progress Report 2021

Our worldwide EH&S policy states our commitment to compliance, prevention of injury and pollution and protection of health and the environment. We also commit to provide products and services that are environmentally responsible and sustainable throughout their lifecycle. Total CO₂-eq emissions in 2015 were estimated to have been 364k tonnes, in 2017 this had been reduced by 33% to 273k tonnes and in 2019 it was down to 233k tonnes.

There was no plan to carry out a Biennial Materiality Study in 2021, hence there is no update for this goal. Progress on the other goals during in 2021 is described below:

“Reduce our Total Greenhouse Gas (GHG) Emissions (tCO₂-eq) per US \$ Revenue by 5% Compared with 2015.”

Our comprehensive Biennial Materiality Study was carried out in 2020. Results from the whole company demonstrated we had met our primary Goal after 4 years. Our tCO₂-eq had been reduced from 364k to 233k since 2016 and the tCO₂-eq per US \$ Revenue was down from 0.391 to 0.365, i.e. 6.6%. Hence, we met Goal 1 year early in 2020.

“Maintain uninterrupted ISO 14001 Environmental Management System certifications.”

We continue to maintain externally accredited ISO 14001:2015 Environmental Management Systems (EMS) with no significant nonconformances. One for environmental oversight and governance and product stewardship and the others for our manufacturing sites. These management systems require senior management leadership and commitment, compliance with legal and other requirements, risk management, annual internal and external audits. Our goal is continuous improvement and minimisation of adverse environmental impacts. Certification to this international standard demonstrates our global commitment to be good citizens.

“Meet Australian Packaging Covenant”

This voluntary agreement between government and industry’s goals are to reduce the environmental impacts of packaging, to design more sustainable packaging, increase recycling. While the program is based in Australia, we do leverage the improvements made by Kodak Moments globally. We have been APCO members since 2016 and continued our commitment in 2021. Our annual Report and Action Plan were submitted and discussions took place with other stakeholders in Australia concerning potential joint projects.

“All Scanners will meet EPEAT criteria (100% Bronze, 80% Silver and 10% Gold)”

EPEAT is a global three tier rating system (EcoLogo) to recognise environmental performance of electronic products. It is third-party verified covering the full product lifecycle, from design and production to energy use and recycling. At the end of 2021 Alaris had exceeded this 5 Year Goal with 12 scanners out of 33 scanner models or series on the market, certified to EPEAT Gold (~36%). The other 21 are at EPEAT Silver Level. In fact, there are only 18 Gold rated scanners on the Global Market and Alaris has 12 of them.

As 2021 was the 5th Year, the above update is our final report on annual progress against purely environmental goals. Senior Management and the Board of Directors decided to set longer term sustainability goals and targets compatible with the aims of COP21 and the expectations of our stakeholders concerning the mitigation of adverse climate change.



Kodak Alaris Sustainability Goals – Agreed 2021

In 2021 The Board of Directors (BOD) requested that the Group investigated establishing longer-term goals and targets that reflect the challenges of Climate Change and other prominent sustainability issues faced by all stakeholders. This extends our commitment to be good corporate citizens in all markets. A Task Force led by the Environment Health and Safety (EH&S) Council was established to propose suitable goals and targets as far ahead as 2050. This year was chosen to be compatible with COP21. The Team included representatives from Real Estate, Purchasing, Internal Audit, Logistics, Supply Chain and Business Units as well as EH&S.

Over several months the multidisciplinary team carried out a risk-based analysis of the Group's Global operations and concluded to propose an overall goal with interim targets. The Team proposed several to the BOD which were all approved for the start of 2022. The primary overarching goal/vision is that The Kodak Alaris Group will have a Carbon Neutral Value Chain for Scopes 1, 2 & 3 emissions by 2050.

It is planned to communicate this externally to our stakeholders in 2022. This will require us to engage a 3rd party consultant and audit company in order to establish a robust baseline of our total emissions in 2019. Without this transparency and confirmation, it would be meaningless for us to measure progress over the coming years. Our baseline data will be checked for compatibility with ISO 14064 methodology and PAS 2060. In addition, we aim to halve our Scopes 1 + 2 tCO₂e emissions by 2030 using 2019 as the baseline. Progress towards this Goal will be checked and verified independently and be published in our future Annual Sustainability Reports.

Furthermore, there are 2 specific Sustainability Goals linked to our product designs which need to be considered under Scope 3:

- By 2025 90% of Kodak Alaris Scanners on the market are to be registered EPEAT GOLD based on the 2021 Imaging Equipment criteria.
- By 2030 there should be a 25% reduction in the energy consumed during the Use Phase of all new Kodak Moments equipment commercialised. This is to be compared with equivalent equipment placed on the global market in 2019.

Product Stewardship & Governance

Another long-term sustainability goal for the Kodak Alaris Group is to maintain uninterrupted 3rd-party certified ISO 14001 Environmental Management Systems for its manufacturing sites and product stewardship operations.



Kodak Alaris's Product Stewardship and Governance Environmental Management System (EMS) is certified to ISO 14001:2015. This is the most suitable international standard for our global operations to be measured against and complements the certifications we hold at all our manufacturing sites around the world.

Our EMS scope is "Governance and product stewardship for the environmental impacts of the Kodak Alaris product range. Including the environmental oversight of product design, development and life cycle." Our EMS was first certified in August 2015 soon after our company was formed. In November 2021 we passed our external surveillance audit by NQA to ISO 14001:2015 with zero nonconformances.

[See our Certifications](#)



Our global commercialisation process is well-established and robust with a series of phases and gates that projects must pass before any product can be placed on markets around the world. This involves gathering information and data at specific points during commercialisation.

Mandatory, i.e. legal compliance and voluntary, i.e. beyond compliance issues are covered in this process. Reaching the 2050 goal and interim targets will involve making improvements and investments in all design aspects of our global operations. Suppliers will have to play their part in our journey to Carbon Neutrality by providing us with components/parts/products that have reduced Carbon Footprints compared with previous versions.

Our Supplier Expectations

Common to most organisations, Kodak Alaris does not produce physical items in isolation. We are dependent on our suppliers to provide sustainable components and products. Commitment to continually reducing adverse environmental impacts exists across the supply chain.

Kodak Alaris maintains close relationships with suppliers ensuring they operate in an environmentally responsible manner, maintain safe facilities and operations, provide goods and services that are safe, minimise environmental burdens and meet regulatory compliance and other voluntary obligations. Kodak Alaris expects suppliers to be responsible for (1) complying with all applicable laws and regulatory requirements, (2) participating in self-assessments and/or on-site audits as requested, (3) providing clear and accurate responses to requests from Kodak Alaris regarding EHS or labour expectations and regulatory requirements, (4) addressing potential EHS or labour issues in a timely manner and (5) ensuring these expectations are met throughout their supply chain.

Our suppliers must:

- Provide products that avoid restricted materials and that are not manufactured using restricted materials. If restricted substances are present in any product supplied to Kodak Alaris, they must be below an appropriate threshold limit or subject to an official exemption and the amount and location of such substances must be declared.
- Inform Kodak Alaris if any changes are made to any Bill of Material (BOM).
- Ensure pulp and paper products are sourced from legally harvested forests. Suppliers shall have a process for determining the origin of all pulp and paper products and make this information available to Kodak Alaris upon request.
- Provide packaging that is designed and made to meet all regional and national requirements.
- Maximise the content of recycled material wherever practicable and feasible.

[See our full Supplier Expectations](#)

Kodak alaris

Our parent company is Kodak Alaris Holdings Limited based in the United Kingdom and we have legal entities, offices and manufacturing locations around the world making us a truly global company with 1,565 employees worldwide. Kodak Alaris is a privately held global technology company that's delivering the future—now. Born from Kodak, one of the world's most trusted imaging brands, we're pushing the boundaries with a new vision for a new era.

There are 2 separate businesses managed under the parent company Kodak Alaris Holdings Limited based in the United Kingdom, namely **Kodak Moments** and **Alaris**.



Kodak Moments

Nicoletta Zongrone: President, Kodak Moments

Kodak Moments is a leading global provider of photo products and services to retailers, consumers, and entertainment properties. It's our mission to be the brand that customers choose to celebrate and relive their memories in print, from the big events to the Everyday Moments that matter. Powered by over 100,000 consumer touchpoints across 30 countries, we provide a smart, seamless customer experience and high-quality photo products. **Kodak Moments, For All That Matters™**.



Alaris

a Kodak Alaris business

Don Lofstrom: President, Alaris

Alaris is a leading provider of information capture solutions that simplify business processes. We exist to help the world make sense of information with smart, connected solutions powered by decades of image science innovation. Our award-winning range of scanners, software and services are available worldwide, and through our network of channel partners.

Kodak Moments

Design: Environmental issues are considered at all stages of our commercialisation program which is part of our Company's EMS that has been certified to ISO14001:2015. This ensures that environmental issues are considered as the product is being designed to cover their life cycle, sometimes referred to as "cradle to grave" or "cradle to cradle".

In addition, our equipment is designed to maximise the potential for reuse, refurbishment and remanufacturing to extend the life by placing these products into new markets rather than becoming wastes for recycling.

Use: We choose energy efficient thermal printers for our Kiosk, Order Stations and APEX Systems wherever feasible such that less energy is consumed in operational and stand-by modes. These design choices mean lower operational costs for our customers and reduced GHG (Greenhouse Gas) emissions (mostly CO₂) to the environment.





Sustainable Solutions

It is not only new equipment that **Kodak Moments** provides to its customers in the retail and photofinisher business. We have a long and distinguished history of taking back our electrical and electronic equipment (EEE) from markets in developed countries and refurbishing them for other parts of the world. This is a great practical example of a true Circular Economy.

Our refurbishing program operates globally; we collect used equipment from customers when we upgrade their Kiosks, APEX Systems, Order Stations and Printers and transport them to our partner TIS Service GmbH (TIS) in Germany for refurbishment. The process involves, inspecting, cleaning, checking, software upgrading and repainting if required. This is a mature process dating back to the 1980s. It makes good business sense as well as being a good environmental feature.

In addition to keeping a large amount of EEE from becoming wastes in the country of origin, it makes imaging services available to consumers in less developed parts of

the world. **Kodak Moments** are then able to sell more thermal imaging consumables which is good business. It is a truly sustainable item which employs many people in Germany in **Kodak Moments** and our partner TIS.

In 2021, despite the impacts of COVID, TIS managed to reuse or refurbish an impressive number of used equipment and accessories obtained from customer sites around the world. There were a significant number of items recovered from Australia that were refurbished in Germany for reuse in EMEA and the USA. Equipment refurbished and reused during 2021 included 3,380 Photo Printers, 227 Kiosk Order Stations, 30 Digital Stations, 15 Rapid Print Scanners, 20 Monitors and 3 Cabinets.

Sometimes the equipment was bundled with new items of equipment and returned to the same customer. More often it was sold or leased at a much-reduced price elsewhere. When equipment is finally beyond economic refurbishment or remanufacturing, it is dismantled into separate components for use as spare parts by our EMEA Service Organisation.



It is not just in Europe that Kodak Moments is utilising used equipment and components for extending life and avoiding waste. The Repair Centre established in our facilities in Mexico continued with operations to refurbish and reutilise spare parts to reduce waste.

During 2021 our Repair Centre recovered just over 400 used components from a variety of Kodak Kiosks and printers such as Controllers, Hard Disks, Motors, Power Supplies, Displays and Main Boards. In addition, we also started a major recovery and reconditioning project for more than 50 APEX and Printers to cover the need for a new customer during the semi-conductor shortage the world is going through.

These examples demonstrate our continued commitment to environmentally conscious product designs and sustainability for services. We are committed to minimise the amount of Waste Electrical and Electronic Equipment that would otherwise become an environmental burden and require end of life treatment which misses the reuse potential of our products.

In 2021 we embarked on a new design for an Order Station to succeed the G20 which is expected to be commercialised in 2022.

We design our kiosk systems to be energy efficient using some of the latest technology available. In 2016 we launched a completely new Order Station with improved energy efficiency, called the G20, to replace previous models. By the end of 2017 23% of our installed Order Stations were G20s and 32% by the end of 2018. At the end of 2021 this had reached 42% and we started to see some of the first G20s being refurbished and resold demonstrating our life cycle approach to design.

We are unlikely to exceed 50% for the G20s as the refurbishing program mentioned above keeps older models functioning long after they cease being sold as new, thereby reducing waste. In our experience, some hardware can still be in service up to 20 years after it was first placed on the market.

In the charter for the UCLA Sustainability Committee, sustainability is defined as: “the integration of environmental health, social equity and economic vitality in order to create thriving, healthy, diverse and resilient communities for this generation and generations to come. The practice of sustainability recognizes how these issues are interconnected and requires a systems approach and an acknowledgement of complexity.”

The US&C Region initiated this process in 1996 with the remanufacturing and resell of returned minilab equipment used to develop film and print images. This process has continued with the refurbishment of our Kiosks, APEX Systems, Order Stations, and Printers. This program benefits the Environment by reducing e-waste, the Economy by providing equipment to new and current retailers, which enables **Kodak Moments** to sell additional consumables, and Equity by providing job opportunities for **Kodak Moments** and our partner AES.

In, 2021 EMEA, Americas, and ANZ collaborated to reuse or refurbish a significant number of Kiosks, APEX Systems, Order Stations, and Printers. Our partner AES, refurbished 500 G4XLII's received from ANZ, 3,495 6850 printers received from EMEA, 375 APEX systems and widescreen monitors, 380 8810 printers, and 350 7015 printers.

Equipment that has been discontinued or beyond economical repair is being used for spare parts in the Service Organization. The US region provided EMEA 480 DL2100 printers, 120 DL2100 2nd Trays, 160 Duplexers, 140 DL2100 Cassettes, and 200 8800 printers to use for spare parts. The US dismantled 500 G4XL units for spare parts.





The mark of responsible forestry



Forest Stewardship Council FSC®

One of our major sustainable achievements in 2021 was to reach the status of having 100% of our thermal paper certified in our multisite Certificate SCS-COC-006903. This was achieved finally in December, having reached greater than 99% in July 2021. Our 2021 Audit covered our sites in France and Germany as well as the major location in Colorado.

Our Multisite Licence FSC® C150656 now includes 13 of our Legal Entities in 5 continents across the world. We now have a single FSC Management System to support the FSC® Certificate SCS-COC-006903 and Licence managed from our manufacturing site in Colorado USA. The global extension allows **Kodak Moments** to market our FSC® credentials via use of promotional materials around the world in different markets. We can produce artwork for marketing in almost any language.

Kodak Moments believes FSC® Certification is an important award recognised all over the world. It demonstrates to our customers and other stakeholders that the sustainability of our finished certified thermal papers can be traced up and down the supply chain. It is a certified sustainable unbroken chain from the trees in the forest that are harvested to produce pulp that is manufactured into thermal paper and supplied to our customers, i.e. retailers around the world and ultimately the end-users.

Customers and end-users are made aware of our products being FSC® Certified via the Product Descriptions, Purchase Orders, Invoices, Delivery Notes etc. up and down the Supply Chain. Our FSC® Certificate is shown above and together with our Licence is kept up-to-date on our Internet Site for public access. Our credentials are also accessible via the FSC® website.

Alaris

a Kodak Alaris business

Alaris solutions enable customers to capture and consolidate data from digital and paper sources, understand and extract valuable insight from the contents delivering superior systems and solutions to automate business processes, enhance customer interactions and enable better business decisions to be made.





At the end of 2021 the company had 33 scanner models or series on offer for sale or lease around the world, covering Desk-top, Departmental and Production models. Our scanning equipment is designed under our certified ISO 14001:2015 product governance and stewardship program. All equipment is manufactured in ISO certified facilities. This can be in our own factory or by approved partners. Our supply chains are robust such that we ensure that restricted materials are kept to an absolute minimum and track the use of RoHS exemptions.

As part of our ISO 14001 certified product governance program, our scanners are designed and manufactured to ensure our customers always have the Best Available Technology.

All are certified to the US EPA ENERGY STAR™ program which has global application and acceptance as a positive environmental benefit. Although voluntary, Alaris believe this is an essential design benefit for our customers and the environment and is often a requirement in contract tenders with large private companies and public procurement bodies.

Alaris has a mature take-back program for its scanners to ensure the products are managed/treated appropriately. In addition to providing depot service/repair, reverse logistics operations in the US&C have procedures to recover, refurbish and redeploy spare parts obtained from scanners that are no longer in use. This not only extends the useful life of the scanners, but also avoiding impacts associated with the manufacture of virgin spare parts and components.



Another key environmental feature for our scanners and accessories is the commitment to meet the requirements of EPEAT (Electronic Product Environmental Assessment Tool). This is an internationally-recognised Type I voluntary ecolabel originating in the USA. EPEAT is a free and trusted source of environmental product ratings that makes it easy for stakeholders to select high-performance electronics that has roots in the US EPA in 2003.

EPEAT has Bronze, Silver and Gold levels based on environmental attributes for the electronic equipment and the companies. Manufacturers are audited periodically to verify the claims made and agree the level that can be used for the ecolabel.

EPEAT has grown to become the definitive global environmental rating system for electronics managed by the Green Electronics Council. EPEAT has many environmental criteria underlying the award covering the full product lifecycle, from design and production to energy use and recycling. Bronze is mandatory; additional criteria must be met for Silver and ultimately Gold compliance.

Product assessment is based on ANSI-approved public standards developed through stakeholder consensus. Claims of conformity are subject to ongoing verification by qualified 3rd party certification bodies. An assessment is also made of the company's environmental performance.

Alaris exceeded this 5 Year Goal with 12 scanners certified to EPEAT Gold (i.e. 36%); the remaining 21 are EPEAT Silver Level out of our 33 scanner models or series on the global market. In fact, only 18 Gold rated scanners are on the Global Market and Alaris has 12.

Alaris is also pleased to note that the majority of our scanners have also been recognised with the China Energy Conserving Products Award and the China Environmental Label. In addition, during 2021 seven of our scanners were awarded the Taiwan Green Mark, namely the Kodak i4250, i4650, i4850, S2050, S2070, S2060w and S2080w models.

Our Manufacturing and Office Locations

Kodak Alaris has manufacturing sites in China and the USA and third-party partners in several other countries. During 2021 each site maintained their environmental management system certification to ISO 14001:2015. The teams at each site strive to continuously improve environmental performance and reduce adverse environmental impacts. Environmental objectives and targets are established based on a review of aspects and impacts, performance, business needs, stakeholder needs and continuous improvement opportunities. Examples of 2021 accomplishments at each site include the following:

The Kodak Alaris Imaging Equipment (KAIE) site in Shanghai produces a range of document scanners for Alaris that are sold around the world. The factory maintained 100% compliance for environmental emissions and met the target for zero environmental spillage incidents. In 2021 the site maintained its third-party certifications to ISO 9001 (Quality), ISO 14001 (Environmental), and ISO 45001:2017 (Occupational Health & Safety) Management Systems. The site had zero occupational lost time injuries.





Kodak Moments Colorado (KMC) had an external, virtual ISO 14001 full re-certification audit in 2021. No non-compliance issues were identified, and the certification was renewed. In addition, KMC was audited by Trinity Consultants for compliance and best practices with particular focus on life-threatening safety programs including Fall Protection, Confined Space Entry, and Respiratory Protection and again no non-compliances were raised. A new vapour recovery system was installed on each solvent underground storage tanks to eliminate air emissions associated with deliveries.

KMC receives its steam used for building comfort and process operations from Carestream Health a neighbouring company. Carestream is obligated to perform a boiler overhaul annually and this requires the site steam be supplied out of KMC backup boilerhouse (C-30). Outdoor discharges of steam condensate associated with steam shutdowns were eliminated by directing discharges to the industrial sewer rather than onto the ground reducing any impacts to the environment.

A project was initiated as part of the ISO 14001 EMS to reduce the fuel consumption year over year. With careful planning and coordination between KMC and Carestream Health, a reduction of 53% was achieved in one year.

Environmental Award – KMC received recognition as a Gold Leader member of the Colorado Environmental Leadership Program in June of 2021. This process involved an in-person on-site inspection of the facility and it's beyond compliance sustainability projects.

Finally, the site instigated a project to examine redirecting existing landfill waste for recycling. For example, shredding, blending, and compressing these materials into fuel pellets that could be burned by an operation like a cement-kiln. At the time of writing this is ongoing in 2022.

Kodak Alaris Outreach Examples

Our community outreach programs are developed to influence community well-being and employee experiences. During 2021 we focused on addressing the community impacts of the pandemic while continuing to demonstrate and prioritise the health, safety and wellbeing of our employees. Our aim is to care for people in our communities by providing for those in need, advance medical research, contribute to disease prevention awareness, and contribute to overall wellbeing. Some examples are given below:

In the USA we supported the United Way Day of Caring and Annual Pledge Campaign enabling response and support to community challenges like COVID-19 and racial injustice, while strengthening the foundational building blocks that make a community strong. This campaign resulted raised donations over \$43K plus a corporate donation of \$10k.

Our UK employees supported a Virtual Horse Racing event in support of Comic Relief and Red Nose Day raising \$798 to help tackle important issues including homelessness, hunger, domestic abuse, and mental health stigma. All these issues have been impacted adversely by the Covid-19 pandemic. In addition, the UK aligned with the Food Waste Action Week encouraging residents to cut food waste and save money to highlight the environmental impact of food waste.

In June, Kodak Alaris launched a Distance Challenge to encourage employees to get moving whether that was walking, running, rowing, biking, or hiking. Our goal was to, globally and collectively, walk at least 800 miles (1,287.48 km). In total 150 employees participated, completing 9,627 miles and the Company donated \$22K from to organisations in India, Mexico, UK and the US aligned to health/wellness!

On October 16th, to celebrate World Food Day, we hosted a Global food drive to donate locally to our communities and also raise funds for World Central Kitchen, a not for profit organisation that uses the power of food to nourish communities and strengthen economies through times of crisis and beyond.



Kodak alaris

For more information on all aspects of our product sustainability and supporting management systems please see the EHS section on our internet site: <http://www.kodakalaris.co.uk/about/ehs>

or contact gregory.n.batts@kodakalaris.com.

