

Kodak alaris

2020 Environment 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 our 5th Annual Environment Report with all of our interested stakeholders. Continuing to reduce emissions driven by our products and operations has been, and will remain, a critical aspect of how we operate our businesses around the world. I remain hugely impressed and proud of our global team that have remained dedicated to such a critical issue over the last year despite the considerable impact and distraction caused by the COVID-19 pandemic across all industries, businesses and communities—focusing on these important challenges and not just the urgent near term issues demonstrates our commitment to this global issue. This focus on our long term ambitions and targets provide considerable confidence that we will continue to drive for further improvements in the years and decades to come.

This Report demonstrates how we consider the whole lifecycle of environmental issues 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 environmental goals and progress towards these voluntary targets as part of our contribution to tackling Climate Change."

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 2020

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 safe throughout their lifecycle.

In addition, we are conscious of our responsibility to reduce the impact of our operations on Climate Change. This is not something we have just become aware of and in 2016 we set ourselves a target to reduce our Greenhouse Gas Emissions reported below.

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. In 2016 the Company's Board of Directors agreed to a set of voluntary "beyond compliance" 5-Year environmental goals illustrated in below which sets our emissions against revenue as a Key Performance Indicator (KPI). Our progress towards these goals in 2020 is presented here:

"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%. Despite having met the goal one year early, our plan is to further reduce our GHG emissions in 2021 as our contribution to managing Climate Change.

"Maintain uninterrupted ISO 14001 Environmental Management System certifications."

We continue to maintain five 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.

"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. In our 2020/21 annual APCO report, our sustainability score rose from 46% to 50% which maintained our overall status at Level 3, i.e. "Advanced".

"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 2020 Alaris had exceeded this 5 Year Goal having seven scanners certified to EPEAT Gold (i.e. 21%) and the remaining 26 out of 33 models on the global market to EPEAT Silver Level.



Product Stewardship & Governance

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 which includes 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 2020 we passed our surveillance audit to ISO 14001:2015 with zero nonconformances. For more information visit:

<https://www.kodakalaris.com/company/environment,-health-and-safety/ehs-certifications>



Our global commercialisation process is well-established and robust with a series of phases and gates. This involves gathering information and data. Mandatory, i.e. legal compliance and voluntary, i.e. beyond compliance issues are covered in this process.

All applicable environmental issues are included in this process such that they are resolved before shipments to partners and customers are allowed by our internal controls.

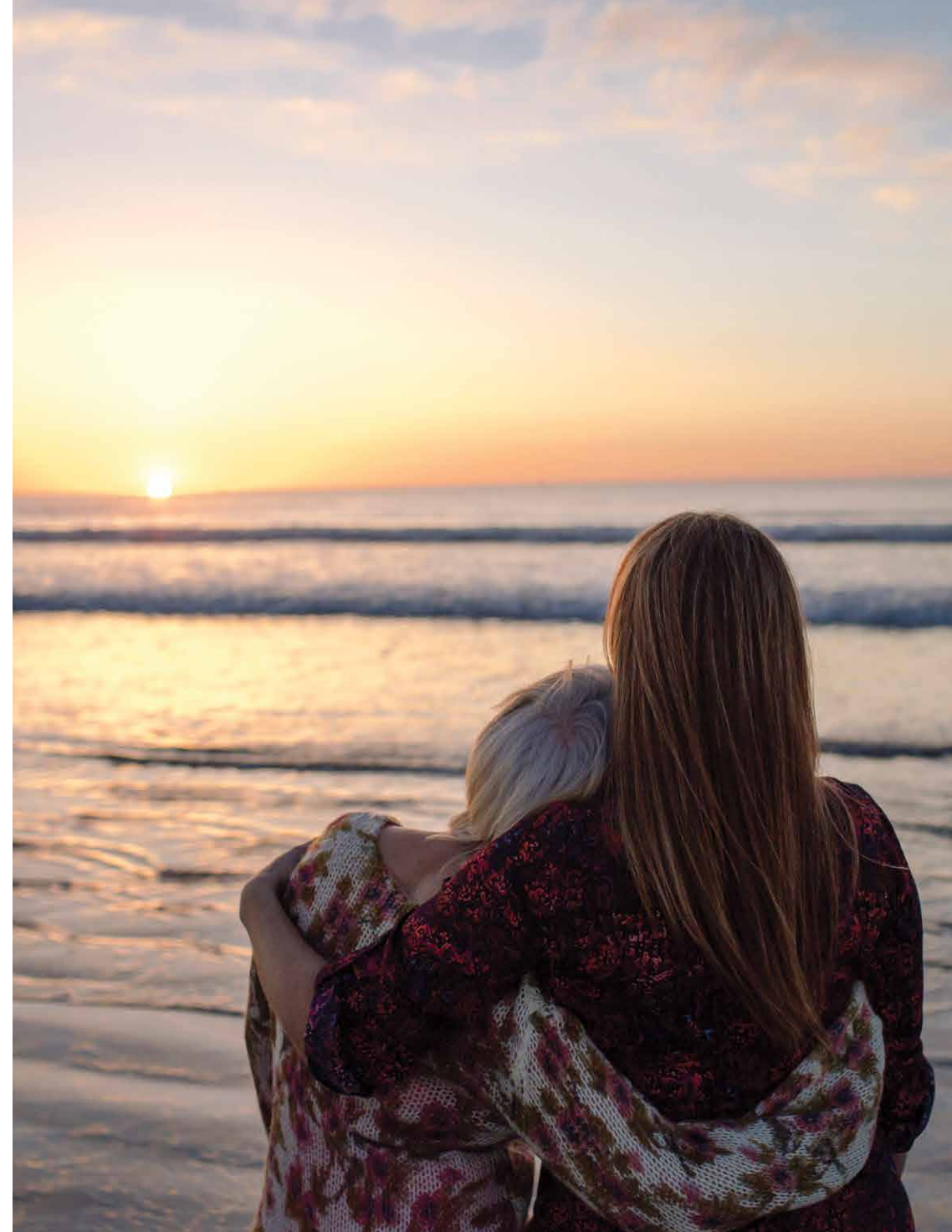
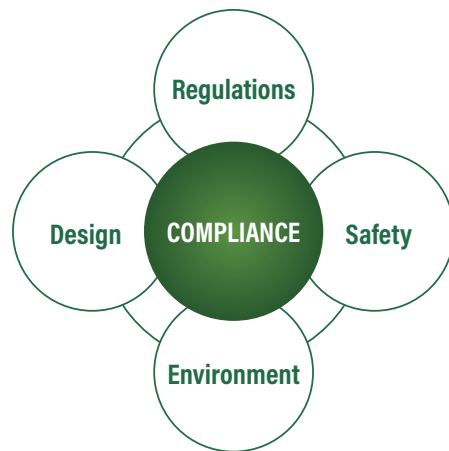
This global Environment Report includes a selection of our products and services offered around the world. More information on our products and services can be found at www.kodakalaris.com.

Emerging Issues

A core part of our EMS is the Emerging Issues Team comprised of Environmental, Health and Safety professionals. These subject experts monitor global developments, initiatives, standards, regulations, agreements and voluntary codes etc. that need to be considered when the Company designs products and managing products that have been commercialised already. We consider our stakeholders and their expectations which are not just meeting legal compliance.

This ensures we bring these requirements (mandatory and voluntary) into our commercialisation programs in a timely manner to meet worldwide expectations for doing business and we don't make environmental mistakes launching products.

There are several "beyond compliance" environmental features and voluntary matters of our product design in the EMS, that are highlighted in this Report. The Emerging Issues Team also establish the EH&S Requirements for the Company's Supply Chain Partners.



Our Supplier Expectations

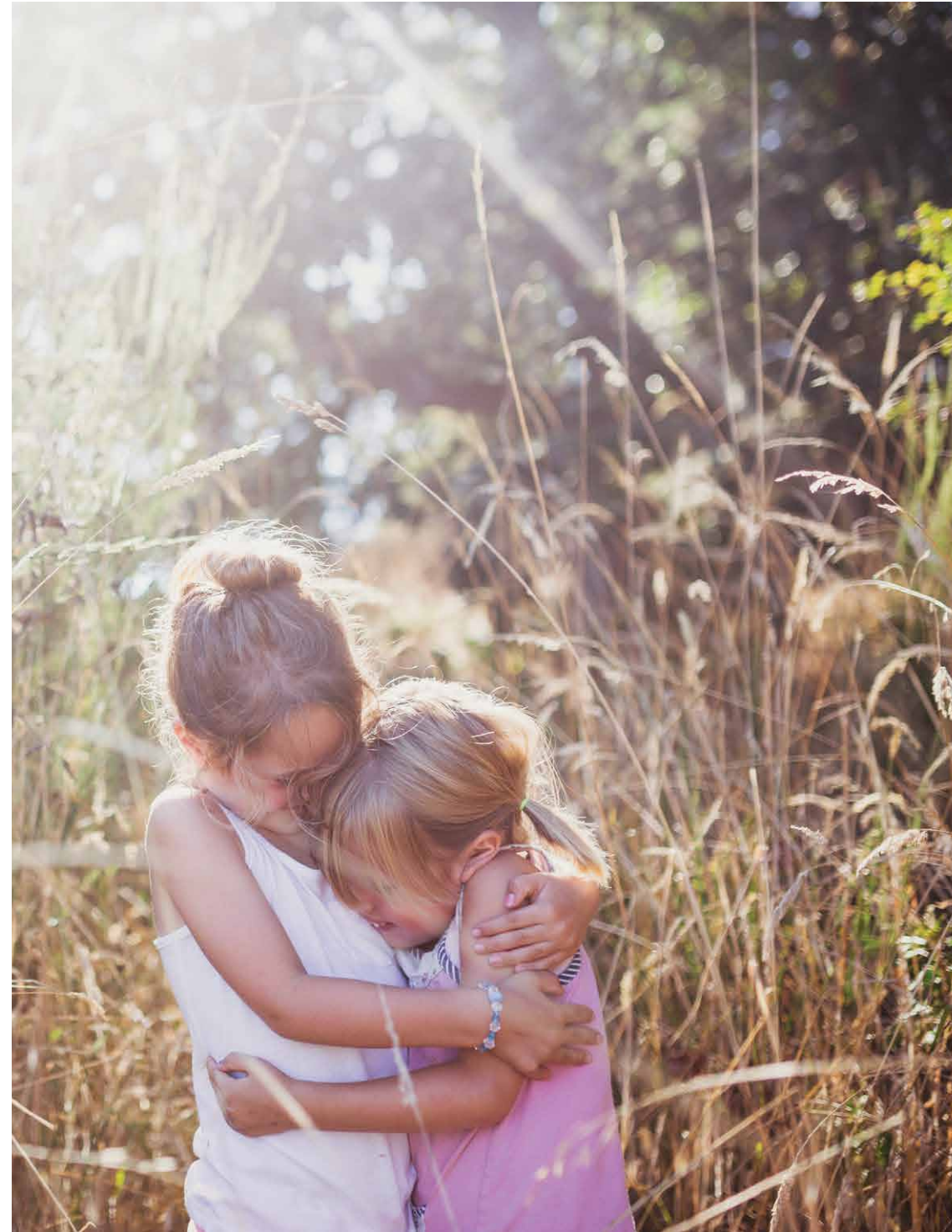
Commitment to continually reducing adverse environmental impacts is across the supply chain. Kodak Alaris maintains relationships with suppliers that operate in an environmentally responsible manner, maintain safe facilities and operations, provide goods and services that are safe, minimise environmental burdens and meet regulatory compliance obligations in their intended markets.

Kodak Alaris expects their 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.

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.
- 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 EH&S 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 1,500 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 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 STAR™ qualified thermal printers for our Kiosk, Order Stations and APEX Systems wherever feasible such that less energy is consumed in operational and stand-by modes. In addition, the integrated laptop computers at the heart of our Order Stations meet the criteria for gold EPEAT (Electronic Product Environment Assessment Tool) certification. These design choices lead to reduced GHG (Greenhouse Gas) emissions (mostly CO₂) to the environment and lower operational costs for our customers.

Despite the challenges of COVID during most of 2020 we maintained our program for placing our latest Order Station, M1, on markets around the world.



Our M1 Order Station

Our latest Order Station was launched in 2019 as the successor to the G20. It is a compact printing solution for every space which requires no large investment or floor space. Its mass is only 14.8 kgs and has a footprint of only 0.116 sq.m (42.8 cm x 27 cm).

The M1 is smaller and lighter than the previous G20 Order Station (and older models) which has a mass of 23.6 kg and a footprint of 0.202 sq.m. This new design replaces a desktop computer and monitor with a laptop such that the energy consumption is less than 1/3 of the G20. In addition, the incorporated laptop is compliant with EPEAT Gold.





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 GmbH 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 2020, 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. These included 595 Photo Printers, 416 Kiosk Order and Print Stations, 15 Print Scanners and 1 APEX System.

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 as described previously. When equipment is finally beyond economic refurbishment or remanufacturing, it is dismantled into separate components for use as spare parts by our Service Organisations in EMEA.

In fact, in 2020, we saw the number of used/refurbished older Order Stations placed on the market was higher than the number of new M1s and G20s sold around the world. This is a great testimony to our refurbishing/reusing program and our determination through design and refurbishing to address the problems of waste treatment hierarchy.

In our experience, some hardware can still be in service up to 20 years after it was first placed on the market.



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 2020 our Repair Centre recovered 410 used components from a variety of Kodak Kiosks and printers such as Controllers, Hard Disks, Motors, Power Supplies, Displays and Main Boards. The plan is to expand this work in 2021.

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.

Kodak Moments has a full range Thermal Dye Sublimation Photo Printers on the global market. New and refurbished items are fully compliant with the appropriate requirements in the markets to produce different size prints and finishes.

All Photo Printers have associated consumables which include thermal receiver papers and plastic donor ribbons. The donor ribbons are manufactured at our Facility in Colorado USA. This involves coating the thin plastic base with thermal dyes and other addenda to create the sensitive layers which then produce images on the ribbon by thermal dye sublimation in the printer which are then transferred to the donor paper as a print for our customers.

Used thermal paper receiver and plastic donor ribbons can be downcycled or sent for incineration with energy recovery in countries where such facilities are available. These options are mentioned in our Article Information Sheets (AISs) where we also give European Waste Codes (EWCs) to help our customers manage the waste ribbons and paper. www.kodakalaris.co.uk/about/ehs

Kodak Moments has made significant changes to the packaging over several years. For example, all the wind and unwind plastic cores for the ribbons and paper are made of 100% hard pre-consumer recycled polystyrene.

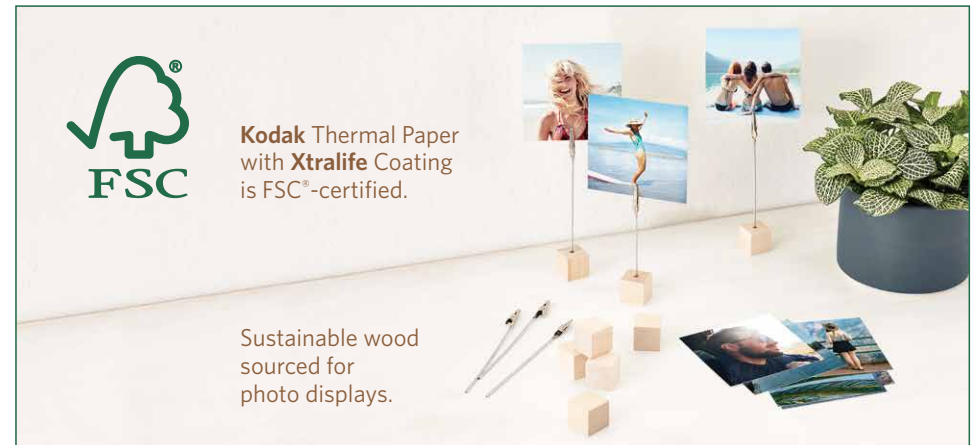
In addition, outer boxes have at least 80% recycled content and all fillers and stuffers are made from 100% post-consumer recycled material.



(CoC) Certificate Reference and obtained approval from our FSC® Audit company to begin using FSC® logos on our products to promote this achievement and market the sustainability of these items to interested stakeholders.

Kodak Moments believe FSC® Certification is an important award recognised all over the world. It demonstrates to our customers and other stakeholders that the sustainability of the finished certified thermal papers Kodak Alaris is selling into these markets 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 paper which we then finish and supply to our customers, i.e. the retailers around the world and ultimately the end users.

In 2020 we utilised our FSC® award in an advertising campaign for customers to buy a DIY kit to display their favourite prints. The kit comes with 10 4x6" Classic Prints using Kodak Thermal Paper with Xtralife Coating which is FSC®-certified and ensures materials are sourced from a responsibly managed forest. And the display is made with solid sustainable wood in a natural finish.



Customers now see our products with FSC® information, "KODAK PHOTO PRINT KIT 6800/6R FSC MIX SCS-COC-006903" and a suitable logo for the intended market from the off-product marketing communications. Our FSC® Certificate and Licence are kept up-to-date on our Internet Site.

Forest Stewardship Council FSC®

One of our major sustainable achievements in 2020 was to consolidate our 2 certificates into a single multisite version. We had a virtual audit in October 2020 and were granted our new certificate soon after. There were also virtual audits of 2 of our offices that process customer orders. This extended our FSC® Certification to our thermal paper receiver products sold in Germany, Italy, Spain and France taking us well over 90% wt/wt of thermal receivers sold globally.

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 via the FSC® portal and get this approved by our Licence Manager Audit Company SCS Global in the USA.

The following is an example from China. During 2020 we changed the remaining item descriptions of many of these paper products to include the Chain of Custody

During 2020 Kodak Moments Colorado maintained their environmental management system certification to ISO 14001:2015. The KMC Team strives to continuously improve environmental performance and reduce adverse environmental impacts. Annually, environmental objectives and targets are established based on a review of aspects and impacts, performance, business needs, stakeholder needs and continuous improvement opportunities.

The absolute 12 month moving average kWh consumption was 71.1% of the 2015 year end 12 month moving average kWh consumption. This goal dovetailed with an overall desire to reduce greenhouse gas (GHG) emissions from the KMC operations.

Unfortunately, in 2019 and 2020 KMC's GHG emissions took significant hits associated with the site's supplier of steam and electricity annual boiler overhaul activity. This nearly doubled the scheduled time each year (6 weeks to nearly 12). KMC has advanced a project to achieve independence for steam supply, which will reduce the facility's overall annual GHG emissions. On an absolute basis, KMC's annual GHG emissions were reduced by 7% versus 2015.

The site completed an investment in a more energy efficient fork truck fleet with new vehicles and high efficiency charging systems.



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 2020 Alaris had 33 scanners 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.

At the end of 2020 there were 301 scanners in the EPEAT USA Registry of which 13 were Gold, 165 Silver and 123 Bronze. Alaris had 33 active scanners in the Registry and we are proud to have 7 of the 13 Golds, i.e. E1025, E1035, S2040, S2050, S2070, S2060w and S2080w Scanners.

Our other 26 Scanners meet the requirements for Silver and Alaris plan to get more certified to Gold in 2021. This is a tremendous achievement compared with other manufacturers in a market where some Public Bodies and other stakeholders require purchased equipment to meet EPEAT, e.g. Australia require Silver compliance.

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 2020 seven of our scanners were awarded the Taiwan Green Mark, namely the Kodak i4250, i4650, i4850, S2050, S2070, S2060w and S2080w models.

Our Kodak Alaris Imaging Equipment site in Shanghai produces a range of scanners for Alaris that are sold around the world. It maintained 100% compliance for environmental emissions and met the target for zero environmental spillage incidents. In 2020 their health and safety management system was third-party certified to ISO 45001:2017 replacing OHSAS 18001. The site had zero occupational lost time injuries and only 3 incidents.



Packaging

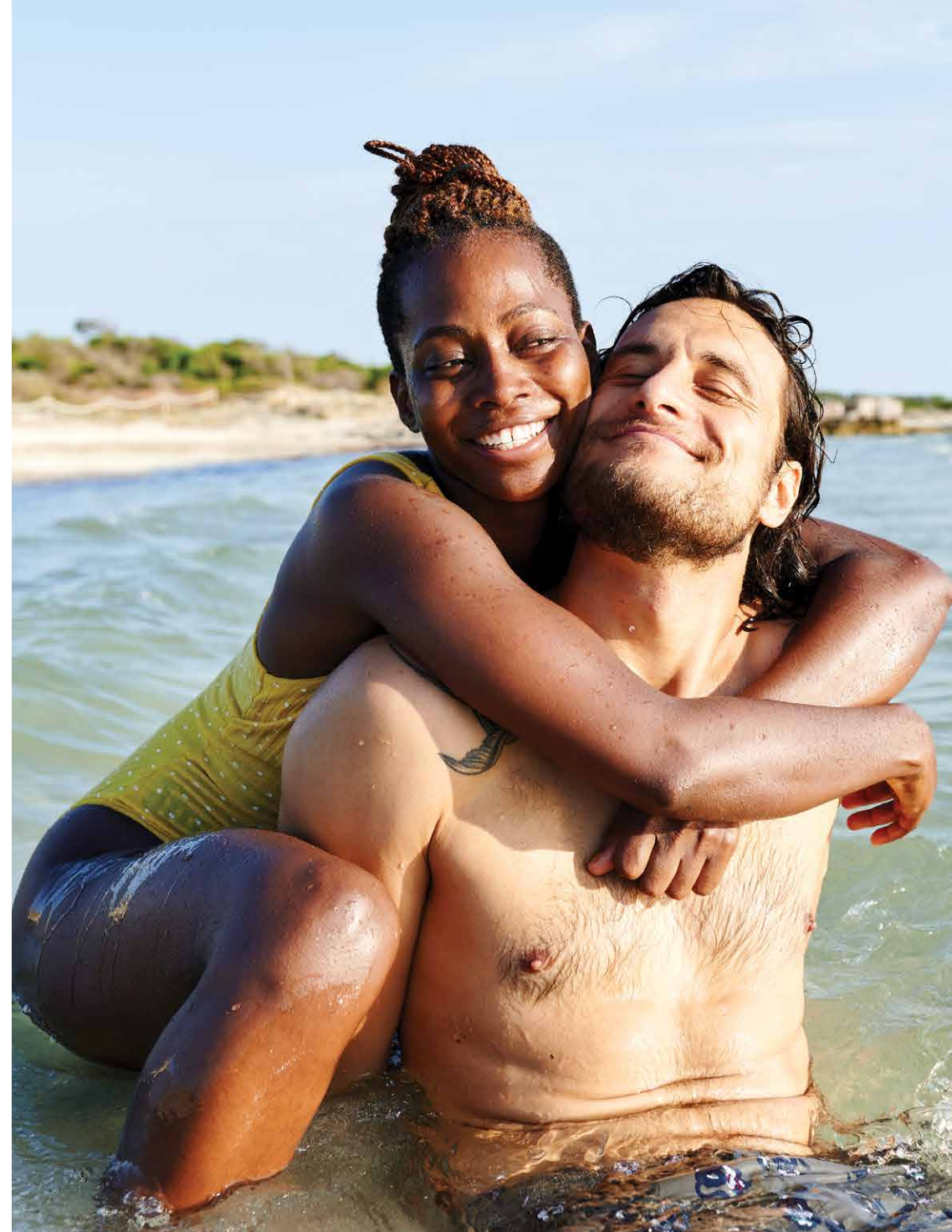
Kodak Moments has been optimising its products' packaging for many years to reduce environmental impacts globally and locally. In 2016 Kodak Alaris Pty joined the voluntary Australian Packaging Covenant Organisation (APCO). Stakeholders can access our annual reports and action plans on the main APCO site or by following this link: <https://apco.org.au>

Our first annual report was submitted in 2016 in which we had attained a sustainability score of 18%. Over the following years we made several improvements the packaging design and composition for our Kodak Moments products placed on the Australian market. At the end of 2020 we had further improved our score from 46% to 50%.

As Kodak Moments items are designed for the global market, these improvements helped reduce our environmental impacts in all the markets we operate, not just Australia.



**Australian
Packaging
Covenant**



Kodak Alaris Outreach Examples

United Way Donations: Some employees chose to continue with their current annual payroll deduction pledges. We appreciate their continued support for our communities during this challenging time. Their continued support connects with others through the power of collective giving to make a lasting difference for our local communities.

E-Scrap for Camp Donation Drive: In February our Rochester Office participated in E-Scrap for Camp, a home electronic donation drive, in partnership with Sunnking, an electronic recycling company. This was in support of Camp Good Days and Special Times, a local organization that provides services for: children with cancer, children who have or lost a parent or sibling with cancer. In total, 7,118 pounds of items were recycled rather than sent to landfills.

Hillside Special Santa Virtual Donation Drive: Special Santa, Hillside's annual holiday giving program, is a true community collaboration that unites dozens of generous area businesses, thousands of compassionate donors and every Hillside staff

member. We had 30+ employees participate in the 2020 holiday drive with \$500+ donated and 30+ gifts purchased through the Hillside Amazon Smile Charity Page. We are very thankful that Kodak Alaris employees continue to step up to help our community even in the most challenging times.

Susan B. Anthony 200th Birthday Celebration: On February 12th 20 women from Kodak Moments Team joined the celebrations for Susan B. Anthony's 200th Birthday with a special dinner and fundraiser to honour contemporary women who continue her legacy. The evening featured a keynote address by Tena Clark the author of Southern Discomfort, a Grammy award-winning musician and composer. Kodak Moments is proud to support an institution that empowers women of all backgrounds.

UK DENS Donation: In the UK, the Company contributed £2,500 to our local Hemel Hempstead charity for the homeless, DENS. We made sure all employees were aware of this, sharing the letter of thanks we received from them.



THE NATIONAL
SUSAN B. ANTHONY
MUSEUM & HOUSE™



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.