Environmental Social Governance



SUSTAINABILITY OVERVIEW REPORT EMEA

2024



KATUN®

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Welcome To Our Company

Message From Our EMEA General Manager



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Katun takes its role as a global citizen seriously and our ESG (Environmental, Social, Governance) position and policies reflect this. We are committed to following regulations while proactively promoting human rights, ethical business practices, healthy communities, and the environment. We are obligated to our fellow citizens to act compassionately and conscientiously in all areas of business and are dedicated to doing business ethically and responsibly.

Our environmental policies are continually evolving to meet the needs of the customers we serve, the countries where we do business, and the communities where we live. At Katun, we proactively adopt sustainable business practices and participate in the circular economy — by selling remanufactured, recycled or refilled imaging supplies that provide our dealer and distributor customers with high quality, cost-effective replacement products. Katun has historically promoted environmentally friendly products and practices wherever possible and we will continue to support sustainable initiatives and ways to contribute to the preservation of the environment and the planet where we all live.

It is with honor that I represent a team of people who have worked hard and been loyal to Katun for so many years, serving our customers and the industry to the best of our ability. Our commitment to these values will grow even stronger as we develop the products and services you need to succeed in the years ahead.

"

Heidi Boller General Manager, Katun EMEA

Our Mission is to be your Trusted Partner



Do the Right Thing

When it comes to the environment, Katun's policy is to "do the right thing." It applies to our local and global communities, especially in the safety of our products and how we treat the environment.

Katun is committed to doing the right thing in our overall approach, and in our compliance with environmental and safety directives from the governments where we do business.

What is Circular Economy?

The circular economy is a sustainable economic model that aims to minimize waste and maximize the use of resources. In this system, products are designed to be reused, repaired, or recycled rather than disposed of after use. By closing the loop of production and consumption, the circular economy strives to create a regenerative system that benefits both the environment and the economy. This approach encourages innovation, reduces environmental impact, and promotes the efficient use of resources. Embracing the circular economy can lead to a more sustainable future for generations to come.

Uses Fewer Raw Materials

Reduces Waste

Lower Emissions

Boosts Economic Growth



Katun began its contribution to the circular economy in 1990, with the launch of the company's first remanufactured drum unit/cartridge. Not only was reuse cost-effective back then, it was pivotal in paving the way for a greener future. In more recent years, the continuation of remanufacturing and reuse is more important than ever to ensure a sustainable environment and a secure future for the planet.

Katun has been developing products and services with this in mind throughout our decades in service and today have an extensive offering dedicated to eco-friendly practices.

Contributing to the Circular Economy with Remanufactured and Refilled OEM Cartridges

LCA Study Results

Producing a <u>refilled OEM</u>
A3 toner cartridge has
84% LESS environmental
impact compared to a
new-build.*



Producing a remanufactured A4 toner cartridge has 79% LESS environmental impact compared to a new-build.*



^{*} As per Independent Lifecycle Assessment commissioned by Katun in April 2022.

Company Introduction

Our Sustainability Journey

2008

Katun pioneered the refilled OEM cartridge concept

2020

Partnered with PrintReleaf™ to promote reforestation

2021

Launched recycled plastics products – an exclusive and first in the industry!

2022

Became Nordic Swan Certified for many remanufactured and refilled OEM toner cartridges.

2023

Introduced an industry-first refillable aftermarket toner cartridge! Katun ecoKAP™ is an innovative, exclusively designed toner cartridge featuring a patent pending cap to enable reuse as a Katun Refilled Cartridge!



2024

Launched Katun ecoKAP™ Refilled Toner Cartridges into circulation.



Company Value

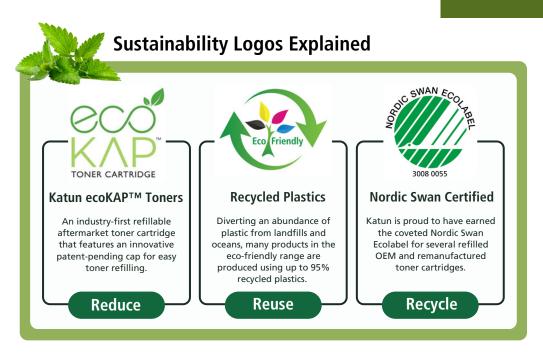
Sustainable Products

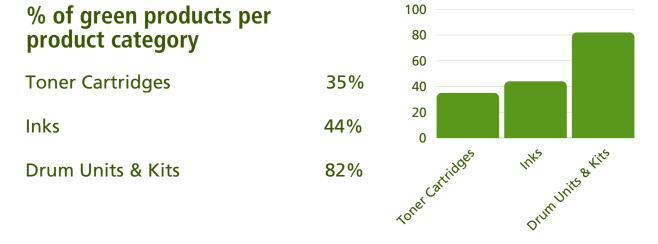


Green Portion

32%

Almost a third of all our products in the EMEA range are considered ecofriendly. This includes remanufactured and refilled OEM toner cartridges, remanufactured drum units, drums and drum unit rebuild kits, and products made with recycled plastics.





Product Recycling

Collection Partners

Katun actively participates in the circular economy by selling remanufactured imaging supplies that provide our dealer and distributor customers with high-quality, cost-effective replacement parts. We have a network of specialist licensed office equipment recycling partners throughout Europe to cater to all customers' waste management needs and dedicated to giving products a second or even third life.



We greatly encourage our customers to return all of their used cartridges and drum units to our collection partners, so we can keep providing them with remanufactured products for use in a wide range of OEM brands and avoid waste being sent to landfill.

Recycled Plastics Products

Diverting an abundance of plastic from landfills and oceans, many products in the eco-friendly range are produced using up to 95% recycled plastics.

In February 2023, Katun made the eco-conscious choice to produce all newly introduced waste toner containers using recycled plastics – in most cases that means that over 90% of the plastic used for the finished product is recycled material.



Print IT, Plant IT with PrintReleaf[™]



Reforestation

We understand the importance of preserving resources and strive to conduct business with an environmentally friendly approach.

"Print It, Plant It" is Katun's Reforestation program in partnership with PrintReleafTM, enabling Katun customers and end-users to contribute to the reforestation of global forests by offsetting their paper output and converting pages printed into trees.

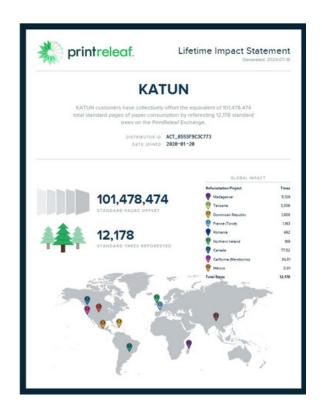


Katun partnered with PrintReleaf™ in 2020 to expand our sustainable initiatives portfolio and promote our commitment to helping the environment.

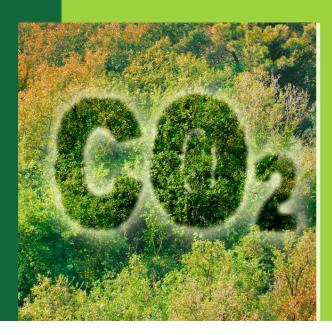


The "Print It, Plant It" program enables our dealer customers to track not only their own, but also their customer's paper consumption through an intelligent online dashboard. Here the customers can convert the number of pages printed into a tree planted in a reforestation project of choice. The number of pages equating to one tree has been scientifically calculated and verified.

As the Lifetime Impact Statement shows to the right, Katun and it's customers in EMEA have reforested over 12,000 trees in various locations over the world!



Carbon Footprint Analysis



What are CO₂ Emissions?

Carbon dioxide (CO₂) emissions refer to the release of carbon dioxide into the atmosphere, primarily as a result of human activities such as burning fossil fuels (coal, oil, and natural gas), deforestation, and various industrial processes. CO₂ is a greenhouse gas, meaning it traps heat in the Earth's atmosphere and contributes to global warming and climate change. Reducing CO₂ emissions is crucial for mitigating the adverse effects of climate change, such as rising sea levels, extreme weather events, and loss of biodiversity.

CO₂ Reducing Initiatives at Katun EMEA

Minimizing Waste

- Use of recyclable packaging materials in our European Distribution Centre
- Recycling encouraged in all local offices
- Recycling of products offered via partners
- Use of X4 packaging machine to reduce waste
- Pallets are recycled and returned for reuse
- Use of recycled plastics in products

Reducing Energy Consumption

- Use of solar panels
- Portion of products made in Europe, making supply chain shorter
- Favoring electric vehicle use within traveling sale rep fleet.

Carbon Neutral Logistics

- Participant of the UPS Carbon Neutral program
- System programming to recognize and implement automated shipment consolidation

Offsetting Programs

Authorized distribution partner of PrintReleaf™, offsetting paper print output with reforestation



Company Environment

Innovation for a Green Future



Katun ecoKAP™ Toner Cartridge

Katun ecoKAP™ is an innovative, exclusively designed toner cartridge that features a patent-pending cap allowing for easy toner refilling.

A true circular economy product

- An industry-first refillable aftermarket toner cartridge!
- Can be refilled up to 3 times!
- Made from greater than 60% recycled plastic!



Over 48,500 Cartridges in Circulation

8000 Tonnes

Saved From Landfill and potentially oceans.



Our Distribution Centre

From Green to Greener

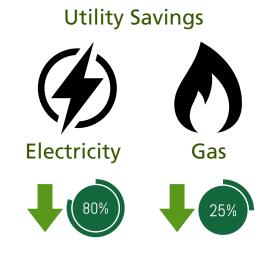
Katun's European Distribution Centre relocated to Tiel, The Netherlands in June 2022. The modern facility boasts over 120,000 square feet of warehouse space, 13 truck loading docks and a specialist area for our technical team. Eco-friendly additions include solar panels for energy, LED lighting throughout and a waste saving innovative packaging machine. The distribution centre provides excellent service to customers throughout Europe, Africa, and the Middle East.



All box shipment packaging used in our European Distribution centre is sourced with environmental factors considered. All outer shipment boxes are composed of fully recyclable cardboard, and all insert protective packaging is recyclable paper. We use recycled wooden pallets and recycled environmentally friendly plastic film for wrapping. We ensure all recyclable material is disposed of responsibly with specialist recycling facilities on-site.

Furthermore, Katun's commitment to sustainability has extended to our packaging strategy, with the installation of a specialized on-demand packaging machine in 2022. This machine calculates the volume and box size according to order and produces a custom sized box. This reduces both the waste material produced and the amount of protective paper required within the box.





Company Initiatives

Working Towards our Green Goals



Why is ESG Important?

Businesses are increasingly focusing on Environmental, Social, and Governance (ESG) factors to make a positive impact. This includes reducing carbon emissions, promoting diversity, ensuring ethical practices, supporting communities, and innovating in sustainability. Achieving these goals enhances reputation, stakeholder relationships, and contributes to a more sustainable future.

What are Katun's Goals to Support ESG for the Future?



Reduce carbon emissions by replacing existing car fleet with ev/hybrid vehicles Goal: 90% of fleet to be electric vehicles by 2030



Plant a target of 5,000 trees per year with PrintReleaf™



Expand the portion of eco-friendly products including eco-design elements to 45% by 2026

Company Social

Our People



Introduction

At Katun, we understand that our people are our most valuable asset. Our commitment to sustainability extends beyond environmental initiatives to encompass the growth and development of our employees. This section of our sustainability report outlines our dedication to Human Resource Development and Personal Growth.

The Importance of Employee Well-being

Approach

We believe in nurturing a culture that supports continuous learning, skill enhancement, and personal development. Our strategies are designed to unlock the full potential of our employees, aligning their growth with our organizational goals.

Key Initiatives

Within our environmental, social, and governance (ESG) framework, we are committed to fostering a culture of continuous learning and support for our employees. Our approach to professional development is comprehensive, offering a variety of in-house and external training programs, workshops, and seminars. These opportunities are designed to sharpen technical skills, enhance leadership qualities, and promote innovative thinking, with a significant number of our team members engaging in at least one professional development activity over the past year.

Additionally, our mentoring and coaching programs are a testament to our dedication to fostering a nurturing and collaborative workplace. By pairing less experienced employees with seasoned professionals, we facilitate valuable knowledge transfer and career guidance, strengthening our organizational fabric.

In the realm of health and well-being, recognizing the critical importance of both mental and physical health is fundamental to our approach. Although we have not yet implemented these offerings, our future plans include the introduction of comprehensive resources and programs focused on holistic well-being. These planned initiatives will encompass stress management workshops, fitness classes, and health screenings, all aimed at supporting the overall health and wellness of our employees.

This forward-looking strategy demonstrates our commitment to adapting and expanding our support for the workforce to meet evolving health and well-being needs. By focusing on the future implementation of these health and wellness programs, we affirm our dedication to fostering a supportive and healthy work environment, aligning with our broader environmental, social, and governance (ESG) goals and organizational values.

Company Social

Equality & Diversity

Diversity and Inclusion

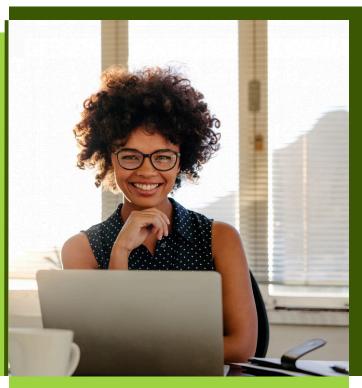
We are committed to creating an inclusive environment where diversity is celebrated. Our diversity training programs aim to foster an understanding and appreciation of different perspectives, enhancing teamwork and innovation. Key to this commitment is ensuring gender diversity and multicultural representation within our workforce.

The table on the below right represents our ongoing efforts to ensure a balanced and diverse workforce at all levels of the company.

We are proud of the progress we have made and remain committed to further enhancing diversity within Katun EMEA.

In our ongoing commitment to environmental, social, and governance (ESG) principles, we continuously strive to enhance our workplace environment and employee satisfaction. Our internal assessments indicate a stable and highly engaged workforce, as evidenced by minimal staff turnover. This stability suggests that our employees find our company a rewarding place to work, aligning with our core values and mission.

Looking ahead, we plan to further understand and improve employee satisfaction and engagement through conducting an employee survey. This initiative will enable us to gather valuable feedback directly from our team members, helping us to identify areas of strength and opportunities for improvement. By doing so, we aim to not only affirm our commitment to maintaining a positive work environment but also to reinforce our dedication to our employees' wellbeing and professional growth.



People Evaluation - EMEA



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%
%
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%
%
- - - -

*Data as of March 31, 2024

Company Social

Further Development



We provide regular cyber security and data privacy training to all employees.

Skill Enhancement:

Building on the success of our existing skill enhancement initiatives, we are actively exploring ways to further enrich our training and development programs. For example, Katun prioritizes cyber security and data privacy education for all employees. All Katun employees are provided with regular cyber security and data privacy education to help the employees understand the importance of maintaining a secure online presence. Our aim is to introduce innovative and targeted learning opportunities that cater to the evolving needs of our workforce and the dynamic nature of our industry.

In the future, we plan to expand our mentorship programs and enhance our training offerings, incorporating cutting-edge methodologies and technologies. This will include a broader spectrum of in-house and external training options, designed to offer a more personalized and impactful learning experience for every employee.

By continuously improving our development programs, we are committed to not only sustaining but elevating the level of expertise and satisfaction within our team. This forward-looking approach ensures that we remain at the forefront of professional development, furthering our commitment to excellence and our overall ESG objectives.

Leadership development:

Our focus on leadership development remains a cornerstone of our organizational strategy. Last year, we saw a number of our team members advance into leadership roles, a clear indicator of the effectiveness of our leadership development programs.

Central to our approach is our leadership succession planning process, which is designed to identify and educate potential future leaders within our organization. This process ensures that we have a pipeline of skilled and prepared individuals ready to step into leadership positions as they become available. By investing in the development of our future leaders, we not only support the growth and advancement of our employees but also strengthen the overall leadership structure of our company, ensuring sustainability and resilience in our operations.

This commitment to nurturing leadership talent underscores our dedication to fostering a robust, forward-thinking management team that is equipped to lead our company into the future.

Company Value

Compliance & Certifications



Quality You Can Depend On

Katun backs our products with industry-leading warranties. Because our products are subjected to rigorous testing, you can be confident in our product quality and reliability. Every new Katun product must pass a full battery of tests to evaluate its life/yield, compatibility with OEM products, and overall performance under a wide range of environmental and machine usage conditions. Extensively trained quality assurance inspectors maintain samples and thorough specification documentation for every product we offer.

Katun is committed to providing the highest standard of products and services.

We ensure compliance with necessary regulations and extend quality standards with industry relevant certifications.



STMC Certified Testing

Since our inception in 1979, Katun has been committed to providing industryleading OEM-alternative replacement supplies for imaging equipment. Our thorough testing protocols are key to that commitment.





ISO

The majority of our products are manufactured in facilities that have earned the ISO 9001:2015 quality management system certificate and the ISO 14001:2015 environmental management system certificate. Katun's parent company, GPI, also hold these certifications.



REACH & RoHS Compliant

Katun proactively works with its suppliers which provide products in these two categories through a formal program requiring the supplier to confirm its compliance.



Member of ETIRA

Katun is a member of the European Toner & Inkjet Remanufacturers Association (ETIRA). This non-profit organization was formed in 2003 to represent the industry and regulate the procedures regarding remanufacturing compatible products.



WEEE Compliant

In compliance with WEEE Regulations, Katun is registered with local WEEE authorities in all countries where Katun has a fiscal entity. Katun provides regular periodical declarations to the local WEEE Authorities.



Nordic Swan

Katun is proud to have earned the coveted Nordic Swan Ecolabel for several refilled OEM and remanufactured toner cartridges. The Nordic Swan Ecolabel is a Type 1 ecolabel (ISO 14024), one of the world's most credible environmental labels. Type 1 means that the certified products meet environmental requirements set by an independent third party and based on a life-cycle assessment.

Corporate Responsibility

Conducting Business Ethically

Katun takes its role as a global citizen seriously. In addition to our comprehensive environmental policies, we are dedicated to doing business ethically and responsibly. As a leader in the imaging industry, we recognize that in addition to our obligation to customers, partners, shareholders, and employees, we are also obligated to our fellow citizens to act compassionately and conscientiously in all areas of business.

Our company's social responsibility falls under two categories: compliance and proactiveness. Compliance refers to our company's commitment to legality and willingness to observe community values. Proactiveness is the approach to every initiative to promote human rights, help communities and protect our natural environment.



Our Policies







Our Company

More Information About Us

Katun Corporation

One of the world's leading providers of high-quality OEM-alternative imaging supplies and parts for copiers, printers, MFPs and MFDs. Katun pioneered and legitimized the aftermarket starting in 1979.







