ascom

Ascom UK Carbon Reduction Plan

Net Zero by 2050



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1. Introduction

In 2010, Ascom became a member of the UN Global Compact – the world's largest corporate sustainability initiative. Ascom is fully committed to promoting the key principles of the Membership including Sustainable Development Goal 13 on climate action.

Ascom UK understands the importance of acting responsibly and this includes reducing our carbon footprint across all our operations. We support the Paris Agreement and the UK Climate Change Act and are committed to place our efforts into keeping global average temperature rise to "well below" 2°C.

Ascom UK as part of the global Ascom group is committed to strive for carbon neutrality by 2040 and to reach net zero emissions by 2050 at the latest for emissions scopes 1,2 and 3. Our global net zero commitment as defined by the Executive Committee can be found on our website <u>Sustainability (ascom.com)</u>.

This report details our footprint and how our ambition will be achieved.

2. Ascom Global Emissions 2020

Ascom has reported carbon emission to the CDP since 2010 and has included a summary in the annual sustainability report. Overall carbon emissions at Ascom decreased in 2020 but rose slightly in 2021 as shown below in the table.

Year	Net revenue (CHFm)	CO ₂ e kg	CO ₂ e kg per CHF	% change CO₂e kg
2018 ¹	318.5	74,534,127	0.23	+7.4%
2019	282.9	67,712,161	0.24	-9.2%
2020 ²	281.0	61,771,932	0.22	-8.8%
2021	291.5	63,300,077	0.22	+2.5%
2022	297.4	65,325,679	0.22	+3.2%

1 CO2e emissions for 2018 were adjusted due to a thorough review conducted every five years.

² Covid-19 pandemic meant fewer products shipped, which reduced CO₂ emissions significantly in 2020.

As disclosed in the Sustainability Report 2022, Ascom's emissions are mainly derived from products, namely the materials used in products and the energy consumption in their usage. On a global level this is where our main effort lies as, in the R&D phase, we have the chance to influence the whole lifecycle of the product.

Carbon footprint of Ascom



Materials used in products 54%

3. Ascom UK

In furthering the principles outlined in the Ascom Global Sustainability Directive, Ascom (UK) Ltd commits to significantly reduce operational CO_2 emissions and achieve the CO_2 neutrality required by the British governments by 2050.

Ascom UK is one of five sites across the Ascom Group currently certified by an independent external body in accordance with the environmental management system standard ISO 14001. Ascom UK implemented the Group's environmental management system and successfully completed a certification audit for its operations in Q4 2021.

Although we started collecting data in 2017, 2020 has been taken as our baseline year because a significant amount of data was gathered with regards to carbon emissions by Ascom UK.

Boundaries

Ascom (UK) Ltd is fully owned by Ascom Solutions AG and within the scope of consolidation of Ascom Holding AG. The UK business does not operate any R&D and procures most products sold from other Ascom entities. Ascom UK has one facility – the office in Lichfield, England, a leased property. The office is a building shared with other organisations. Around 50 FTE's work periodically from this base; this accounts for about 89% of Ascom's total UK employees. The vehicle fleet is not owned but 100% leased.

Scope 1 Emissions

Ascom UK does not generate electricity, heat, or steam from the combustion of fuels from stationary sources, nor is there any physical or chemical processing. Manufacturing of Ascom products is outsourced by the relevant subsidiary to EMS in various global locations.

There is, however, mobile combustion sources to account for. The vehicle fleet is leased with contracts of 2 years with up to 20,000 miles per vehicle. In November 2021, all vans were replaced with cars, and we commenced transitioning to a hybrid fleet. Presently, 74% of all leased cars are hybrid.

Miles	Tons Co2e
659 553	198.87
546 635	163.99
498 456	149.54
297 552	89.27
405 750	121.73
283 500	85.05*
	659 553 546 635 498 456 297 552 405 750

Scope 1 – Emissions from Car Fleet

The main source of emissions from Ascom UK business travel is domestic road travel. Business travel is mainly carried out in the sales process, delivering the project, routine maintenance of a project as well as unplanned customer issues causing travel. The latter has been a target area in the past years for Ascom UK. Providing the infrastructure for remote fix allows Ascom to solve customer issues without having to visit customer sites. This saves emissions from travel and reduces the time to resolution for the customer.

Since 2017 at the UK business, we have seen the percentage of remote fixes increase from 61% in 2017 to 93% as of December 2021. It is inevitable that some unplanned customer issues will cause travel, however we aim to be as close to 100% as possible.

Fixed Remotely	Caused Travel
61%	39%
86%	14%
87%	13%
93%	7%
93%	7%
	61% 86% 87% 93%

Scope 1 - UK travel from unplanned customer issues

By 2030 all fleet vehicles whether leased or otherwise will be hybrid or fully electric cars. Also, remote fixing targets will always be aimed at 100% as much as is reasonably practicable.

<u>Conclusion:</u> With the measures above, we expect to reduce Scope 1 CO₂ emissions by 100% by 2030.

Scope 2 Emissions

Ascom UK premises is a rented facility in Lichfield, England which is currently shared with two other organisations. The below figures on electricity consumption are based on Ascom UK's occupation of the building per m³ of the total percentage.

Ascom UK has not been able to obtain accurate historic CO_2e data from before April 2020. Costs are known but kWh and CO_2 emissions cannot be reliably calculated from this. However, we have calculated using overall data collected from the landlord.

Year	KWh	Tons Co2e
2020	102 676	31.45
2021	135 674	41.55
2022	238 967	73.19
2023	192 795	59.05
Scope 2 - Energy usage from building		

Ascom worked with the landlord since 2020 to minimise consumption, ensuring that all areas were fixed with sensors and that all appliances and electronics are as energy efficient as possible. This led to a significant reduction in the energy usage of the building in 2023 as shown in the table above. This was also enhanced by the new policy for Ascom workers to be allowed to work remotely, either fully or on a hybrid basis.

Discussions are ongoing with the landlord and the local council on environmental initiatives such as electric vehicle charging stations.

From 01/10/2021 the facility Ascom UK occupies has been supplied with 100% renewable energy with a Pure Green certificate awarded to that effect.

Scope 3 Emissions

3.1.1. Upstream

Waste

Emissions derived from waste from UK operations is negligible. On a global level from offices and manufacturing sites waste accounts for less than 1% of total emissions. UK waste will not be included in this scope as there is no manufacturing in the UK and any site waste is disposed of into the customer-provided receptacles. Site waste mainly consists of packaging and any small material offcuts such as of cabling etc.

Office waste receptacles are shared with neighbouring companies and quantification of waste originating from Ascom is difficult. Ascom have reached out to the local council that collects the recyclable and other waste for data on the weights of the different waste streams.

Within the Ascom Group we work to ensure that primary product packaging is as environmentally friendly as possible without compromising on the protection of the product. Our product packaging across the product line is cardboard. In all new products we require that at least 70% of the content comes from recycled sources and we are in the final stages of ensuring our existing product lines meet this requirement as well. Cardboard is widely recycled and minimises our products' lifecycle impact.

Business Travel & Commuting

Scope 3 emissions for business travel includes air travel, and automobile travel using employee-owned vehicles. Business travel by leased car is included in scope 1 emissions as this comes under mobile combustion emissions from leased sources. Employee commuting includes emissions from all modes of transport taken to get to the employee's place of work.

Employee travel on a global level accounted for 1% of Ascom Global's emissions consistently between 2020 and 2022 (2023 data is not available yet). Investigations were undertaken in 2023 to determine the UK specific footprint but the systems needed to allow this to be done accurately were not available. A new system has been procured

to allow the UK business to begin in 2024 to determine the footprint specific to the UK activities.

Year	Miles	Tons CO ₂ e
2017	700 434	210.13
2018	494 446	148.33
2019	196 520	58.96
2020	368 570	110.57
2021	173 788	52.14
2022	257 963	77.36
2023	208 088	62.22

Scope 3 – Emissions from private vehicle travel for business

3.1.2. Downstream

Transport of goods to customer

Where possible goods are transported directly from Ascom Sweden to the customer, this is not considered to be in scope of Ascom UK's emissions but Ascom Sweden's. Where this is not practical goods are sent to Ascom UK to be despatched to the customer. This service is carried out by one courier and Ascom concluded a contract for carbon neutral service by the end of 2021. The same courier is also used when sending products from the UK to repair in Poland.

Use of Sold Goods

Almost all Accom's products consume energy during their usage. This is something that Ascom continuously tries to improve, especially in new generations of products. During the R&D stage we require that any new variation of the product consumes less energy than the previous generation. This has been included in all Main Requirement Specifications (MRS) since 2015. Not only is this a topic for used products but also the configuration of current products, minimising the energy demand for a full solution.

Ascom Sweden are the main driver of reducing emissions from the use phase of products sold. Annual environmental objectives promote and focus targeted innovation to reduce energy usage. For example, the Unite platform server with Digistat on the same server has gone from running on five servers down to three. Furthermore, the new generation of teleCARE now requires merely 5 volts instead of the previous 24 volts.

With these targeted activities we will drive down our impact to be as low as reasonably practicable. Details of this will be available when the 2024 Ascom Sustainability Report is published.

End of Life Sold Goods

Ascom take steps to maximise the lifespan of its products by making items as durable as possible, easy to repair and compatible between generations. When products do come to the end of life it is the responsibility of the organisation to dispose of them. As Ascom sells B2B then the chance of proper disposal in line with local legislation is increased rather than if it was for a private consumer.

Take-back legislation requires manufacturers to organise and finance the collection and recycling of end-of-life products and packaging. Ascom entities are members of different producing schemes in countries where the group is established. Total traceability of Ascom's products is a daunting task but general processes for electronics are more applicable for easier traceability of Ascom's products. Ascom continues to make products as modular as possible so that they can be quickly broken down in a recycling centre.

Conclusion: With these measures we expect to reduce Scope 3 CO₂ emissions by 50% by 2035

4. Sign Off

This Carbon Reduction Plan has been approved by the Senior Management of Ascom (UK) Ltd just for use to show ongoing work on the ESG strategy and targets for Ascom UK.

It is important to note that most of the 2023 data are yet to be fully verified and will be done during the next Ascom Environmental Review.



Signed:

Managing Director, Ascom UK & Ireland