

A photograph of a wind farm in a hilly, grassy landscape under a clear blue sky. Three large white wind turbines are visible, with the one in the foreground being the most prominent. Two workers in high-visibility yellow vests and hard hats are standing in the foreground, looking towards the turbines.

# **ONTEX' CLIMATE ROADMAP 2030**



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P

We are **passionate** to make a **valuable contribution** to our **customers' lives**, to make a **difference** to people from every generation.

PASSION

R

We deliver on **expectations**, and are trusted to design, engineer, manufacture and deliver **high-quality** products for our customers.

RELIABILITY

I

We treat our customers, suppliers and each other with **fairness, honesty** and **respect**, and are committed to the **highest standards** of behaviour and **ethics** throughout our entire company.

INTEGRITY

D

Only our **best** is **good enough**. We recognize that each of us must play our part in making Ontex an organization with a **high-performance** culture.

DRIVE FOR RESULTS

E

We work **together** to achieve our **shared goals**, and engage with each other and our customers and suppliers. Sharing ideas and using our diverse talents, backgrounds and experiences makes us a more **innovative** and **successful** organization.

EVERYONE

## We help you embrace the changes of life

For many more **generations** to come. That's what we stand for. We want to make a chance, and have a lot of energy, determination and **commitment** to be the absolute best in what we do. Our company values are represented in our PRIDE commitment, guiding us to reach our goals and share our vision: **PRIDE**.

Our **core values**, embedded in our entire **company culture**, enable us to fight one of the biggest challenges our society faces: climate change. We want to contribute in lowering the impact of global warming.

*"We support our customers in the achievement of their own Sustainability and Transparency goals. That is why Sustainability is a key priority for us."*



**Gustavo Calvo Paz**  
— CEO Ontex



# CLIMATE ACTION

## We care about climate action

Climate change is no longer a **distant threat**, but a visible **reality**. It is one of the biggest **challenges** humanity faces causing **alarming consequences** such as dramatic sea-level rise, widespread changes in weather patterns, and food and water crises.

The IPCC report\* highlights the **severity** of **impacts** we are already experiencing at the current warming of 1°C and states that a rise of 2°C is now considered highly dangerous. Therefore, **companies** need to **increase** the **resilience** of their supply chains and direct operations, aiming to stay below 1,5 °C global warming.

The same report includes **urgent recommendations** to **reduce** the **emission** of greenhouse gases into the atmosphere via rapid transition as well as **recommendations** to step away from **fossil fuels** and make the change to renewable energy. It also includes a section for **CO<sub>2</sub> removal** in order to **reduce** the **greenhouse gases** that are already in the atmosphere in which “reforestation and ecosystem restoration” are mentioned as the only methods that are understood to be effective.

About 2 percent of our **product carbon footprint** is related to our production process. The remaining 98 percent is in our supply chain, with **raw materials** causing the biggest **climate impact**.

At Ontex, we create a world where everyone can **embrace** the many **changes** of life. We make **quality products** and **solutions** in baby care, feminine hygiene, and adult incontinence care. We develop our people and work to deliver **sustainable value** to our shareholders, partners, customers and suppliers, while making a **positive impact** on the **communities** around us. Global warming will in many ways affect communities around us, and we have the **responsibility** to **react** and **mitigate** the **impact** of climate change.

\*1: <https://www.ipcc.ch/assessment-report/ar5/>



2020

### What we already achieved

**-54%**

scope 1 and 2 emissions  
compared with 2020\*

**100%**

renewable electricity in EU

**80%**

renewable energy

**5**

carbon neutral plants

2023

### Scaling climate effort

#### Operations

Reduce our scope 1 & 2 emissions by 80% by 2030.

On top of the target-approved targets by the Science Based Target Initiative\*, Ontex aims for carbon-neutral operations by 2030.

#### Value chain

Reduce our scope 3 emissions by 25% by 2030.

2030

### Accelerating supply chain decarbonization to enable net zero

**As from 2030,  
Ontex will take the  
direction to net zero**

2050

\* The initiative offers science-based targets to provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals.



## Our scopes & emissions across the value chain

### Scope 1

Direct GHG emissions occur from sources that are owned or controlled by us, for example, emissions from combustion in owned or controlled boilers.

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### Scope 2

Accounts for GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company. Emissions physically occur at the facility where electricity is generated.

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### Scope 3

Emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of scope 3 activities are extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services.



The initiative offers science-based targets to provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals.

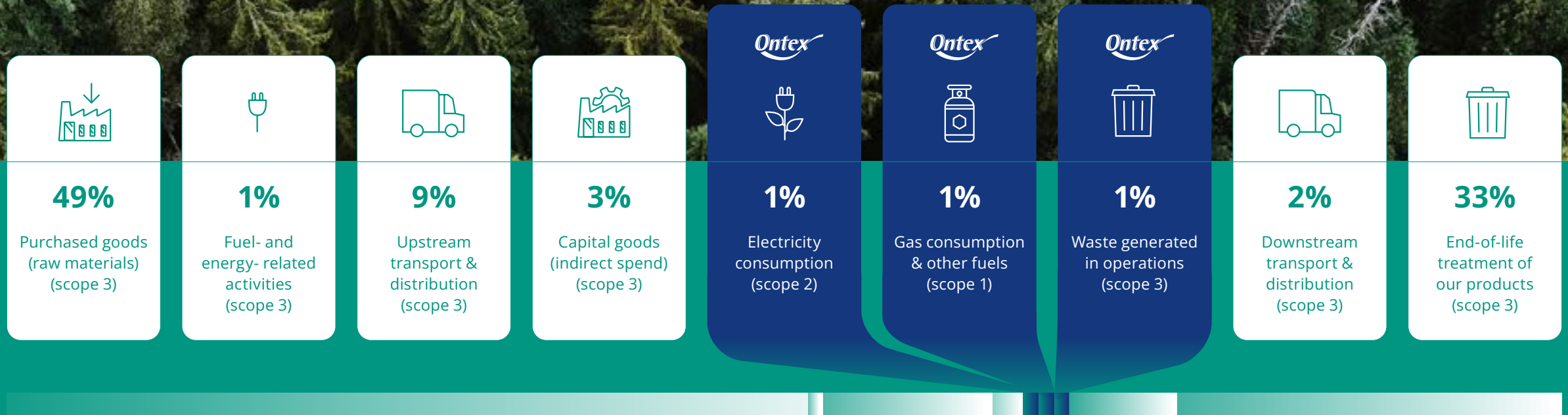




# 35+ MILLION TREES

To compensate our scope 1,2 and 3 emissions,  
we needed more than 35 million trees  
in order to capture the similar amount of CO<sub>2</sub>.

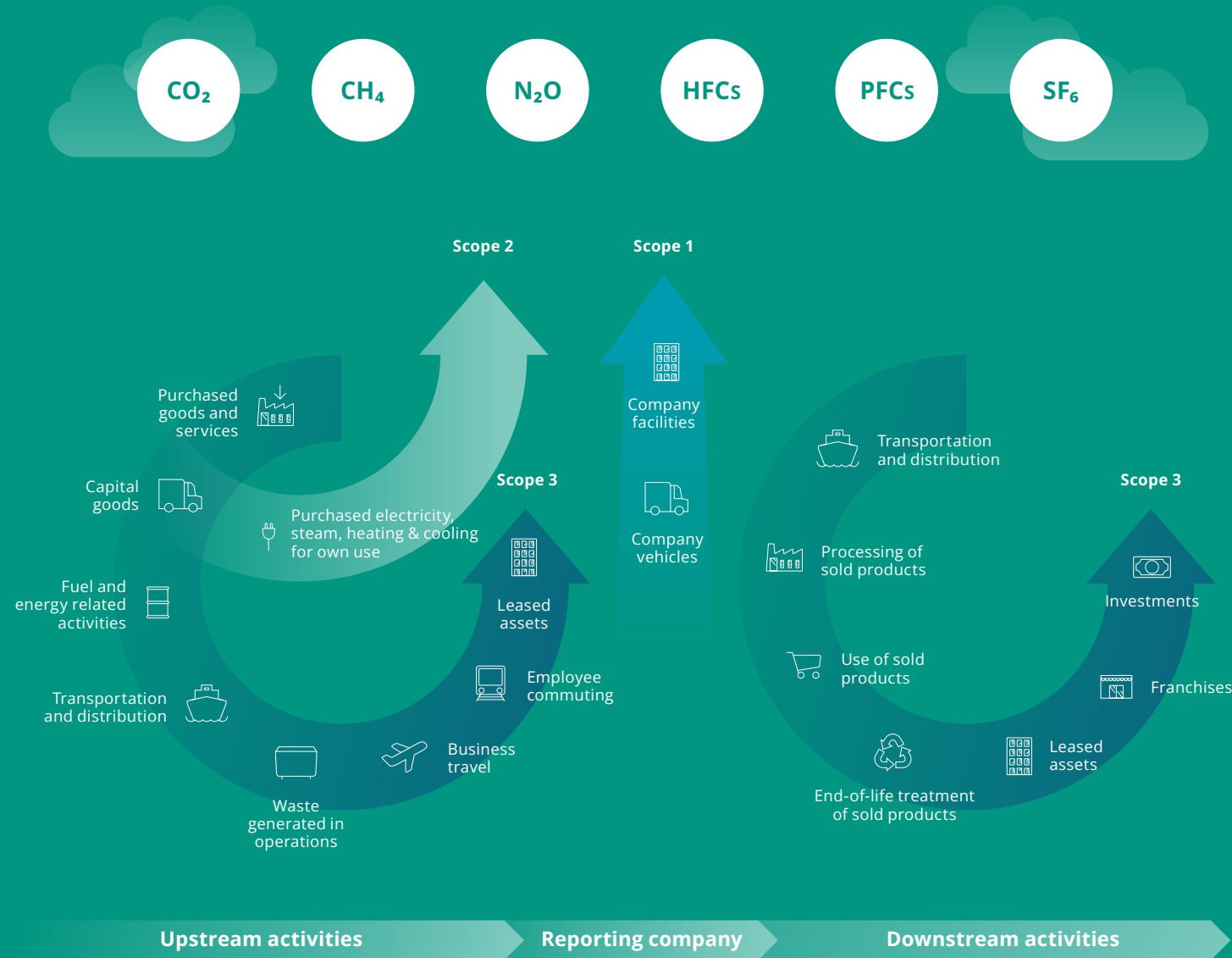
# Breaking down our carbon footprint



We annually publish detailed information on our Scope 1, 2 and 3 emissions following the GHG Protocol in our annual report. We obtain 3rd party assurance of our Scope 1, 2 and 3 emissions.

Scope 3 emissions represent over 95% of our total footprint which is why we aim to engage with our value chain partners to develop innovative solutions.







## Scaling climate effort to reduce emissions

Our ambition is to achieve a reduction of 80% in our scope 1 and 2 and a reduction of 25% in our scope 3 emissions by 2030 (base year 2020).

The majority of our scope 3 emissions come from **raw materials** (53%), **transport** (16%) and **end of life treatment of the products** (26%).

**- 80%**

In scope 1-2 carbon emissions (vs 2020)

**- 25%**

In scope 3 carbon emissions (vs 2020)

APPROVED BY THE SBTi



The initiative offers science-based targets to provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals.



# Our transition plan across the value chain



## Raw materials

- Reduce emissions from our main product categories
- Collaborate with suppliers to reduce the carbon intensity from raw materials
- Co-development & joined business development throughout the value chain
- Encourage an ecological mindset in product and packaging design
- Integrate reusable solutions in product portfolio



## Transport

- Continue load optimization
- Reduce the distance between value chain suppliers to producing plants and final customers
- Limit transport and opt for energy efficient trucks
- Accelerate multimodal transport
- Investigate the use of alternative fuel trucks



## Operations

- Reduce our scope 1-2 emissions with 80% by 2030
- 100% renewable energy by 2030
- Pilot alternative renewable thermal solutions
- Compensate the remaining emissions



## Product end of life

- 100% sustainable packaging by 2025
- Explore and accelerate circular end-of-life solutions
- Build and develop sustainable partnerships





Our transition plan

## Raw materials

Raw material sourcing is our largest source of emissions. To achieve our climate goals, we have to switch towards more sustainable and climate friendly solutions. We will combine our efforts to innovate and reduce the climate impact from our products.

In 2021, around 50% of our raw materials by weight were sourced from renewable natural sources. We secure a sustainable supply chain with optimization in sourcing raw materials and using less materials for our products.

Additionally, we are committed to responsible raw material procurement by aligning it with trusted third-party certifications: FSC® and PEFC<sup>1</sup> for materials derived from wood, GOTS for materials derived from cotton and REDcert<sup>2</sup> or equivalent schemes for materials derived from other bio-based feedstocks.

Furthermore, we recently launched a program in which we inspire suppliers to achieve our goals together by building resilience and by reducing GHG emissions.

As we do so, we aim to develop circular products with a particular attention to raw material choices. We aim to replace our materials by bio-based, recycled or non-plastic alternatives to reduce our footprint and plastic consumption.

In addition, offering reusable personal hygiene products increases potential carbon reduction.

We developed a hybrid diaper together with a partner brand. A hybrid diaper consists of a washable outer cover and a disposable insert. The design combines the comfort and performance of a traditional diaper, now with a reusable component.

\*1: PEFC (PEFC/07-32-261)/FSC® (FSC-C081844)

\*2: <https://www.redcert.org/en/>



## Raw materials

### REDUCE

#### Achievements:

- We launched **paper bags** and reduced the thickness of our plastic bags by 15%.
- **Reducing raw materials** without any impact on performance.

#### Outlook 2030:

Continue to find opportunities to **reduce polluting materials**, without compromising on product performance and safety.

### REUSE

#### Achievements:

We **extended** our product **portfolio** with:

- period underwear
- a menstrual cup
- hybrid diaper inserts

#### Outlook 2030:

Continue to look for new **innovations** that offer more **performance**, **comfort** and **convenience**.

### RENEWABLE

#### Achievements:

Introduction of several **materials** from **renewable sources** in baby & femcare products:

- bamboo viscose
- biobased material (Superabsorbent polymer, packaging...)

#### Outlook 2030:

Continue to actively **explore** and introduce new **options** for ecological, biobased materials with a **lower carbon footprint**.

### RECYCLED

#### Achievements:

We offer plastic bags and individual packaging based on **recycled** feedstocks with a minimum of 35% and up to 100% recycled content.

#### Outlook 2030:

Offer **recycled content bags** for all categories, in all regions by 2025.

Increase **recycled content** in absorbent hygiene products.



Our transition plan

## Transport

Continue optimization & explore alternative solutions.

Emission occurring from **transportation** represent approximatively 9% of the carbon footprint.

We continue to **optimize** the transport to our customers by working on **load optimization** while also looking for **solutions** to reduce the distance between **suppliers**, producing **plants** and our **business partners**.

In addition, we will continue to **work closely** with **transport carriers** to find the optimal **balance** to deliver our goods to the customers while **reducing** our transport carbon footprint. Examples are limiting transport, switching to **energy efficient trucks** or by optimizing transport specifications.

Our procurement department is constantly working with our suppliers to **improve efficiency** of the raw materials flow and **increasing direct deliveries** from supplier to the production plants.

At Ontex, our supply chain team is constantly working to **allocate** the **volumes** of production plants. To increase plant efficiency and **reduce** the **need of transport**.

We keep **engaging** with our **customers**, and invite them to join forces to **reduce** existing **distances**. by increasing **direct shipment** to avoid transport from and to the warehouse.





Our transition plan

## Operations

Reduce consumption and dependency to fossil fuel

All European Ontex group **factories run on 100% renewable electricity**. By 2030 we aim to transition all our plants to 100% renewable energy. This switch is crucial in lowering our **scope 2** emissions. To achieve this goal, we are actively installing additional solar power systems at our European and North American facilities, reducing dependence and ensuring a **renewable** energy source for all our manufacturing sites.

Following the **decarbonization** of our scope 2 through purchasing green electricity. Scope 1 emissions will become predominant in the coming years. Focus is needed to **anticipate** and **reduce** our **direct emissions** related to fossil fuel combustion.

We plan to **decrease** the need for thermal energy in our plants (supplied externally) by:

- **limiting** the **energy consumption** to the necessary by implementing rules for heating/cooling in our plants
- **using/** reusing the **energy source** already **present** in our plants.

Additionally, we are **exploring** solutions to **replace thermal energy** from fossil fuel with renewable sources such as:

- heat optimization
- **electrification** including use of heat pumps
- geothermal
- renewable thermal (e.g., renewable natural gas, renewable hydrogen)

We also aim to **electrify** our entire **car fleet**, and already started at our **headquarter** in Belgium. Our Belgian employees also have the option to **lease a bicycle**.



Our transition plan

## End-of-life solutions

### Explore and support end-of-life solutions

We aim to build selective and smart partnerships, and want to be an integral part of pilot recycling & composting solutions. As part of our circular ambitions, we're a preferred go-to partner for brands envisioning a world where no personal hygiene products end up in landfills; are reused where possible, go to composting or recycling instead, and where plastic waste is eliminated.

As a part of our transition plan, Ontex renewed its support to Woosh, a Belgian startup that aims to make diaper recycling a reality in Ontex's home country with the aim to expand the service to other European countries. This partnership is another step in our commitment towards finding alternatives to landfill and incineration for disposable used diapers.

Additionally, we will also design our packaging to be 100% recyclable by 2030, in order to adjust and steer towards societal and cultural changes.





# GLOSSARY

## Carbon neutral

GHG neutrality means an entity's gross emissions of all GHG must be balanced by the removal of an equivalent amount of CO<sub>2</sub> from the atmosphere<sup>1</sup>.

## Decarbonization

The process by which countries or other entities aim to achieve a low-carbon economy<sup>2</sup>.

## Net zero

'Net zero' means that any emissions are balanced by absorbing an equivalent amount from the atmosphere. Net-zero CO<sub>2</sub> typically applies to emissions under direct control or territorial responsibility of the entity reporting them (e.g. a country, district or sector)<sup>1</sup>.

## Renewable energy

Form of energy from solar, geophysical, or biological sources that is replenished by natural processes at a rate that equals or exceeds its rate of use<sup>2</sup>.

## Scopes 1,2,3

Definition explained in page 6.

\*1: <https://www.ipcc.ch/report/ar6/wg3/about/frequently-asked-questions/>

\*2: [https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc\\_wg3\\_ar5\\_annex-i.pdf](https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-i.pdf)





*"As a company, we recognize the urgent need to address the impacts of climate change and are committed to taking action to reduce our greenhouse gas emissions. We believe that it is our responsibility to play a leading role in driving the transition to a low-carbon economy and creating a sustainable future for generations to come."*



**Annick De Poorter**

— Executive VicePresident R&D and Sustainability