

Essentra Renewable Energy Procurement Policy

1 July 2023

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At Essentra, we are committed to conducting business responsibly. This means looking at all aspects of our operations to determine and implement sustainable improvements.

Energy is a key input into our operations, and our ability to provide products and services to our customers depends upon it; being able to access a reliable, competitively priced electricity supply is key for our business continuity.

The greenhouse gases (GHGs) associated with that electricity use represents a large part of our overall GHG emissions. Reducing the carbon intensity of the electricity we procure will be fundamental in achieving our GHG reduction targets:

Our target is to achieve net zero by 2040, for manufacturing and distribution operations (Scope 1 and 2 emissions).

Our interim target is a 25% reduction in normalised Scope 1 and 2 emissions by 2025, vs 2019 baseline.

In order to achieve these targets, Essentra commits to the following in relation to renewable energy procurement:

- Where we have operations in deregulated markets and there is the ability to purchase 100% renewable energy directly from suppliers, we will opt for renewable first. As our current contracts expire, we will seek to procure cost effective contracts for 100% of the energy we require from renewable sources, with energy attribute certificates wherever possible.
- We will ask suppliers to provide any available, cost effective options to support new renewable energy generation, providing additionality to the grid.
- At sites where we currently have an agreement to receive 100% renewable electricity from the supplier, we will continue to purchase 100% renewable electricity, with energy attribute certificates wherever possible, and this will be a key requirement of any electricity contract renewal; and
- Where we operate in regulated markets with limited to no options for renewable energy, we will investigate the purchase of unbundled renewable energy certificates (RECs) or equivalent instruments, to offset the emissions generated from our electricity consumption with the equivalent amount of renewable energy generation.

To support these actions, we will ensure our energy supplier relationships:

- Are regularly benchmarked to identify new opportunities for renewable sources.
- Are working to best practise methods and include engagement on innovation in energy consumption; and
- Include all sustainability disclosure requirements, compliance requirements and consumption reporting in contract requirements.

This policy is owned by the Director of Procurement and they are responsible for ensuring it is maintained and where necessary updated to reflect changes in internal or external requirements. The procurement team and site leaders are responsible for fulfilling the requirements of this policy. Essentra expects its employees to participate in delivering on the objectives of this policy.

This policy was approved by the Essentra Executive Leadership Team on 23rd June 2023, it will be published on the company website, and made freely available to all stakeholders. It will be reviewed annually.