Carbon Reduction Plan Template

Supplier name: **Essity UK Ltd.**

Publication date: July 2025

Commitment to achieving Net Zero

As a subsidiary of Essity AB, Essity UK Ltd. is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2020

2021 for Scope 3 Category

Additional Details relating to the Baseline Emissions calculations.

As a global hygiene and health company, Essity plays a leading role in driving change to reduce the company's climate impact. Essity's production facilities for tissue have had a program to reduce CO_2 emissions per ton of products produced already in 2005. The reduction in CO_2 emissions per ton produced between 2005 and 2024 was 25% Essity's current climate targets were approved by the Science Based Targets Initiative in 2018 and in 2021 Essity raised its ambitions for Scope 1 and 2, committing to reach net zero greenhouse gas emissions by 2050 for the entire value chain with the updated targets in line with the scenario "well below 2C" having committed to reduce Scope 1 and 2 emissions by 35% by 2030 from a 2016 base year. For greenhouse gas reporting, Essity consider greenhouse gas emissions within Essity's operational boundary/control.

For the purposes of this Carbon Reduction Plan, the baseline emissions calculations have been taken for 2020 as this was first year of reporting in accordance with the SECR requirements. This is to ensure consistency as corporate reporting of greenhouse gas emissions from purchased electricity (Scope 2) utilise the country's emission factor published by the IEA and greenhouse gas emissions from incineration are calculated using emission factors for the fuel's thermal value based on IPCC guidelines 2006 for Scope 1 emissions. Data is reported as a calendar year. For the 2025 report the 2020 baseline emissions have been restated due to there now being one report covering all entities. Previously we had 2 separate reports.

Energy use calculations include purchased energy, use of fuel and biomass and electricity generated on site. The energy generated is used in production. The surplus heat created is mainly used by Essity. The majority of Essity's energy, both fuel and electricity, is used in tissue production. The production of Personal Care products primarily uses electricity and European facilities purchase certified renewable electricity with a certificate for guarantees of origin since 2020.

For 2024 reporting, Scope 1 and 2 emissions reported are inclusive a very small share of emissions associated with business-related activities in leased vehicles.

Essity has additionally undertaken to reduce greenhouse gas emissions by 35% within Science Based Targets' Scope 3. This was increased from 18% in 2024 and applies to the most important emission categories from purchased raw materials, incoming and outgoing shipments, waste from the company's own production and product waste after use. The categories represent the majority of total Scope 3 emissions in the value chain. Essity calculates Scope 3 emissions by using the company's own data from purchased, shipped, produced, and sold volumes, known as primary data. The emission factors used to calculate these emissions are obtained through third-party information from suppliers and

service providers in manufacturing, transport and waste management systems. To ensure that Essity has complete and reliable data, corporate Scope 3 emissions are reported with a one-year delay. Further detail on Essity's climate ambitions and annual and sustainability reports with performance against key targets can be found at www.essity.com	
Baseline year emissions: 2020 (2021 Scope 3)	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**152,812 tCO_2e**
Scope 2	**93,929 tCO_2e**
Scope 3 **(Included Sources)**	**24,929 tCO_2e**
	4. Upstream transportation and distribution Corporate data does not consider national boundaries, so this data has been estimated. **6,937 tCO_2e** **5. Waste generated in operations** **422 tCO2e** **6. Business travel** Calculated using data available from our travel agency and expense reports for relevant business mileage within the UK **480** tCO_2e **7. Employee commuting** Estimated at **723** tCO2e – impact of COVID restrictions. **9. Downstream transportation and distribution** 16,367tCO_2e (2021) Transportation of sold products to the retailer within the UK. Note that Essity report this corporately under Scope 3 category 4.
Total Emissions	**271,656** tCO_2e

Current Emissions Reporting

Reporting Year: 2024	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**118,463** tCO_2e
Scope 2	**62,997** tCO_2e
Scope 3 **(Included Sources)**	**24,147** tCO_2e
	4. Upstream transportation and distribution Corporate data does not consider national boundaries, so this data has been estimated. 8,495 tCO_2e **5. Waste generated in operations** 714 tCO_2e **6. Business travel** Estimated based on Essity total inventory. 1,346 tCO_2e **7. Employee commuting** Estimated based on Essity total inventory. 1,890 tCO_2e **9. Downstream transportation and distribution** Transportation of sold products to the retailer within the UK. Note that Essity report this corporately under Scope 3 category 4. 11,702 tCO_2e
Total Emissions	**205,607 tCO_2e**

Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets:

Essity's corporate climate targets were approved by the Science Based Targets Initiative in 2018 and in 2021 Essity raised its ambitions for Scope 1 and 2, committing to reach net zero greenhouse gas emissions by 2050 for the entire value chain. With the updated targets in line with the scenario "well below 2C" having committed to reduce Scope 1, 2 and 3 emissions by 35% by 2030 from a 2016 base year.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the corporate 2016 baseline for the SBTi targets. However, Essity's production facilities for tissue have had a program to reduce CO_2 emissions per ton of products produced already in 2005. The reduction in CO_2 emissions per ton produced between 2005 and 2024 was 25%

The carbon emission reduction for Essity UK Ltd. manufacturing footprint achieved since 2016 equates to 81,518 tCO_2e, a 31% reduction against the corporate 2016 baseline for Essity UK Ltd. and the measures will be in effect when performing the contract. This data is based on the corporate reporting emission factors and includes the impact of significant changes to the papermaking footprint within the Essity UK Ltd. asset base as well as several investments throughout the business. The time period considered for this aspect of the carbon reduction plan is relevant as it demonstrates the continued investments that the business has made over an extended period of time to reduce carbon emissions reductions.

Essity have several management measures in place including: OBJ

- ISO14001 certification at all UK manufacturing sites
- Approved SBTi targets
- Corporate guidance on business travel

Specific measures include:

- Adoption of EV (Electric Vehicle) company car policy from 2020
- Completion of a feasibility study for use of hydrogen to replace natural gas, funded by the £55m BEIS IFS (Industrial Fuel Switching) programme.
- Investments at manufacturing sites including:
    - Actions to improve water recovery & reduce heat demand from associated reduction in freshwater use
    - Improvements in efficiency of combustion processes-
    - Actions to reduce energy demand in feedstock processing.
    - Replacement of oversized motors with correct sizing & higher efficiency design with variable frequency drive
    - Installing variable frequency drives on large motors
    - Replacement of old process equipment with more efficient technology
    - Reductions in process variability through statistical process control
    - Insulation of heating and drying systems Replacement of energy intensive process equipment with higher efficiency equipment

        - Improved efficiency of site steam boilers
        - Installation of LED lighting
    - Optimise paper machine vacuum system to reduce number of pumps in operation

In the future we intend to implement further measures such as:

- Use of waste heat to produce steam
- Upgrade of fibre recycling plant – Completion late 2025
- Automation of hood system balance on several sites to improve efficiency
- Investigating improved regional output from corporate transport emissions data
- Using waste heat from process to produce steam for paper machine
- Installation of more efficient air compressors with heat recovery
- Improved regional output from corporate transport emissions data
- Enzyme dosing to reduce mechanical refining demand

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[3].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Date: 1st July 2025

Kevin Starr
Director

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] https://ghgprotocol.org/standards/scope-3-standard