

Purpose

As a leading producer of bio-based and biodegradable ingredients, Jungbunzlauer recognises greenhouse gas (GHG) emissions as a root cause of climate change, and our responsibility to minimise our environmental impact and to contribute to global climate goals. Therefore, this policy establishes the commitment of Jungbunzlauer to addressing climate change through responsible energy management, GHG emissions reduction measures, and climate change adaptation strategies. It aligns with the Sustainable Development Goals (SDGs) of the United Nations linked to energy, climate change mitigation and climate change adaptation, particularly SDG 7 (affordable and clean energy), SDG 13 (climate action), SDG 9 (industry, innovation and infrastructure) and SDG 12 (responsible consumption and production).

Scope

This policy defines greenhouse gases as the GHGs targeted by the Kyoto Protocol, and covers direct and indirect GHG emissions. Air emissions (such as NO_x and SO_x) are covered separately in the Air Pollution Policy. This policy applies to everyone engaged or employed by any company of the Jungbunzlauer Group, and extends to collaboration with external stakeholders, particularly suppliers and customers.

Commitments

Jungbunzlauer is committed to climate change mitigation by monitoring our impact through thorough carbon accounting, and mitigating it through a transition plan for our own operations and our supply chains to reduce continuously GHG emissions, in order to become climate neutral by 2050. This means deploying a strategy and a roadmap for the decarbonisation of the energy consumed in our Group companies (scopes 1 and 2) and collaborating with our business partners to minimise the GHG emissions of our scope 3.

Furthermore, we are committed to evaluating the climate risks and opportunities for our value chain to make science-based adaptations to our product portfolio, production processes and inputs if necessary to ensure the resilience of our business model to climate change,

We are also committed to minimise the environmental impacts from the use of our ingredients by our customers and the end consumers and to offer them products and services to diagnose and reduce their carbon footprint.

Initiatives

1. Energy efficiency

Jungbunzlauer prioritises reducing energy consumption and improving continuously energy efficiency. We develop robust, ISO 50001 certified, energy management systems as the foundation for our decarbonisation strategy for scopes 1 and 2, and set annual specific energy consumption targets for every main production line of every large production site.

2. Decarbonisation strategy for scopes 1 and 2

We develop a comprehensive decarbonisation strategy for both the heat and electricity consumptions of our production sites, encompassing e.g. waste heat recovery, electrification, Guarantees of Origin, Power Purchase Agreements, and self-generation of biogas and of renewable power as main levers. We set an annual corporate target for CO₂ emissions from natural gas combustion which is part of the Jungbunzlauer incentive plan. We are committed to the Science Based Targets initiative (SBTi) for near-term scopes 1 and 2 emissions and aim to set a long-term Science Based Target (SBT) for the same.

3. Emissions reduction strategy for scope 3

We develop a strategy, roadmap and supplier engagement plan for reducing GHG emissions hot spots in our supply chain, like corn, large emissions chemicals and transport. We collaborate with our suppliers of these products and services through appropriate measures, like local sourcing, access to reliable primary emissions data and regenerative agriculture. We have near-term SBTs for specific categories of scope 3 and aim to set a long-term SBT for scope 3.

4. Carbon accounting

We calculate annually our Corporate Carbon Footprint (CCF) and the Product Carbon Footprint (PCF) of our main products in accordance with internationally recognised standards and strive for their continuous reduction.

5. Risks and opportunities

We determine climate risks and opportunities for our business by running scenario analysis to identify and quantify physical and transition risks throughout our value chain.

6. Awareness and training

We ensure that our stakeholders are aware of our climate strategy and performance by providing information material. We train our employees on energy conservation measures. We share reliable PCF data with our customers to demonstrate our progress in reducing emissions for products relevant to them, allow them to make a more accurate calculation of their scope 3 emissions and reduce them through products with a lower carbon footprint.

Objectives and targets by 2030

- Continuously improve energy efficiency in all production sites.
- Purchase 100% of electricity from renewable sources.
- Invest EUR 300 m in decarbonisation technologies and processes.
- Reduce absolute scopes 1 and 2 emissions by 42%, and scope 3 emissions by 25% from base year 2020 in line with the Paris Agreement ambition of limiting global warming to 1.5°C compared to pre-industrial levels.
- Integrate climate risk assessments into business planning and decision-making.
- Develop skills and capabilities to increase resilience to climate change.

Responsibilities and review

This policy has been approved by the Executive Committee of the Jungbunzlauer Group and is subject to a regular review at least every two years.

Reference

This policy should be read in conjunction with the following documents of the Jungbunzlauer Group:

- Code of Conduct
- Air Pollution Policy