

Lenzing

Innovative by nature

2021 ANNUAL PROGRESS REPORT FOR

LENZING



AS A MEMBER OF THE OIA CLIMATE ACTION CORPS, OUR COMPANY COMMITS TO MEASURE our entire GHG footprint, PLAN by setting targets, REDUCE emissions over time and SHARE progress publicly each year through this annual progress report.

WHAT IS THE OIA CLIMATE ACTION CORPS?

Climate Action Corps is the outdoor industry's collaborative model to lead on climate action to reduce industry-wide greenhouse gas (GHG) emissions in line with science. To learn more, visit **outdoorindustry.org/climateaction**.



MEASURE.

| MEASUR | EMENT OF SCOPE 1 AND SCOPE 2 EMISSIONS: |
|---|--|
| Complet | ted |
| ☐ In Progr | |
| ☐ Initial Es | |
| ☐ Not Yet : | Started |
| MEASUR | EMENT OF SCOPE 3 EMISSIONS: |
| Complet | ted |
| ☐ In Progr | |
| ☐ Initial Ea | timate |
| | |
| ☐ Not Yet \$ | Started |
| Not Yet : | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: |
| REGARD Were ve | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party |
| REGARD Were ve | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party verified by an independent party |
| REGARD Were ve Will be v | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party verified by an independent party sidering verification |
| REGARD Were ve Will be v Are cons | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party verified by an independent party |
| REGARD Were ve Will be v Are cons | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party verified by an independent party sidering verification |
| REGARD Were ve Will be v Are cons Are not of | ING VERIFICATION OF OUR COMPANY'S GHG EMISSIONS MEASUREMENT: rified by an independent party verified by an independent party sidering verification considering verification G FOOTPRINT WAS CALCULATED USING AN INTERNATIONALLY RECOGNIZED |





QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 1 AND SCOPE 2 EMISSIONS:

| Complete | ompleted |
|----------|----------|
|----------|----------|

☐ In Progress

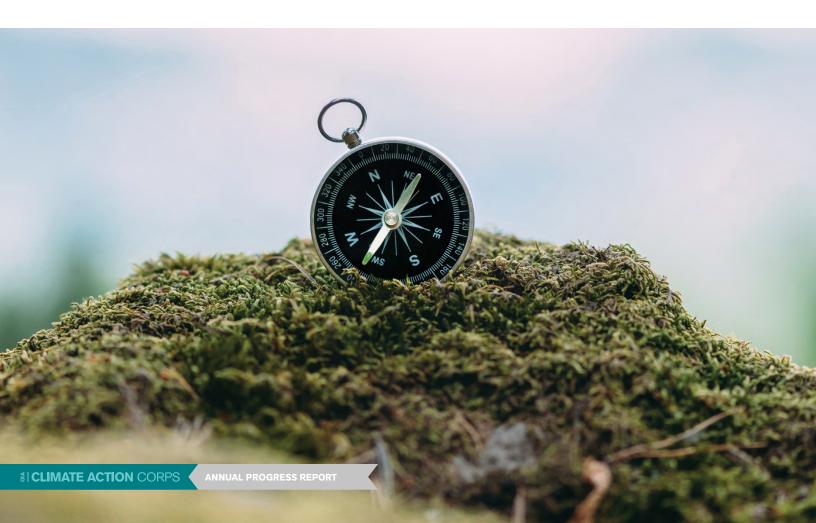
☐ Not Yet Started

QUANTITATIVE REDUCTION TARGETS SET FOR SCOPE 3 EMISSIONS:

Completed

☐ In Progress

☐ Not Yet Started



REDUCE.

| REDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS: |
|---|
| ■ Completed and taking actions □ In Progress and building a strategy □ Not Yet Started |
| REDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR U.S. OWNED/OPERATED LOCATIONS: |
| Sourcing 100% renewable electricity Sourcing some renewable electricity Not sourcing any renewable electricity Not applicable – do not own/operate locations in the U.S. |
| REDUCING SCOPE 2 EMISSIONS THROUGH RENEWABLE ELECTRICITY FOR OUR GLOBALLY OWNED/OPERATED LOCATIONS: |
| Sourcing 100% renewable electricity Sourcing some renewable electricity Not sourcing any renewable electricity Not applicable — do not own/operate locations outside the U.S. |
| REGARDING OUR REDUCTION STRATEGY FOR SCOPE 1 AND SCOPE 2 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS: |
| Improved energy efficiency at our owned/operated facilities Produced or procured renewable electricity (and/or renewable energy credits) for our owned/operated facilities Reduced fuel consumption of company-owned vehicles by choosing electric vehicles or other alternatives Reduced onsite use of fuels through electrification or other energy sources for our owned/operated facilities Procured renewable fuels (e.g. biogas) for onsite use at our owned/operated facilities Adopted the use of refrigerants with low Global Warming Potential (GWP) at our owned/operated facilities None (we have not taken actions yet) Other: (please specify) |

REDUCE.

| REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS: |
|--|
| ■ Completed and taking actions □ In Progress and building a strategy □ Not Yet Started REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE |
| Engaged with our suppliers about energy efficiency Engaged with our suppliers about renewable energy Engaged with our suppliers about cleaner thermal processes (e.g. electrification, biomass) Engaged with our suppliers about measuring their GHG emissions Changed our company's products and materials to alternatives with lower-GHG footprint Designed our products to be more energy efficient during use Implemented company policies to reduce impacts of business travel Reduced impacts of upstream distribution (transportation modes, logistics, packing density) Reduced impacts of downstream distribution (transportation modes, logistics, packing density) None (we have not taken actions yet) Other: (please specify) |
| Designed our products to avoid energy intensive steps in downstream manufacturing such as TENCEL(TM) Luxe, TENCEL(TM) Modal x Eco Color, TENCEL(TM) Modal x Indigo Color. |
| REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS ON LOW-CARBON MATERIALS (MEASURED IN TOTAL MATERIALS VOLUME BY SPEND): |
| □ Commitment to source low-carbon materials for more than 50% of total materials ■ Commitment to source low-carbon materials for less than 50% of total materials □ No commitment to source low-carbon materials □ Does not apply □ Did not disclose |

REDUCE.

REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE ENGAGING TIER 1 AND TIER 2 SUPPLIERS TO MEASURE FACILITY-LEVEL GHG EMISSIONS, SET **TARGETS, AND/OR BUILD ACTION PLANS:**

| | 0% | 1-25% | 26-50% | 51-75% | 76-100% | | |
|--|-------------|-------|--------|--------|---------|--|--|
| Tier 1 Suppliers | | | | | | | |
| Tier 2 Suppliers | | | | | | | |
| ☐ Does not apply | | | | | | | |
| ☐ Did not disclose | | | | | | | |
| REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE ENGAGING TIER 1 AND TIER 2 SUPPLIERS TO IMPLEMENT DECARBONIZATION ACTIONS (E.G., ENERGY EFFICIENCY IMPROVEMENTS, RENEWABLE ENERGY): | | | | | | | |
| | 0% | 1-25% | 26-50% | 51-75% | 76-100% | | |
| Tier 1 Suppliers | | | | | | | |
| Tier 2 Suppliers | | | | | | | |
| ☐ Does not apply | | | | | | | |
| ☐ Did not disclose | | | | | | | |
| | | | | | | | |
| REGARDING OUR REDUCTION STRATEGY FOR SCOPE 3 EMISSIONS, WE ARE TAKING (OR HAVE TAKEN) THE FOLLOWING ACTIONS TO DECOUPLE BUSINESS GROWTH FROM RESOURCE CONSUMPTION AND EMISSIONS: | | | | | | | |
| Designing products for repaBuying back used products | | | | | | | |
| Offering product leasing/rel | - | | | | | | |
| None (we have not taken ac | ctions yet) | | | | | | |
| Other (please specify) | | | | | | | |
| Offering products that are certified as carbon neutral and products with recycled content. | | | | | | | |
| | | | | | | | |
| | | | | | | | |

REMOVE.

REGARDING CARBON (CLIMATE) NEUTRALITY, OUR COMPANY:

| Purchases carbon offsets to achieve carbon (climate) neutrality for scope 1 and scope 2 |
|---|
| Purchases carbon offsets to achieve carbon (climate) neutrality for scope 3 |
| Directly invests in carbon removal or sequestration |

☐ Is Climate Neutral Certified

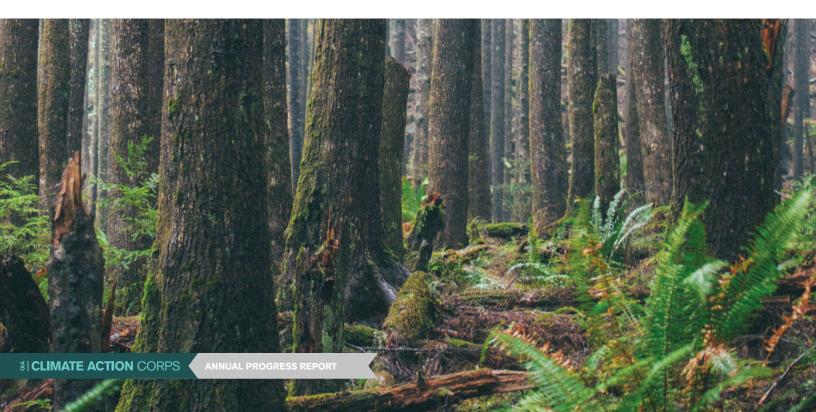
Other

We offer carbon-neutral certified fiber products.

REGARDING NATURE-BASED CARBON REMOVALS FOR REMAINING GREENHOUSE GAS EMISSIONS, OUR COMPANY:

| Has a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining |
|--|
| GHG emissions |

- ☐ Is planning to make a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining GHG emissions
- Has not yet considered a commitment to invest in nature-based carbon removal or offset programs to compensate for remaining GHG emissions



ADVOCATE + ENGAGE.

ADVOCACY ACTIONS WE HAVE TAKEN:

| Endorsed a | climate | solutions | campaign | or sign-on | letter |
|------------|-----------|-----------|-------------|-------------|--------|
| | OIIIIIACO | 001010110 | oarripargri | or orgin on | 1000 |

- ☐ Corresponded directly with U.S. Congress and administration officials
- Participated in a government meeting (e.g. OIA's virtual D.C. fly-in events)
- Provided customers with opportunities to advocate
- ☐ No advocacy actions taken yet
- ☐ Other

ENGAGEMENT ACTIONS WE HAVE TAKEN:

- Empowered consumers to take action on climate
- Recognized and rewarded climate leading actions with our vendors
- ☐ No engagement actions taken yet
- Other



SHARE.

REGARDING PUBLIC DISCLOSURE, OUR COMPANY HAS MADE THE FOLLOWING PUBLICLY AVAILABLE (OPTIONAL):

- Company GHG measurement
- Company reduction targets
- Company reduction strategy
- Company progress against targets
- Company quantified reduction achievements

LINKS TO PUBLICLY AVAILABLE INFORMATION (OPTIONAL):

https://sciencebasedtargets.org/companies-taking-action

https://reports.lenzing.com/sustainability-report/2021/

https://www.cdp.net/en/responses?utf8=%E2%9C%93&queries%5Bname%5D=Lenzing

OUR COMPANY'S MOST RECENT QUANTIFIED GHG MEASUREMENT (FOOTPRINT, IN tCO2e) (OPTIONAL):

Scope 1 emissions: 1.08 million t CO2e

Scope 2 emissions: 0.53 million t CO2e

Scope 3 emissions: 1.82 million t CO2e

THE REPORTING YEAR FOR OUR COMPANY'S MOST RECENT GHG MEASUREMENT (OPTIONAL):

FROM

01/01/2021 Date TO

Date

12/31/2021

SHARE.

OUR COMPANY'S QUANTITATIVE GHG REDUCTION TARGETS ARE (OPTIONAL):

- 1. To reduce scope 1, 2, and 3 (purchased goods and services, upstream and downstream transport, and fuel and energy-related activities) greenhouse gas emissions 50 percent per ton of fiber and pulp sold by 2030 (baseline 2017)
- 2. Net-zero carbon emissions by 2050 (scope 1 and 2)

OUR COMPANY CAN DEMONSTRATE MEASURABLE REDUCTIONS IN EMISSIONS OVER A SPECIFIED TIME PERIOD:

Yes If yes, please describe the amount reduced and time period.

Not yet

-12% GHG emissions in 2021 compared to baseline year 2017.

OUR COMPANY'S DESCRIPTION OF ADDITIONAL QUANTIFIED GHG REDUCTION ACHIEVEMENTS (OPTIONAL):

- 1. Successful completion and commissioning of an air purification and sulfur recovery plant at the Lenzing site (Austria)
- 2. Construction of the dedicated gas pipeline has started at the Nanjing site (China)
- 3. Continuous improvement of energy consumption
- 4. Large-scale photovoltaic project at the Lenzing site (Austria) is in development

ADDITIONAL DETAILS ABOUT OUR COMPANY'S EFFORTS TO ADDRESS CLIMATE CHANGE (OPTIONAL):

- Lever 1 Energy reduction (Efficiency, Technology optimization, Better stewardship)
- Lever 2 Energy mix (Fuel switch e.g. coal to gas/biomass, Renewable electricity purchases, Product mix)
- Lever 3 Integration (Pulp and fiber integration, Virtual integration)
- Lever 4 New technology development (CO2 neutral technologies, e.g. electrification, heat pumps, Retrofits for existing plants using renewable fuels/technologies, e.g. renewable hydrogen, bio-methane)

TO ACCESS ALL CLIMATE ACTION CORPS MEMBERS' INDIVIDUAL REPORTS AND OUR COLLECTIVE IMPACT REPORT, PLEASE VISIT: OUTDOORINDUSTRY.ORG/CLIMATEACTION