

# Carbon Footprint Management Plan

*Hexpol Compounding Lesina s.r.o., 2023*

Carbon Footprint Management Plan	
Organisation:	Hexpol Compounding Lesina s.r.o.
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Verification Scope:	2020-2023
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# Carbon Footprint Management Plan

*Hexpol Compounding Lesina s.r.o. 2023*

This Carbon Footprint Management (CFM) Plan sets out Hexpol Compounding Lesina's commitment to measure and monitor its carbon footprint over time while continuously reducing its GHG emissions to lessen the negative impacts of climate change. The CFM plan also helps the organisation to protect and enhance future business growth and value creation.

This plan contains the organisation's carbon footprint management and monitoring approach, GHG emissions reduction targets, and an action plan for achieving reductions over time. Furthermore, the CFM plan evaluates the quality of the organisation's carbon footprint efforts relating to data collection and calculation methods, data sources, processes, and activities that contribute to material emissions, as well as any estimates or assumptions used in calculations. Data quality assessments also indicate areas for improvement over time.

Any question regarding this CFM plan may be forwarded to:

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## Definitions

HPC Lesina - Hexpol Compounding Lesina s.r.o

## Company Background

Hexpol Compounding Lesina s.r.o. is a part of the international Hexpol Group Is located in the Czech Republic in Lesina, employing over 110 people. Develops produces and sells world class custom rubber compounds for the rubber industry since 1997. We have extensive experience in developing, manufacturing and delivering rubber compounds for such products as vibration dampers, hoses, conveyor belts, cables, profiles and many other applications. We are supplying within whole Europe, but also to Asia, South or North America.

### 1. Corporate Climate Policy Template

[01-10-2022]

HPC Lesina takes responsibility for our business practices and the GHG emissions resulting from our activities. This responsibility will be carried out through the following guidelines:

- HPC Lesina will demonstrate a high level of commitment and adopt best practices towards climate change mitigation.
- HPC Lesina will work to reduce its annual GHG emissions level by avoiding unnecessary emissions, improving energy efficiency, and maintaining climate responsible business practices across its value chain – hereby improving our corporate carbon footprint.
- HPC Lesina will ensure that related business policies, such as procurement and travel policies, are aligned with intentions described in this policy statement.
- HPC Lesina will identify and act upon areas and practices where reasonable investments can result in significant GHG emission reductions. These shall be described in this carbon footprint management plan.
- HPC Lesina will establish a method for annual monitoring and reporting of our GHG emissions. Monitoring, Documentation, and Reporting shall be complete, consistent, accurate, relevant, and transparent, and comply with Preferred by Nature’s Carbon Footprint Management Standard.
- HPC Lesina will communicate consistently and transparently about our climate policy, reduction targets and plans, and achievements.
- HPC Lesina will ensure that any carbon credits used to offset unavoidable or non-reducible GHG emissions come from credible, sustainable, and additional projects.

- Hexpol Group efforts aimed at reducing carbon dioxide emissions by 75 percent by 2025 were intensified.
- HPC Lesina will demonstrate efforts to encourage business partners and clients to also adopt climate-friendly business, production, and consumption behaviours and practices.

Norbert Niemand  
*General Manager*

## 2. CFM Overview and Approach

The following outlines the focus of our carbon footprint along with relevant processes and quality management measures related to our plan.

- i. Subject of analysis: Corporate and *average (fictional) product*
- ii. Justification of base year: 2021
- iii. Staff responsibilities
  - a. Norbert Niemand GM – guarantee the process
  - b. Michael Jakubík Sales – prepare the data for analysis
  - c. Robert Orsak finance, Jiří Němec quality, Jan Škrdlant – collect the necessary data
  - d. Lenka Králová – prepare relevant trainings
- iv. Staff training - trainings about Carbon footprint were implemented into the general trainings plan
- v. Documentation: The relevant documentation is a part of integrated MS
- vi. Data collection: Data collection for the calculation is ensured internally, based on the purchase and consumption monitoring system.
- vii. Calculation tools: PbN excel calculation tool
- viii. Performance monitoring: Performance is evaluated on the basis of year-on-year results and is the starting point for planning goals and actions for management of carbon footprint.

### 3. Carbon Footprint Results

#### 3.1. Base year carbon footprint and boundaries

##### 3.1.1. Corporate Carbon Footprint

The base year for our CFM plan, calculated in 2021 amounts to:

**Total (Absolute) GHG emissions:** 58 381,93 tCO<sub>2</sub>e

**Intensity (Ratio) terms:** 2,38 tCO<sub>2</sub>e per 1 ton of average product

**Relevant emissions:** CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>

##### Emissions by Scope:

year	Scope 1	Scope 2	Scope 3	Total
2021	136,62 tCO <sub>2</sub> e	0 tCO <sub>2</sub> e*	56 550,79 tCO <sub>2</sub> e with 3 % buffer	58 381,93 tCO <sub>2</sub> e
2021	0,2 %	0 %	99,8 %	100 %
2022	63,85 tCO <sub>2</sub> e	0 tCO <sub>2</sub> e*	56 069,08 tCO <sub>2</sub> e with 3 % buffer	56 132,93 tCO <sub>2</sub> e
2022	0,1 %	0 %	99,9 %	100 %

\* only green electricity is purchased

#### 3.2. Carbon Footprint emissions over time

Measure	Base year 2021	2022	2023	2024
<b>Absolute</b>	58 381,93 tCO <sub>2</sub> e	56 132,60 tCO <sub>2</sub> e	tCO <sub>2</sub> e	XX tCO <sub>2</sub> e
<b>% reductions</b>	-	- 3,9 %		
<b>Intensity (tCO<sub>2</sub>e per 1t of average product)</b>	2,38 tCO <sub>2</sub> e per unit	2,29 tCO <sub>2</sub> e per unit	tCO <sub>2</sub> e per unit	XX tCO <sub>2</sub> e per unit
<b>% reductions</b>	-	-3,9 %		

##### 3.2.1. GHG Emissions Reductions

Between 2020 and 2022, an increase in the value of the carbon footprint was evaluated.

## 4. GHG emissions reductions

### 4.1. Reduction targets

HPC Lesina is committed to lowering our climate impact by setting ambitious emissions reduction targets. These targets represent an important tool for driving GHG emissions reductions across the organisation and its value chain.

Change the business cars to hybrid and electric cars

<i>Description</i>	<i>Target</i>	<i>Year</i>	<i>Scope / LC stage</i>	<i>Source</i>
Absolute	50%	2026	Scope 1	Transport Fuel Combustion
Intensity Ratio (kgCO <sub>2</sub> e per unit)	7000	2026	Scope 1	assumption / calculation

Material inputs

<i>Description</i>	<i>Target</i>	<i>Year</i>	<i>Scope / LC stage</i>	<i>Source</i>
Absolute	1 %	continuous	Scope 3	Material inputs
Intensity Ratio (kgCO <sub>2</sub> e per unit)	47 000	2026	Scope 3	assumption / calculation

Waste reduction - reduce

<i>Description</i>	<i>Target</i>	<i>Year</i>	<i>Scope / LC stage</i>	<i>Source</i>
Absolute	2%	continuous	Scope 3	Waste treatment and disposal
Intensity Ratio (kgCO <sub>2</sub> e per unit)	1	2026	Scope 3	assumption / calculation

### 4.2. Other considerations

The analyse of other consideration will be the subject of activity in the next period.



### 4.3. Reduction plans

HPC Lesina intends to make real and committed efforts to lower its GHG emissions across its business activities, through the following actions:

Description	Status	Timeframe (implementation)	Reduction amount
Transition to electric vehicles	All company cars that shall be replaced will be as minimum plug-in hybrids.	2022-2026	7 tCO <sub>2</sub> e per year
Transition to electric vehicles	Charging station will be construct in HPC Lesina to decrease necessity to use fossil fuels. Only green energy will be used for charging.	2023	7 tCO <sub>2</sub> e per year
New cars	All new company cars will be as minimum plug-in hybrids	2023	7 tCO <sub>2</sub> e per year
New forklifts	Replacement of GAS forklifts to electrical one	2023	2,5 tons/year
Solar panels	Solar panels will be installed on the roof of newly construct stock	2024	0
Material inputs	Sustainability is an importing factor for choosing of RM suppliers	2023	47
Waste	Waste reduction plan	2023	1

## 5. Offset Projects and Carbon Credits

### 5.1. Carbon Offset targets

Offsetting procedures Offsetting has not yet been implemented. Offsetting will be the subject of planning and management of the track in the next period.

The following carbon credits have been purchased and align with the principles for offsetting outlined in the Preferred by Nature CFM Standard.

Project	Scheme	Amount / % compensation	Year	Purchase status	Neutral
Terraclear - Clean water access for families in Laos	Gold Standard	135 tons/100% of scope 1	2021	Applied	Yes
Biogas for better life Uganda	Gold Standard	64 tons/100% of scope 1	2022	Applied	Yes

*Note: % compensation refers to portion of total carbon credits associated with project for that year*

## 5.2. Carbon Neutrality

Currently, the company is interested in achieving neutrality for Scopes 1 and 2.

## 6. Data Quality

### 6.1. Data Quality Assessment

HPC Lesina attempts to collect and apply data that is actual and accurate to the greatest extent possible. This includes locating primary data for all activities under our control (and in particular Scope 1 and 2 emissions). Examples of sources of primary data used by the organisation include [*actual litres of fuel consumed, kWh consumed, kg of material used, distances travelled, GHG emissions determined through direct monitoring, metering, or stoichiometry*]. HPC Lesina also tries to collect primary data for Scope 3 emissions when possible by using actual data calculated or collected by suppliers for specific sites, activities or processes. In any cases where primary data cannot be obtained, the organisation uses credible secondary data from [life cycle databases, similar processes within the organisation, industry-averages, financial information, scientific studies, or government publications]. Similar secondary sources are also used to collect emission factors where real emissions are not available through direct measurement or suppliers.

The following table provides an overview of data quality issues that may/could arise due our data collection and measuring methods. The table represents potential data quality issues for current year (2021) and has been established based on the results of our data quality assessment process (see second table below).

Category or Process	Source	Quality issue	Results Δ	Assessment of issue
Scope 2 emissions	Electricity measurement Green electricity credits	Faulty meter	+/- 10% difference of emissions	the situation did not occur
Scope 1 (onsite heat)	Direct emissions measurement	Faulty meter	+/- 15% difference of emissions	the situation did not occur
Scope 1 (fuels use)	Internal database	Potentially (records not up to date)	+/- 5% difference of emissions	the situation did not occur
Scope 3 (material X)	LCA Database	Potentially (based on global average)	Unknown but X is primary material	the situation did not occur

The following table demonstrates the results of our data quality assessment based on the factors and data quality indicators as described in Section 3 of the Preferred by Nature Standard.

Considerations	Completeness	Age	Fit	Geography	Reliability
Calculation methods	4	5	N/A	N/A	5
Emission Factors	4	4	4	2	4
Primary data	5	4	5	4	4
Secondary Data	3	2	2	3	3
Sources	3	3	3	3	4
Scope 2 Data	5	4	N/A	4	5
Significant emissions	4	N/A	N/A	5	4
Allocation methods	3	5	4	N/A	3

*Note: Scale 1:5. Fit refers to technological representativeness, or degree to which data reflects actual technologies (e.g. process design, operating conditions, material types or quality, output over time) used to perform activity or produce good)*

## 6.2. Data Quality Improvement Plan

HPC Lesina is committed to improving its data collection methods and sources to reflect emission totals and reductions that are accurate and relevant. Based on this, the organisation is taking ongoing measures to enhance the quality of data by incorporating industry best practices, using the most recent resources, and prioritising the use of primary data. The following demonstrates our actions to reduce data uncertainty and quality issues in the future.

Area of improvement	Action Plan	Effects on results	Status
Secondary data	to refine the system for recording the origin of purchased raw materials	Eliminate variation in results (see 6.1)	On-going – calculator in ERP system - Dynamics

## 7. Climate Communications, claims, and labels

### 7.1. Public reporting

HPC Lesina communicates the results of its carbon footprint as well as its progress on GHG emissions reductions on an annual basis. The information is available in the following documents.

Report Description	Name and Date	Link
Carbon Management Plan	Carbon Management Plan	<a href="https://www.hexpol.com/plant-locations/hexpol-compounding-lesina-s-r-o/">https://www.hexpol.com/plant-locations/hexpol-compounding-lesina-s-r-o/</a>
Sustainability report	Annual Report With Sustainability Report 2022	<a href="https://www.hexpol.com/annual-report-with-sustainability-report-2022/">https://www.hexpol.com/annual-report-with-sustainability-report-2022/</a>
Annual Report	Annual Report With Sustainability Report 2022	<a href="https://www.hexpol.com/annual-report-with-sustainability-report-2022/">https://www.hexpol.com/annual-report-with-sustainability-report-2022/</a>

### 7.2. Additional Information

N/A


### 7.3. Claims and Labels

HPC Lesina uses CFM claims and labels to demonstrate our climate efforts to stakeholders. This document along with [Specify public document or link if applicable or refer to table below] serve as supporting evidence to stakeholders wishing to validate the appropriateness of our claims and label use. In particular, we validate that the information supporting our claims and labels are clearly accessible, do not misrepresent any emissions or results, and appropriately identify the parts of the business or product under investigation; carbon footprint results as well as reductions and offsets achieved; date of verification and approvals.

The following demonstrates an overview of our verification scope(s) and related claims and labels.

**Date of verification approval:**

**Date of Label and/or claim use approval:**

	CFM Label	CFM claim	Evidence
<b>Corporate</b>			
Measuring CO <sub>2</sub>		[Include claim here or refer to link]	[Insert link]
Reducing CO <sub>2</sub>	N/A	N/A	N/A
CO <sub>2</sub> Neutral	N/A	N/A	N/A
<b>Product</b>			
Measuring CO <sub>2</sub>	N/A	N/A	N/A
Reducing CO <sub>2</sub>	N/A	N/A	N/A
CO <sub>2</sub> Neutral	N/A	N/A	N/A

#### 7.3.1. Additional corporate information

#### 7.3.2. Additional product information

## References

# Appendix I: Scope list and process map

