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ROCKWOOL on environmental footprint

As the world's population continues to grow rapidly, pressure on our natural resources and environment will only increase. Manufacturing requires the use of energy and raw materials. While our products deliver a significant net benefit to the global environment, we still want our business to have the smallest footprint possible. This is why we constantly work to reduce the negative environmental impact of our operations.

To that end, we have ambitious goals to reduce the CO_2 emissions intensity and water consumption intensity¹ from our stone wool production facilities by 20 percent by 2030. In addition to reducing the carbon intensity of our production, we announced in December 2020, ambitious, science-based global targets to reduce our absolute carbon emissions – targets that have been verified and approved by the <u>Science Based Targets</u> initiative (SBTi). Specifically, we are committed to an ambitious one-third reduction of our lifecycle greenhouse gas emissions by 2034, using 2019 as the baseline. This includes reducing our factories' absolute emissions by 38 percent and our non-factory absolute lifecycle greenhouse gas emissions by 20 percent. The science-based targets further strengthen our commitment to reduce our environmental footprint, along with the emissions in the whole lifecycle impact, including end-of-life.

Our commitment to reduce our environmental footprint extends to other aspects of our operations as well. For example, we also have a goal to reduce landfill waste by 85 percent. In 2020 and 2021, we increased the number of countries in which we offer comprehensive recycling services, and we're committed to reach 30 countries by 2030. The energy efficiency of our own offices is a critical element too, and our aim is to improve by 75 percent by 2030. These commitments represent key milestones in achieving our overarching ambition to minimise our environmental footprint, and we are well on track in fulfilling them.

To strengthen data quality, our sustainability goal performance was externally verified and assured for the first time in 2020 and again in 2021.

Meanwhile, our products deliver a significant positive impact. For example, over the lifetime of its use, the building insulation we sold in 2021 will save more than 100 times the carbon, 200 times the nitrogen oxide, and 50 times the sulphur dioxide emitted in its production. Relative to growing in soil-based systems, our Grodan hydroponic products sold in 2021 helped to save an estimated 111 million litres of water in the year.

¹ "intensity" being defined as emissions or consumption per tonne of material produced.