GHG Emission Reduction Plan
IGB srl

2025



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GHG Emission Reduction Plan

Introduction

Climate change is now widely recognized as one of the primary global systemic challenges, with direct impacts on economic, environmental, and social stability. The latest IPCC Assessment Report has confirmed that global warming is predominantly driven by human activities, particularly through the use of fossil fuels and carbon-intensive production models. Businesses can no longer view themselves as mere bystanders: they are part of the problem, but more importantly, they can and must be part of the solution.

The 2015 Paris Agreement set an ambitious yet essential goal: to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C. To achieve this objective, a drastic reduction in greenhouse gas (GHG) emissions is required by 2050, fostering a low-carbon economy.

This trajectory has been integrated at the European level through a suite of strategic and regulatory instruments: the **European Green Deal**, which aims to make Europe the first climate-neutral continent by 2050, and the **Corporate Sustainability Reporting Directive (CSRD)**, which mandates a growing number of companies to report their environmental, social, and governance (ESG) impacts in a transparent and detailed manner. Complementing these are the **European Sustainability Reporting Standards (ESRS)**, which outline the specific modalities and disclosures required for reporting, including the mandatory disclosure of GHG emission reduction targets and the strategy to achieve them (ESRS E1).

Within this regulatory and strategic framework, a GHG emission reduction plan represents a **critical step for companies toward actively managing climate-related risks, ensuring regulatory compliance, and strengthening corporate reputation.** It is no longer merely an ethical or environmental requirement, but a concrete driver of competitiveness: investors, clients, and business partners increasingly demand transparent disclosures on corporate climate commitments, favoring those organizations that demonstrate high ambition and consistency.

This document fits within this framework, aiming to **outline a clear, progressive, and measurable decarbonization pathway grounded in a science-based approach.** It is designed to guide the organization's strategic decision-making and enhance engagement with both internal and external stakeholders. Furthermore, the plan includes the potential use of carbon offsets for residual emissions, which are to be considered strictly complementary to prioritized emission reduction actions.

Methodological approach

The **Science Based Targets initiative (SBTi)** is a global partnership driven by CDP, the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). Its mission is to help companies set emission reduction targets aligned with climate science, specifically with the decarbonization pathways outlined by the **Intergovernmental Panel on Climate Change (IPCC)** to limit global warming to 1.5°C.

The SBTi provides guidelines, methodological criteria, and technical tools to support organizations in defining "science-based" targets. Among the approved methodologies, the two primary approaches are:

Absolute Contraction Approach

This is the approach adopted within this plan. It entails an absolute reduction in GHG emissions relative to a chosen base year, regardless of changes in business volume, production growth, or other financial metrics.

This method is grounded in the principle that every company, irrespective of its sector, must contribute proportionally to the global reduction of emissions in alignment with the available carbon budget to limit warming to 1.5°C.

It is the most straightforward approach to implement operationally and offers the highest comparability across different industries. It is particularly recommended for organizations that lack sector-specific decarbonization pathways or operate in low-carbon-intensity sectors.

Implementing the Absolute Contraction Approach involves:

- Establishing a base year backed by complete and reliable data;
- Determining an annual decarbonization rate consistent with the IPCC 1.5°C scenario (e.g., a minimum linear reduction of 4.2% annually for Scope 1 and Scope 2 emissions);
- Defining a reference target time horizon, such as 2030, supported by interim targets and monitoring mechanisms.

Sectoral Decarbonization Approach (SDA)

The Sectoral Decarbonization Approach (SDA) is based on sector-specific decarbonization pathways developed by the SBTi for high-impact industrial sectors, such as steel, cement, aviation, power generation, or chemicals.

However, within the chemical sector, definitive sector-specific standards are not yet available, as the dedicated framework remains under development.

Forest, Land and Agriculture Sector

The Forest, Land and Agriculture sector—commonly referred to by the acronym FLAG—encompasses greenhouse gas emissions and removals associated with land use, forest management, agricultural production, and forest- or agriculture-derived commodities. This scope includes emissions from land-use

change (LUC), deforestation, natural ecosystem conversion, forest management, fertilizer application, biogenic carbon, and CO2 removals resulting from practices such as improved forest management and the enhancement of soil and biomass carbon stocks.

In the case of IGB S.r.l., the FLAG component of the emissions inventory is primarily tied to the procurement of paper, paperboard, and wood-fiber-based materials. These materials originate from forestry supply chains and may incorporate emissions associated with raw material production, forest management, land-use change, and biogenic carbon dynamics.

Under the SBTi framework, companies with material emissions related to timber and wood fiber are required to apply a dedicated FLAG pathway. However, the Timber and Wood Fiber pathway is currently suspended by the SBTi following methodological challenges regarding the removal data utilized in the model—specifically concerning the risk of overestimating carbon sequestration potential in certain geographic regions.

During this interim period, affected organizations are required to keep FLAG emissions segregated from Energy/Industry emissions and to establish numerical reduction targets strictly for Energy/Industry components until an updated pathway is published.

In light of the above, this plan adopts the **Absolute Contraction Approach** for establishing reduction targets for Energy/Industry emissions, while maintaining FLAG emissions within a separate reporting and monitoring boundary. This approach enables the setting of clear, measurable, and verifiable targets for Scope 1, Scope 2 (market-based), and Scope 3 Energy/Industry emissions, while simultaneously ensuring transparent management of land- and forestry-related emission sources.

The **Absolute Contraction Approach** therefore forms the methodological basis of the reduction plan for Energy/Industry emissions. Conversely, FLAG emissions are accounted for separately and subject to ongoing monitoring, data quality improvement, deforestation risk management, and future integration into a dedicated target, in line with the evolution of SBTi methodologies.

Reduction targets

Short-to-Medium-Term Scope 1 and Scope 2 reduction targets

The greenhouse gas emission reduction targets for IGB S.r.l. are calculated based on the operational boundaries of activities directly managed by the company, in full alignment with the boundary of the organizational Carbon Footprint developed according to the principles of the GHG Protocol Corporate Standard. Data consolidation follows the **operational control approach**, thereby encompassing emissions over which IGB S.r.l. exercises direct management capacity and operational authority.

The reduction trajectory is defined in accordance with the Science Based Targets initiative (SBTi) criteria, applying the **Absolute Contraction Approach** to Energy/Industry emissions. This approach dictates a progressive contraction of absolute emissions relative to the base year, irrespective of company growth, production volumes, or revenue trends. For IGB S.r.l., this methodology is fully aligned with the requirement to establish clear, measurable targets for Scope 1, Scope 2 (market-based), and Scope 3 Energy/Industry emissions.

The reference base year is 2025. Total **Scope 1 and Scope 2 market-based emissions** amount to **438,59 tCO_2eq,** broken down into 2,50 tCO_2eq for Scope 1 and 436,10 tCO_2eq for Scope 2 market-based. In line with the Absolute Contraction approach, the **2036 target establishes a 73,14% reduction** in Scope 1 and Scope 2 emissions compared to the base year, translating to a total **target emission level of 117,80 tCO_2eq**.

Regarding **Scope 3 Energy/Industry**, base year emissions for 2025 stand at **9.494,89 tCO_2eq**. The 2036 SBTi target mandates a **68,7% reduction per unit of value added** relative to the 2025 base year. Consequently, the target emission **intensity in 2036 must equal 31,3% of the 2025 baseline value**.

Holding the economic reference parameter constant, this target would correspond to a theoretical emission level of approximately **2.971,90 tCO_2eq,** representing an equivalent **reduction of 6.522,98 tCO_2eq** against the base year. As this target is expressed in economic intensity terms, the absolute emission volume in 2036 will be subject to annual verification based on the actual value added generated by the company.

Overall, across Scope 1, Scope 2 market-based, and Scope 3 Energy/Industry, total baseline emissions for 2025 amount to **9.933,48 tCO_2eq**. Assuming a constant economic reference parameter, the theoretical emission **level in 2036** would be approximately **3.089,70 tCO_2eq**, comprising **117,80 tCO_2eq for Scope 1** and **Scope 2 market-based** and **2.971,90 tCO_2eq for Scope 3 Energy/Industry.**

	2025	2026	2030	2036
Scope 1 emissions	2,50	2,40	1,98	1,35
Scope 2 emissions– market-based in tCO2e	436,10	407,03	290,73	116,29
Total emissions (scope 1+2 market-based) in tCO2e	438,59	409,44	292,78	117,80

Table 1: Short- and Medium-Term Reduction Targets – Scope 1 & 2

This target is aligned with climate scenarios compatible with limiting global warming to **1,5°C**, as required by the Paris Agreement.

Short-to-Medium-Term Scope 3 reduction targets

For operational implementation purposes, IGB S.r.l. utilizes turnover as the reference economic parameter, substituting value added. In the 2025 base year, company turnover stands at **€ 14.300.000**, while the evaluated Scope 3 emissions amount to **9.494,89 tCO_2e.** This yields an initial **emission intensity of 663,98 tCO_2e per million euros of turnover.**

The **68,7%** reduction target requires reaching a Scope 3 **emission intensity of approximately 207,83 tCO_2e per million euros of turnover by 2036**. This value corresponds to **31,3%** of the emission intensity recorded in the base year. Holding the 2025 turnover constant, this would equate to a theoretical emission level of approximately **2.971,9 tCO_2e**, representing a **reduction of approximately 6.522,98 tCO_2e** compared to the base year. However, as this target is expressed in economic intensity terms, the absolute volume of emissions in 2036 will depend on the turnover actually generated in the target year.

The target covers Scope 3 emissions associated with IGB S.r.l. 's value chain, with specific focus on the most material emission categories: purchased goods and services, upstream and downstream transportation, fuel- and energy-related activities, waste generated in operations, business travel, and employee commuting. Annual monitoring of this KPI will enable the tracking of emission intensity evolution and the assessment of the alignment of implemented actions with the defined reduction trajectory.

Actions planned to achieve reduction targets

Scope 1 and Scope 2 - Emission reduction plan

The Scope 1 and Scope 2 emission reduction plan for IGB S.r.l. is structured around two main lines of action: the progressive fleet electrification and the increasing procurement of electricity covered by Guarantees of Origin (GOs).

In 2025, the base year of the target, Scope 1 emissions amount to **2,50 tCO_2e**, while Scope 2 emissions calculated using the market-based approach stand at **436,10 tCO_2e**. Total Scope 1 and Scope 2 market-based emissions therefore equal **438,59 tCO_2e**.

In line with the SBTi target, the 2036 goal mandates an overall reduction of **73,14%**, lowering Scope 1 and Scope 2 market-based emissions to approximately **117,80 tCO_2e**. The required **reduction is equal to 320,80 tCO_2e.**

The primary focus area relates to Scope 2, which accounts for the vast majority of combined Scope 1 and Scope 2 emissions. Nevertheless, company fleet electrification plays an important role, as it enables the reduction of fossil fuel consumption, the progressive elimination of direct emissions from corporate mobility, and the strengthening of the overall consistency of the decarbonization trajectory.

Corporate fleet electrification

Within Scope 1, the main component is represented by the corporate fleet. Based on available mileage data, the analyzed fleet generates a total of 2,26 tCO_2e. This figure stems from vehicles powered by petrol, diesel, and petrol hybrid systems; electric vehicles, considering the applied direct emission factor, generate zero Scope 1 emissions. Charging electricity consumption will instead be monitored under Scope 2 and progressively covered by certified renewable energy.

The fleet emission breakdown highlights that the vehicle with the highest impact is the medium petrol car, which travels **5.500 km** and generates **0,96 tCO_2e**, accounting for approximately **42,5%** of direct fleet emissions. This is followed by the **medium diesel car,** covering **4.000 km** and generating **0,69 tCO_2e**, and the **large petrol hybrid car,** with **3.000 km** traveled and **0,47 tCO_2e** generated. The small petrol car, traveling **1.000 km**, produces **0,14 tCO_2e**. The fleet also includes an **electric car**, which covers **15.000 km** and generates zero direct Scope 1 emissions.

These data enable the definition of a replacement plan prioritized by emission impact, targeting first the vehicles that yield the greatest reduction benefits.

Year	Planned intervention	Estimated reduction	Residual fleet emissions	Cumulated fleet reduction
2025	Corporate fleet baseline	-	2,26	0,0%
2026	Replacement of medium petrol car with electric vehicle	0,96 tCO_2e	1,30	42,5%
2028	Replacement of medium diesel car with electric vehicle	0,69 tCO_2e	0,61	72,9%
2029	Replacement of large petrol hybrid car with electric vehicle	0,47 tCO_2e	0,14	93,7%
2031	Replacement of small petrol car with electric vehicle	0,14 tCO_2e	0,00	100%

Replacing the medium petrol car and the medium diesel car would allow for a fleet emission reduction of approximately **1,65 tCO_2e**, bringing residual fleet emissions down to approximately **0,61 tCO_2e**. This intervention would significantly advance progress toward the 2036 Scope 1 target.

The subsequent replacement of the large petrol hybrid car, scheduled for 2029, would allow the company to comfortably exceed the targeted reduction trajectory for the fleet, bringing residual emissions down to **0,14 tCO_2e**. The completion of the plan in 2031, through the replacement of the small petrol car, would enable the total elimination of direct emissions from the corporate fleet.

Fleet electrification must be accompanied by separate monitoring of EV charging electricity consumption. This will prevent the reduction of Scope 1 emissions from leading to an unmanaged increase in Scope 2 market-based emissions. To ensure the climate integrity of the plan, the kWh allocated for vehicle charging should be covered, where feasible, by **Guarantees of Origin (GOs).**

Progressive Procurement of Guarantees of Origin

For Scope 2, the primary reduction lever involves the progressive procurement of electricity covered by **Guarantees of Origin (GOs).** This intervention enables the reduction of emissions calculated via the market-based method by assigning an emission factor to the purchased energy that reflects its certified renewable origin.

In 2025, Scope 2 **market-based** emissions stand at **436,10 tCO_2e**. To achieve the **2036 target**, they must **decrease to approximately 117,75 tCO_2e**, representing a required r**eduction of 318,35 tCO_2e.** Assuming constant electricity consumption and residual grid emission factors, this outcome requires progressive GO coverage reaching at least **73%** of total electricity consumption by 2036.

A minimum trajectory aligned with this target can be structured as follows:

Year	Minimum GO Coverage Target	Expected Scope 2 MB Emissions
2026	6,6%	407,16 tCO_2e
2028	19,9%	349,28 tCO_2e
2030	33,2%	291,40 tCO_2e
2033	53,1%	204,57 tCO_2e
2036	73,0%	117,75 tCO_2e

This trajectory represents the minimum level required to meet the target. Taking a conservative approach, IGB S.r.l. may consider higher coverage—up to **100% of electricity consumption via Guarantees of Origin**—preferably by 2033 or, at the latest, by 2036. Broader coverage would establish a safety buffer against the SBTi target and absorb potential future increases in electricity consumption resulting from business growth or full fleet electrification.

Scope 3 – Emission Reduction Plan

The Scope 3 emission reduction plan for IGB S.r.l. is defined in alignment with the commitment made under the SBTi framework: to **reduce Scope 3 emissions by 68,7% per unit of value added by 2036**, using 2025 as the base year.

In 2025, the evaluated Scope 3 emissions amount to **9.494,89 tCO_2e**. Applying the designated reduction target, the emission intensity in 2036 must equal **31,3%** of the value recorded in the base year. Holding the value added constant, this target would correspond to an equivalent emission level of approximately **2.971,90 tCO_2e,** representing a reduction of approximately **6.522,98 tCO_2e** compared to 2025. Because the target is expressed in economic intensity terms, the absolute volume of emissions in 2036 will depend on the actual value added generated by the company in the target year. Therefore, annual monitoring must evaluate both absolute Scope 3 emissions and the intensity metric, calculated as the ratio of Scope 3 emissions to value added.

In the absence of exact value added data, using the 2025 turnover of **€ 14.300.000** as a proxy, the initial emission intensity stands at **663,98 tCO_2e per million euros**. The 2036 target mandates reducing this value to approximately **207,83 tCO_2e per million euros,** representing a decrease of **456,15 tCO_2e per million euros.**

The plan focuses on the categories with the most material impact on the company's emission profile. The primary intervention areas concern purchased goods and services, with a specific focus on production materials, as well as upstream and downstream logistics (i.e., incoming material transport and finished product distribution).

In both areas, the foundational step involves improving data quality. More granular information enables a clear understanding of where emissions originate, which suppliers or activities exert the highest impact, and which mitigation actions can yield concrete results. Only through a robust data baseline will it be possible to develop a progressively refined, measurable reduction plan aligned with the SBTi target.

Category 1: Purchased Goods and Services

Category 1 – Purchased Goods and Services encompasses indirect emissions generated upstream from the production of materials and services procured by IGB S.r.l. This category is particularly material for the company, as it includes paper, paperboard, folding boxboard, auxiliary materials, inks, varnishes, adhesives, packaging, and other inputs utilized in production processes.
Within the context of the SBTi target, this category must also contribute to the overall reduction of Scope 3 emission intensity. The objective is to progressively reduce emissions per unit of value

added by improving both the quality of data used in accounting and the actual carbon performance of purchased materials.

Currently, a portion of these emissions is calculated using secondary emission factors sourced from databases such as Ecoinvent. While this method allows for a consistent estimation of the climate impact of purchased inputs, it carries a higher margin of uncertainty compared to using primary data provided directly by supply chain partners.
For this reason, one of the primary planned actions involves supplier engagement with key vendors via dedicated questionnaires. The objective is to collect more granular data regarding purchased materials, manufacturing processes, energy mix, country and production site location, share of renewable energy used, available certifications, and the presence of Product Carbon Footprints (PCFs), Environmental Product Declarations (EPDs), Life Cycle Assessment (LCA) data, or SBTi-validated climate targets.

This initiative will enable the progressive replacement of generic emission factors with supplier- or product-specific emission factors that accurately reflect IGB S.r.l.'s actual supply chain. This transition is essential, as it allows the company to distinguish between accounting refinements resulting from improved data granularity and real-world emission reductions achieved through decarbonization efforts.

Once a more robust data baseline is established, the company will be able to implement targeted actions on materials and suppliers with the highest emission intensity. Primary levers will include selecting suppliers with lower carbon footprints, increasing the proportion of materials backed by PCFs or EPDs, sourcing from paper mills powered by renewable energy, optimizing grammage, reducing technical waste/scrap, and enhancing packaging design. All these measures must be executed while strictly maintaining the quality, safety, structural integrity, and regulatory compliance standards required by the pharmaceutical and cosmetics sectors.

Planned operational actions include categorizing paper and paperboard suppliers based on emission intensity, country of production, energy mix, FSC/PEFC certifications, availability of PCFs or EPDs, and existence of SBTi targets. Furthermore, questionnaires will be distributed to priority suppliers to harvest primary data and build more representative emission factors. Where feasible, suppliers will be requested to break down data into Energy/Industry, biogenic, and Land Use Change (LUC) components, thereby supporting the methodological segregation between Scope 3 Energy/Industry emissions and FLAG emissions.

IGB S.r.l. may also introduce ESG and climate clauses into contracts with key suppliers, establishing annual emission reduction requirements. In parallel, work will focus on material optimization—reducing grammages, over-specifications, and technical scrap without compromising packaging performance. As an internal objective, the company will aim to cover at least **60% of paper and**

paperboard procurement volumes with primary data or EPDs by 2028, increasing this share to at least **80% by 2030.**

Priority suppliers to be contacted include:

- **STORA ENSO SKOGHAL AB (DE)**
- **Stora Enso Fors AB**
- **Metsä Board Corporation (FI)**
- **La Rochette Cartonboard SAS**
- **Iggesund Paperboard AB**
- **Stora Enso OYJ**
- **MM Kolicevo d.o.o.**
- **L'Iride S.p.A.**
- **Colorgraf**
- **Hubergroup Italia S.p.A.**

These suppliers will be requested to provide technical and environmental data to improve the quality of emission data related to purchased materials and services. Specifically, information to be collected includes available Product Carbon Footprints (PCFs), EPDs, or LCA data, product-specific emission factors, primary manufacturing data, facility energy mix, share of renewable energy used, process-related energy consumption, raw material and fiber origin, virgin vs. recycled fiber content, bio-based/renewable product content, FSC/PEFC certifications, environmental or climate certifications, and SBTi targets or other emission reduction goals.

At this stage, emission reductions within Category 1 must be addressed on two fronts. The first involves **emission data qualification** by transitioning from average database emission factors to primary or supplier-specific data. The second involves **actual emission reductions**, to be achieved through more informed procurement decisions, supplier engagement, material efficiency, and the progressive selection of lower-climate-impact products and partners.

Scope 3 – Category 4 and Category 9: Upstream and Downstream Logistics

Emissions associated with logistics represent another material component of IGB S.r.l.'s Scope 3 inventory. This area includes Category 4 – Upstream Transportation and Distribution (covering the transport of purchased materials) and Category 9 – Downstream Transportation and Distribution (covering the distribution of finished products to customers).

In logistics as well, the SBTi target requires a progressive reduction in emission intensity per unit of value added. Consequently, IGB S.r.l. must decrease transport-related emissions relative to the economic scale of its operations by improving both the quality of collected data and operational shipping and delivery modes.

The first intervention lever focuses on enhancing data quality. Logistics emissions are frequently calculated using secondary database emission factors applied to estimated or reconstructed activity data. While this approach enables an initial assessment, it carries a higher margin of uncertainty when granular details—such as actual routes, distance traveled, tonnage transported, vehicle load factors, emission standards, and fuel types—are lacking.

IGB S.r.l. will therefore initiate engagement with key logistics providers and material suppliers that manage transport directly. Through targeted questionnaires, the company will harvest primary data concerning routes, shipment mileage, transported tonnage, tonne-kilometers (tkm), vehicle types, Euro emission standards, powertrain/fuel types, load factors, empty runs, intermodal transport use, actual fuel consumption, and certified emission factors or GHG reporting provided by carriers.

A key reduction lever involves the progressive adoption of Hydrotreated Vegetable Oil (HVO) as a substitute for fossil diesel. When backed by technical documentation and appropriate certifications, HVO features a significantly lower emission factor than conventional diesel, achieving reductions of up to approximately **90%** depending on feedstock provenance, calculation methodology, and emission boundaries. To ensure compliance, emission reduction benefits will be accounted for only upon receipt of robust documentary evidence, such as technical datasheets, sustainability certifications, supplier declarations, and specific emission factors.

For upstream logistics, primary actions will center on engaging suppliers of paper, paperboard, and other key materials to collect primary transport data and encourage the selection of lower-impact carriers. Where compatible with lead times, volume requirements, and quality standards, intermodal solutions—such as combined rail-road transport—will be evaluated, particularly for long-distance supplies.

For downstream logistics, IGB S.r.l. exercises greater operational control, as it can directly influence contracts with carriers handling customer deliveries. In this domain, the company can introduce contractual clauses requiring, where technically available, the use of HVO fuel for deliveries performed on behalf of IGB S.r.l. Alternatively, equivalent low-emission solutions, such as electric vehicles, biomethane, or alternative low-carbon fuels, will be evaluated.

Primary operational actions therefore include issuing questionnaires to logistics providers, gathering primary data on routes, mileage, and fleet profiles, embedding contractual clauses for HVO usage in downstream logistics, and assessing intermodal transport options for long-distance supply routes.

In the initial phase, these measures will enable a precise segregation of actual emissions across distinct logistics flows. In the subsequent phase, the plan will deliver tangible reductions through

the selection of more efficient carriers, the progressive rollout of HVO, delivery route optimization, and improved load efficiency.

Glossary

Carbon dioxide equivalent (CO_2eq): standard unit for measuring greenhouse gas emissions, expressing the impact of different GHGs in terms of their Global Warming Potential. It allows different gases to be aggregated into a single indicator comparable to CO_2.

Greenhouse gas (GHG) emissions: gases that trap heat in the Earth's atmosphere. The primary GHGs are CO_2, CH_4, N_2O and fluorinated gases (F-gases).

Scope 1, Scope 2, Scope 3: classification of emissions under the GHG Protocol Corporate Standard. Scope 1: direct emissions; Scope 2: indirect emissions from purchased energy; Scope 3: value chain indirect emissions.

SBTi (Science Based Targets initiative): a corporate climate action organization that enables businesses to set emission reduction targets in line with climate science.

Absolute Contraction Approach: an SBTi target-setting method that requires absolute emission reductions relative to a base year, independent of business growth.

Offsetting: a mechanism allowing companies to compensate for residual emissions by purchasing carbon credits generated by projects that remove or avoid CO_2.

Carbon credits: transferable instruments certifying the removal or avoidance of 1 metric ton of CO_2eq, used to compensate for hard-to-abate emissions.

Neutralization: the physical and permanent removal of CO_2 from the atmosphere to counterbalance residual emissions, as defined by the SBTi Net-Zero Standard.

European Green Deal: the EU's overarching strategy to achieve climate neutrality by 2050 through regulations, investments, and mandatory standards.

CSRD (Corporate Sustainability Reporting Directive): eU Directive mandating sustainability reporting for an expanding scope of undertakings.

ESRS (European Sustainability Reporting Standards): technical reporting standards underpinning the CSRD. ESRS E1 specifically covers climate change.

Carbon Budget: the maximum cumulative amount of global greenhouse gas emissions permitted to limit global warming to a specific threshold (e.g. 1,5°C).

GWP (Global Warming Potential): a metric measuring the heat-absorbing capacity of a greenhouse gas relative to CO_2 over a specified timeframe.