

Verification Statement

VS-3640231-016

The Greenhouse Gas declaration, dated 2 May 2023,

prepared by
Papierfabrik Palm GmbH & Co. KG
Palm Allee 1
73432 Aalen, Germany,

for the following carbon footprint

for the reporting period **1 Jan 2021 to 31 Dec 2021,**

was verified in accordance with ISO 14064-03:2019 and with regard to compliance with the requirements of ISO 14067:2019 and the quantification methods established by Papierfabrik Palm GmbH & Co. KG.

Partial Carbon Footprint for the product
corrugated board and packaging from corrugated board
of Packwell GmbH & Co. KG,
Schwepnitz plant, Germany

Total emissions: **267.1 kg CO₂-equ. / 1 000 m²**

Cradle-to-gate (upstream processes): 246.8 kg CO₂-equ. / 1 000 m²
Gate-to-gate (own production): 20.3 kg CO₂-equ. / 1 000 m²

Level of assurance reasonable

Level of materiality 5 % for the total sum
of all reported Greenhouse Gas emissions

This verification statement is only valid for the mentioned scope of assessment and in combination with the objectives, explanations and criteria for evaluation specified in the following pages.

TÜV SÜD Industrie Service GmbH
Accredited Verification Body for Greenhouse Gases according to ISO 14065
Westendstrasse 199, 80686 Munich, Germany

Munich, 24 May 2023



Industrie Service

Mehr Wert.
Mehr Vertrauen.

Explanations to the Verification Statement

Brief description of the Verification process

Papierfabrik Palm GmbH & Co. KG has voluntarily entrusted TÜV SÜD Industrie Service GmbH (verification body) to carry out an independent (third party) verification of the greenhouse gas (GHG) reporting on the partial product carbon footprint of corrugated board and packaging from corrugated board from the Schwepnitz plant of the subsidiary Packwell GmbH & Co. KG for the reporting period 1 January 2021 to 31 December 2021.

This review is based on the intended area of application, the goals and criteria as agreed upon with the commissioning on 19 May 2022.

In the period from July to September 2022, the staff employed by the verification body carried out audits with representatives of the client and site visits at sites selected as representative for the Palm group (Aalen, Wörth am Rhein, Kitzingen, Fürth) as well as a document check. The inspection of receipts (as samples, for all locations) took place both on site and virtually via the video conferencing tool Microsoft Teams.

Roles and responsibilities

The quantification and reporting of GHG emissions are the sole responsibility of our client. Our role and responsibility as an accredited verification body was to independently verify the adequacy of the GHG emissions reported by our client, as well as the underlying systems and processes for data collection, analysis and control, in accordance with the requirements of ISO 14064-3.

Standards for quantification and reporting of the Product Carbon Footprint (PCF)

ISO 14067:2019 ("Greenhouse gases – Carbon Footprint of products – Requirements and guidelines for quantification")

Scope of application / System boundaries

In line with to the objectives and the system boundaries specified by the client, this verification only includes the emission contributions of the balance sheet framework "cradle-to-gate" as well as "gate-to-gate", with the processes / life cycle stages:

1. Cradle-to-gate: upstream processes
 - Production of primary corrugated board paper as well as corrugated sheets including waste paper collection, sorting, and delivery to upstream paper mills
 - Transport of primary corrugated board paper to the Schwepnitz plant
 - Production of operating and auxiliary materials
2. Gate-to-gate: own production of corrugated board and packaging at the Schwepnitz plant
 - Fuel input natural gas
 - Electricity consumption: Guarantees of origin for production from renewable sources were acquired and therefore an emission factor of 0 kg CO₂ eq./kWh was applied.
 - Fuel consumption (diesel and LPG) for internal transportation

Relevant emissions in the inventory

- | | |
|--|---|
| <input checked="" type="checkbox"/> Carbon dioxide (CO ₂), | <input type="checkbox"/> Perfluorocarbons, |
| <input checked="" type="checkbox"/> Methane (CH ₄), | <input type="checkbox"/> Sulphur hexafluoride (SF ₆), |
| <input checked="" type="checkbox"/> Nitrous oxide (N ₂ O), | <input type="checkbox"/> Nitrogen trifluoride (NF ₃) |
| <input checked="" type="checkbox"/> Hydrofluorocarbons, | <input type="checkbox"/> other |

The greenhouse gas inventory lists the specified greenhouse gases as CO₂ equivalents. Emissions from perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride and other greenhouse gases as such were not identified and therefore do not contribute to the product carbon footprint.

Intended users of this Verification Statement

- The parent company Papierfabrik Palm GmbH & Co. KG itself in order to develop internal key figures based on this GHG-related information, to make decisions on measures to improve the carbon footprint
- Provision of this information for third parties, such as banks and other external stakeholders (to provide evidence of sustainability efforts)

Standard for the Verification

ISO 14064-3:2019 ("Specification with guidance for verification and validation of GHG statements")

Objectives of the Verification

The verification was performed with due regard to our impartiality in a risk-based approach. Rational procedures were applied to reach reliable and reproducible conclusions. Within the scope of our audit, a sufficient amount of suitable evidence needed to be collected and explained in the audit by representatives of Papierfabrik Palm GmbH & Co. KG and its subsidiaries. This was to ensure sufficient traceability of the information presented with the GHG statement.

Criteria

The data review was conducted according to the following criteria:
Relevance, completeness, accuracy, transparency of information and consistency.
The assessment of alternatives according to the quantification model applied was carried out according to the principle of conservatism.

Agreed level of assurance

reasonable

Comment:

At a reasonable - but not absolute - level of assurance, we verify that the GHG statement is substantially correct. This includes a review of the processes, data and evidence on their correctness and accuracy with an appropriately adequate sample size.

Materiality threshold

5% for the total of the reported greenhouse gas emissions according to the reporting boundaries established by Papierfabrik Palm GmbH & Co. KG

Comment:

The materiality threshold represents the degree of accuracy for our assessment of data gaps, misstatements and non-conformities remaining at the end of our review.

Gaps, omissions, inaccuracies identified during the review that result in quantities greater than the established thresholds constitute a "material deviation", i.e. non-conformities, that must be addressed before a verification statement can be issued.

Methods of Verification

- Interviews of personnel of Papierfabrik Palm GmbH & Co. KG or its subsidiaries within the scope of audit
- Review of the data and information systems and methodology for collecting, aggregating, analyzing and verifying the information used to determine GHG emissions
- Sampling of data and evidences for consumption of fuel, energy and materials
- Assessing the electricity consumption for the entire year 2021, including verification of the emission factor
- Strategic analysis and risk assessment based on the submitted GHG reporting
- Plausibility check by recalculating certain categories of the greenhouse gas balance
- Independent review (quality assurance by an auditor who is not involved in the verification process)

Conclusions

With our review of the greenhouse gas reporting, dated 2 May 2023, of Papierfabrik Palm GmbH & Co. KG on the partial product carbon footprint of corrugated board and packaging from corrugated board from the Schwepnitz plant of the subsidiary Packwell GmbH & Co. KG for the reporting period 2021, we conclude that, in all material respects, the greenhouse gas emissions and removals are presented fairly and factually in accordance with the specifications and standards used as a basis here.

Based on the results of our verification process, we confirm the reported emissions and the achievement of the agreed level of assurance and compliance with materiality thresholds.

Our verification statement solely refers to the reporting on greenhouse gases of Papierfabrik Palm GmbH & Co. KG.

This statement is issued in accordance with the agreement reached with the client and within the framework of our validation and verification regulation. The results documented here are based on our internal documentation dated 24 May 2023 for this verification with project no. 3640231.