



Measuring our carbon footprint

Our total GHG emissions (scope 1, 2 and 3) for 2022

Tessenderlo Group's total GHG emissions by scope

The GHG protocol identifies three scopes of emissions:

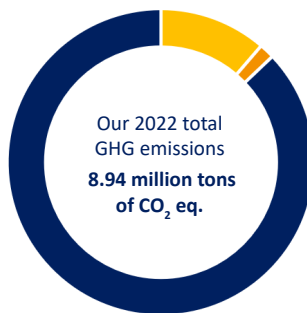
Scope 1 | Direct emissions from sources that are owned or controlled by the reporting organization, such as on-site combustion of fossil fuels or emissions from company-owned vehicles.

Scope 2 | Indirect emissions associated with purchased or consumed energy, such as emissions from electricity or heat purchased from an external source.

Scope 3 | Other indirect emissions from sources not owned or controlled by the reporting organization, such as emissions from the production of purchased goods and services or the transportation of products and waste.

Only 12.9% of our total GHG emissions come from our own operations (Scope 1 & 2)

- Scope 1** | 1.01 million tons of CO₂ eq. (11.3%)
- Scope 2** | 0.14 million tons of CO₂ eq. (1.6%)
- Scope 3** | 7.79 million tons of CO₂ eq. (87.1%)



Carbon footprint by segment*

Tessenderlo Group's activities are subdivided into the following operating segments:

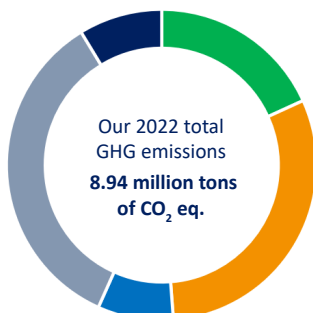
The **Agro segment** includes the Crop Vitality™, Tessenderlo Kerley International, NovaSource®, and Violleau business units.

The **Bio-valorization segment** consists of PB Leiner and Akiolis.

The **Industrial Solutions segment** includes DYKA Group, Kuhlmann Europe, and moleko™.

The **Machines & Technologies segment** includes Picanol Group.

The **T-Power segment** includes the activities of Tessenderlo Group regarding the generation of electricity, in particular T-Power.



- Agro** | 1.63 million tons of CO₂ eq. (18.2%)
- Bio-valorization** | 2.73 million tons of CO₂ eq. (30.6%)
- Industrial Solutions** | 0.71 million tons of CO₂ eq. (7.9%)
- Machines & Technologies** | 3.09 million tons of CO₂ eq. (34.6%)
- T-Power** | 0.78 million tons of CO₂ eq. (8.7%)

*Please note that all Tessenderlo Kerley, Inc. (TKI)-produced products (Crop Vitality, NovaSource and moleko) are reported under the Agro segment for this carbon footprint report.



Measuring our carbon footprint: protocol

This document describes the approach and results of our 2022 carbon footprint study

- The Greenhouse Gas (GHG) Protocol is a set of standardized guidelines developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) for calculating and reporting greenhouse gas emissions. It provides a common language and methodology for organizations to measure and manage their carbon footprints.
- The GHG Protocol is widely recognized as the most comprehensive and authoritative standard for corporate carbon footprint reporting. It has been adopted by governments, businesses, and NGOs worldwide and is commonly used by organizations to measure and report their GHG emissions. The GHG Protocol is regularly updated to reflect the latest scientific knowledge and best practices, ensuring that it remains a reliable and relevant tool for climate action.
- To perform this carbon footprint study, we are adhering to the guidelines provided in the Corporate Standard and the Corporate Value Chain Standard, which can be found on the GHG Protocol website (<https://ghgprotocol.org/standards>).
- This carbon footprint document has been made for the financial year ending on December 31, 2022. Thus, the data collected in this document file are in line with that reporting period. Our business unit Picanol Group is also included in our scope for the full year 2022 (in January 2023, Picanol Group became a business unit in the Machines & Technologies segment of Tessenderlo Group).
- Calculating GHG emissions typically involves multiplying activity data with the appropriate emission factors, and the resulting value is commonly expressed in tons of CO₂ equivalent, which serves as a standard unit based on the global warming potential (GWP) of the different GHGs emitted. The accuracy of the carbon footprint is highly dependent on the quality of the data and emission factors used.
- Tessenderlo Group has opted for an operational approach in its Corporate Carbon Footprint, which means that the focus is on the emissions that result from the company's activities and operations. Thus, only the activities that are operated by Tessenderlo Group will be accounted for in Scope 1, 2 & 3.
- All operations of Tessenderlo Group are included. Because of the operational approach, Jupiter Sulphur (JV 50%) is included for the full 100% and T-Power is included in our scope 1. Picanol Group is also included for comparison in future reports. The use of sold products is taken only for the relevant product lines (weaving machines/fertilizers/electronic appliances) as these are the only products where we can influence the use phase and where there is a clear view of the use phase. For other processed sold products, we have no influence and these are used in so many different processes that it is not possible to have a clear overview of further processing steps. Therefore, these do not form part of our GHG calculations.
- All emission factors are split in order to account for Forest, Land and Agriculture (FLAG) emissions separately.
- The emission factors are extracted from: Ecoinvent v3.9.1, GHG Protocol, CO2Logic, Methanol Institute, Bilan Carbone© v 8.6 and 8.8.
- The information and data were gathered by the following Tessenderlo Group departments: Finance, Operations, HR, Logistics, Procurement, and Engineering. The information used for reporting on GHG emissions in this report has been monitored by the central CSR team, which reports directly to the Executive Committee. The report has been reviewed by senior BU management and was approved by the Executive Committee on October 10, 2023.
- This carbon footprint calculation was done with the support of South Pole, a global company offering comprehensive sustainability solutions and services.



Independent Auditor's Limited Assurance Report

To the Executive Committee of Tessenderlo Group nv

Report on the Greenhouse Gas Emission Statement of Tessenderlo Group nv for the financial year ended December 31, 2022.

Conclusion

We have performed a limited assurance engagement on whether Tessenderlo Group nv's ("Tessenderlo" or "Tessenderlo Group") Greenhouse Gas Emission Statement ("GHG Statement" or "Statement") for the financial year ended December 31, 2022, has been prepared in accordance with the Greenhouse Gas Protocol ("GHG Protocol") as explained in the GHG Statement.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the GHG Statement is not prepared, in all material respects, in accordance with the GHG Protocol.

Basis for conclusion

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Intended use or purpose

Our report is only issued to the Executive Committee of Tessenderlo Group in accordance with the terms and conditions of our engagement letter. We do not assume liability to third parties other than Tessenderlo Group's Executive Committee. This report has to be read jointly with the GHG Statement.

Our conclusion is not modified in respect of this matter.

Responsibilities for the GHG Statement

The Executive Committee of Tessenderlo Group is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the GHG Statement that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the GHG Statement and appropriately referring to or describing the criteria used;
- preparing, the GHG Statement in accordance with the GHG Protocol;
- making judgments and estimates that are reasonable in the circumstances;
- preventing and detecting fraud; and
- supervision of other staff involved in the preparation of the GHG Statement.

Those charged with governance are responsible for overseeing the Tessenderlo Group's GHG Statement reporting process.

Inherent limitations in preparing the GHG Statement

Our limited assurance process was subject to the following limitations as we have not been engaged to:

- review activities outside the defined reporting period;
- determine the suitability of the criteria;
- determine which, if any, recommendations should be implemented; and
- review the appropriateness of the criteria.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the GHG Statement is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Executive Committee of Tessenderlo Group.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the GHG Statement and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- Through inquiries, obtained an understanding of Tessenderlo Group's control environment and information systems relevant to emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Tessenderlo Group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Tessenderlo Group's estimates.
- Verification, through analytical and substantive tests based on the selection of a sample and internal control tests, of the information (activity data, calculations and information generated) used to determine Tessenderlo's GHG Statement and the correct compilation of information based on the internal procedure applied.
- Undertook site visits to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites. The sites selected for testing were chosen taking into consideration their emissions in relation to total emissions, emissions sources. Our procedures did not include testing information systems to collect and aggregate facility data, or the controls at these sites.
- Assessed the appropriateness and accuracy of the information included in the GHG Statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Ghent, October 10, 2023

KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises BV/SRL
represented by

Joachim Hoebeeck
Partner