

Sustainability Journey



Contacts:

Alberto Sfulcini – Chimani Srl

asfulcini@chiman.it

In collaboration with:



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A scenic landscape featuring a stone path that leads from the foreground into a lush green field. In the background, there are rolling hills and mountains, some of which are shrouded in mist or low clouds. The sky is overcast. The overall atmosphere is peaceful and natural.

1. Sustainability at Chiman

Why this work?

- Recognizing the **urgent need for collective** action to address **environmental challenges**, in Chimán we decided to do our part
- Understanding that **sustainability is essential for long-term business progress**, we knew that by integrating sustainable practices now, we are setting the foundation for future growth and success
- To effectively tackle this challenge, we recognized the importance of establishing a **robust foundation**, based on **solid data** and **scientifically validated methodologies**



Our strategy

2023

Base year carbon footprint calculation (2022 operations) + decarbonization plan + SBTi commitment

The first step was to understand what is our impact on climate change. This is why we decided to estimate our carbon footprint and to use it as a base for our strategies and targets. We used the internationally recognized GHG Protocol Standard to calculate our Scope 1, Scope 2 and Scope 3 emissions. We then drafted a decarbonization plan to help us move in the right direction and we committed to the Science Based Targets initiative

2024

SBTi targets official accepted + carbon footprint update (2023 operations)

Our SBTi targets were officially accepted at the beginning of the year, setting an ambitious path ahead of us: reduce our Scope 1&2 emissions by 42% in 2030. In addition, to comply with SBTi rules, we updated our carbon footprint calculations to account for our operations in 2023.

Ongoing - 2030

Implementation of the decarbonization plan principles to meet 2030 SBTi targets

Our journey just started. We will update our carbon footprint every year to track changes and to monitor alignment with our targets. Even if our SBTi commitment is only for Scope 1&2, we will work to reduce Scope 3 emissions as well.

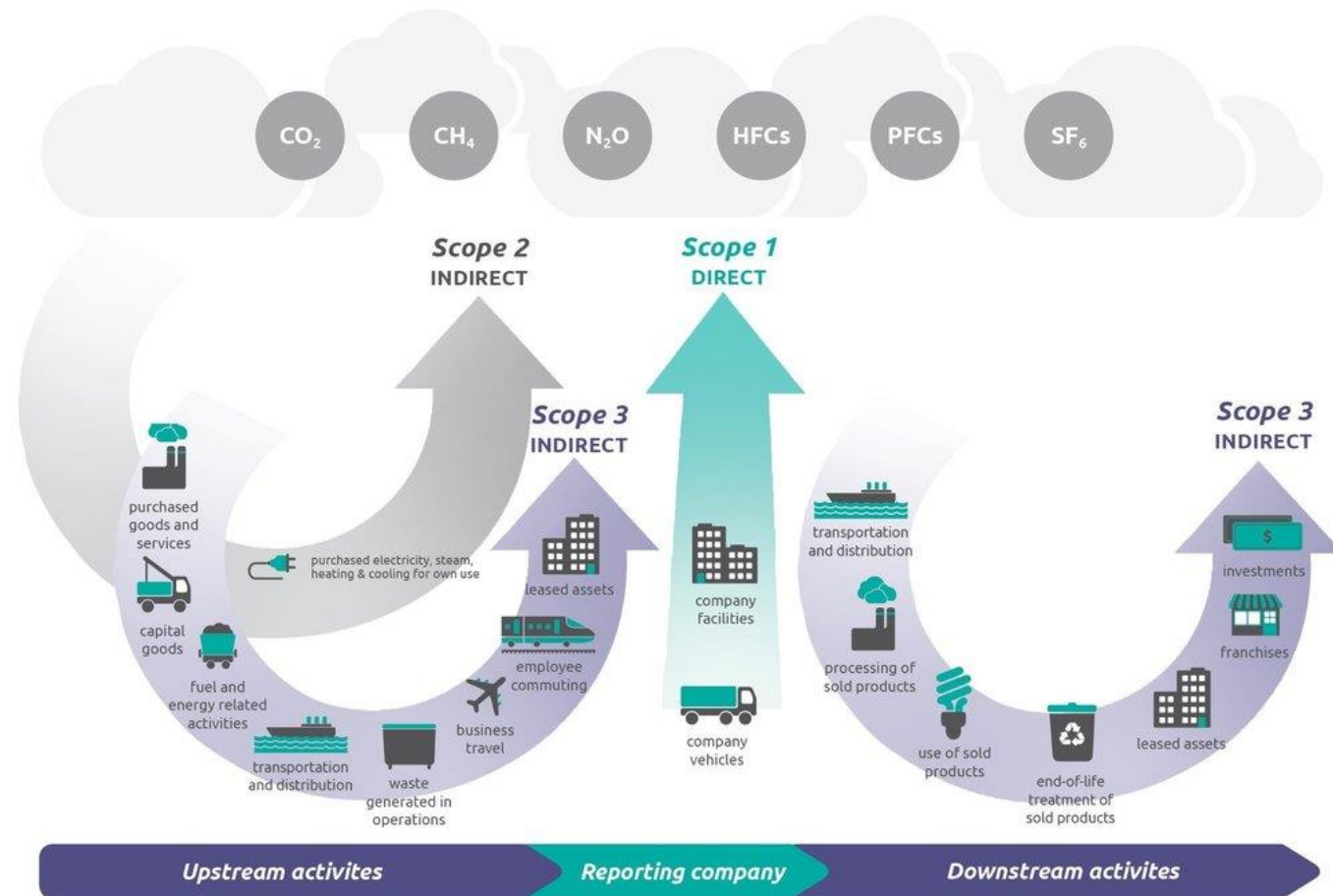
A scenic landscape photograph featuring a stone path that leads from the foreground into a lush green field. In the background, there are rolling hills and mountains, some of which are shrouded in mist or low clouds. The sky is overcast. A semi-transparent white rectangular box is overlaid on the middle of the image, containing the text '2. Carbon footprint 2022'.

2. Carbon footprint 2022

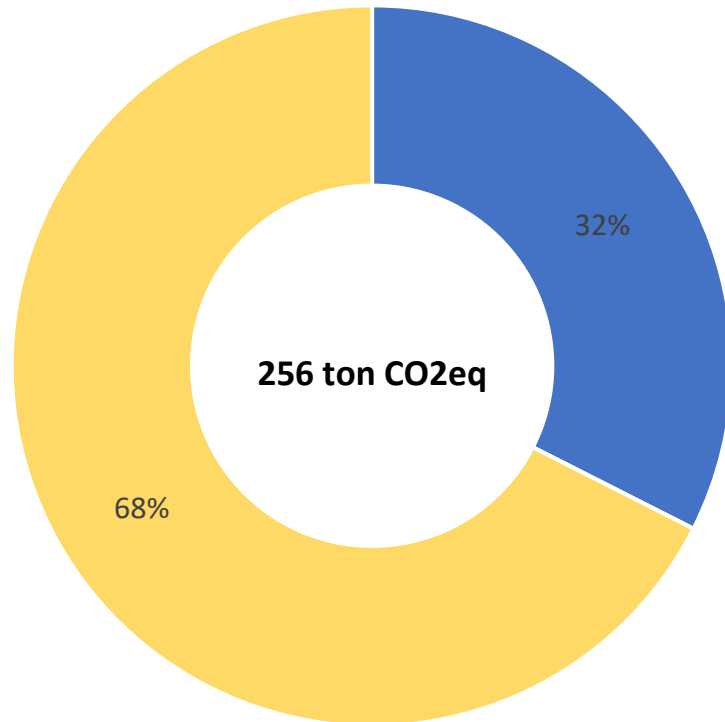
Carbon footprint according to GHG Protocol

The Greenhouse Gas Protocol is the most widely used international accounting tool to quantify greenhouse gas (GHG) emissions. It was developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

It provides a comprehensive global standardized framework to measure and manage GHG emissions from private and public sector operations, value chains, and mitigation actions.



Corporate carbon footprint 2022

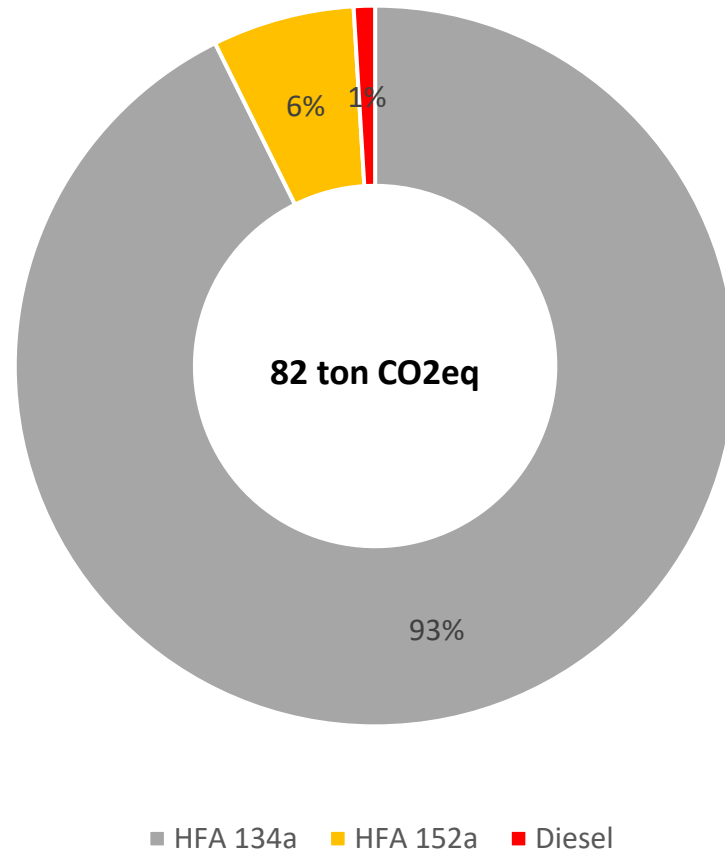


■ Scope 1 ■ Scope 2 ■ Scope 3

The **carbon footprint** of Chiman in 2022 was **dominated by Scope 3 and Scope 1 emissions**, with **Scope 2 being zero** (using the market-based method) thanks to the **use of renewable energy** certified with guarantees of origin.

The total footprint was equal to 256 tons CO₂eq.

Corporate carbon footprint 2022 – Scope 1



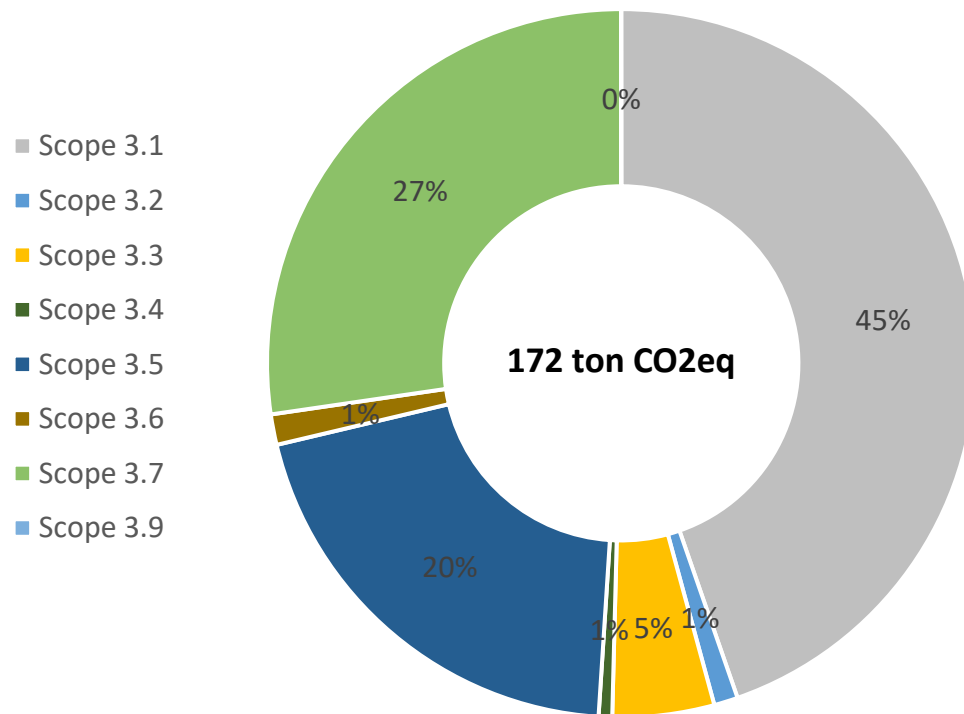
The **Scope 1 footprint was mainly linked to emissions of propellants** during the testing phase (99% of Scope 1 footprint).

The **propellant that contributed the most** to the Scope 1 footprint was **HFA 134a**, with approximately 50 kg emitted, equivalent to around 77 tons CO₂eq (93% of Scope 1).

The other propellant was **HFA 152a**, with approximately 32 kg emitted, equivalent to around 5 tons CO₂eq.

Since **Chiman does not use fossil fuels for heating or other processes**, the only fuel consumption was diesel for emergency generators, which accounted for approximately 1% of the Scope 1 footprint.

Corporate carbon footprint 2022 – Scope 3



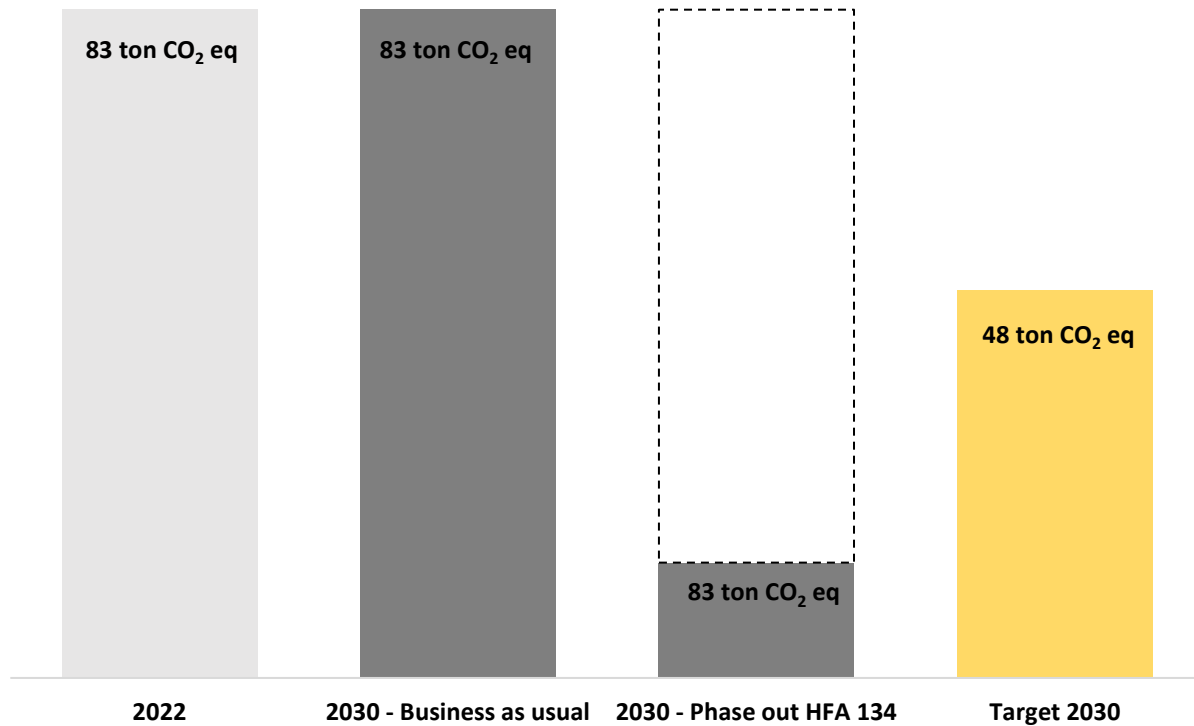
The **Scope 3 footprint** was mainly **dominated by Scope 3.1** (purchases of goods and services, including chemicals), **Scope 3.7** (employee commuting), and **Scope 3.5** (waste generation).

Regarding Scope 3.1, the purchase of chemicals contributed approximately 40% to the footprint. The rest of the emissions were due to the purchase of consumables (12%) and services acquired during the year. To a lesser extent, paper purchases and water use also contributed to the emissions.

A scenic landscape photograph featuring a stone path that leads from the bottom center towards the middle ground, flanked by lush green grass and wildflowers. In the background, rolling hills and mountains are partially shrouded in mist or low clouds, creating a sense of depth and tranquility. The sky is overcast with soft, diffused light.

3. Decarbonisation plan

Scope 1&2 Plan



Chiman's target: to reduce Scope 1&2 emissions by an absolute -42% by 2030 from a 2022 baseline

Scope 1 footprint is **entirely linked to the release** in the environment of HFA-134 and HFA-152 gases during the testing phase of some products.

According to industry data **by 2030 HFA-134 will be replaced by HFA-152.**

Thus, **Chiman should be able to meet and surpass its Scope 1&2 target.**

At the moment, no further actions are foreseen in this area.

Scope 3 Plan

According to SBTi rules, Chiman does not have to commit to reduce its Scope 3 emissions.

However, **Chiman already identified some actions** that can help reduce its Scope 3 carbon footprint:

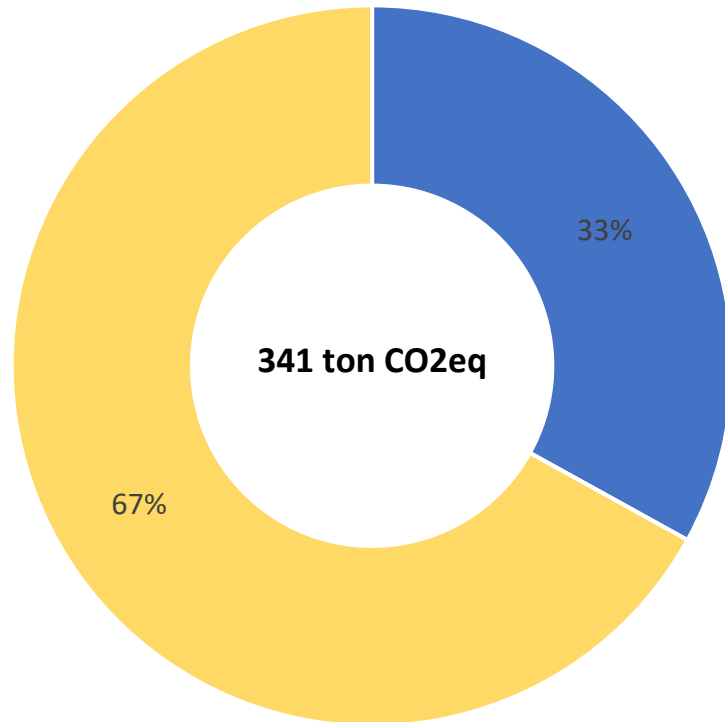
- **Installation of PV panels**, that will help keep Scope 2 equal to 0 but will also reduce Scope 3.3
- Go **paperless by 2030**, in line with the current reduction of printed paper used, the aim is to go fully paperless
- Invest in **innovative instruments** to reduce the amount of solvents and salts used for the tests, reducing the amount of materials purchased and of waste produced



A scenic landscape photograph featuring a stone path that leads from the bottom center towards the middle ground, flanked by lush green grass and wildflowers. In the background, there are rolling green hills and distant, misty mountains under a cloudy sky. A semi-transparent white rectangular box is overlaid on the middle of the image, containing the text '4. Carbon footprint 2023'.

4. Carbon footprint 2023

Corporate carbon footprint 2023

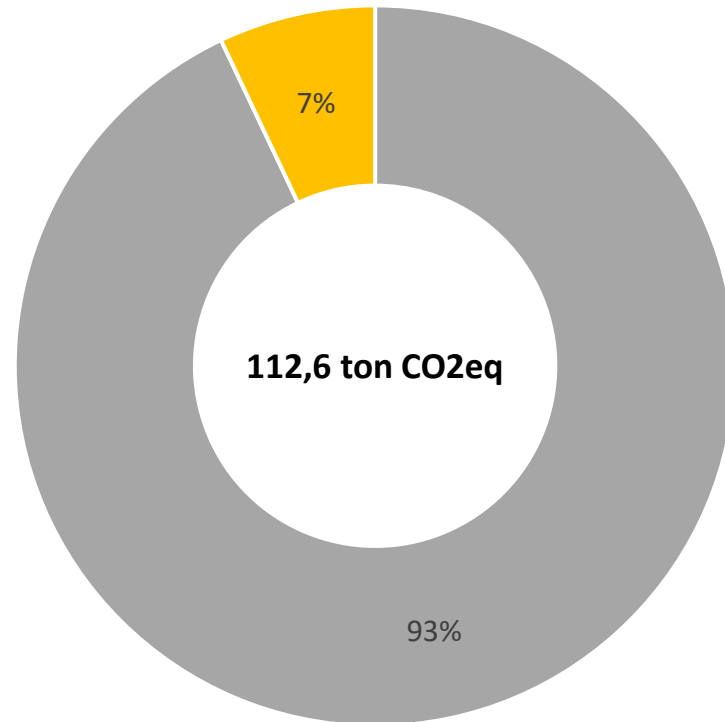


■ Scope 1 ■ Scope 2 ■ Scope 3

In 2023, the total **carbon footprint** was **again dominated by Scope 3 and Scope 1** emissions, with Scope 2 remaining at zero (using the market-based calculation method) due to the use of renewable energy certified with guarantees of origin.

The **total footprint amounts to 341 tons CO₂eq**, representing an **increase of approximately 38%** compared to 2022.

Corporate carbon footprint 2023 – Scope 1



■ HFA 134a ■ HFA 152a

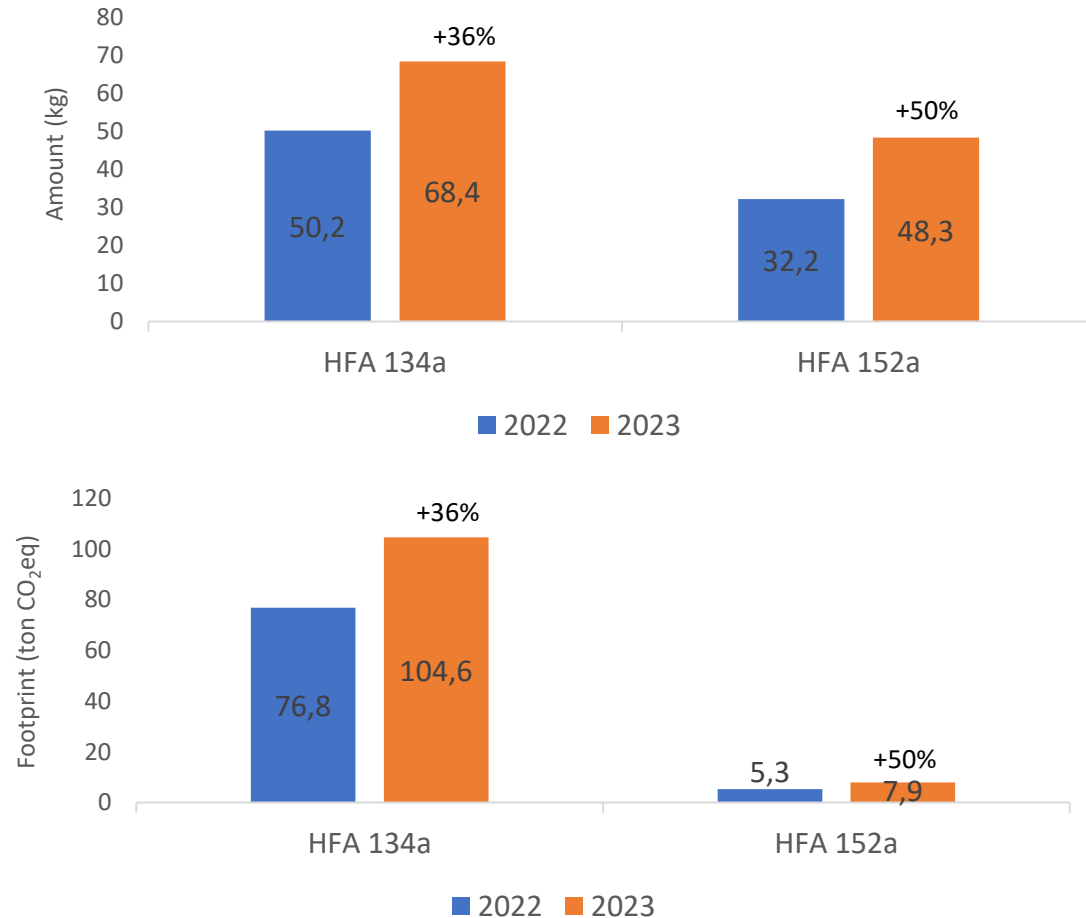
The **Scope 1** footprint is solely **linked to propellant emissions** during the testing phase, as no fossil fuels were used in 2023.

The **propellant** that **contributed the most** to the Scope 1 footprint was **HFA 134a**, with 68.4 kg emitted, equivalent to 104.6 tons CO₂eq (**93% of Scope 1**).

The other propellant was HFA 152a, with approximately 48.3 kg emitted, equivalent to 7.9 tons CO₂eq.

Compared to 2022, the **Scope 1 footprint increased by 36%**.

Scope 1: 2022 vs 2023

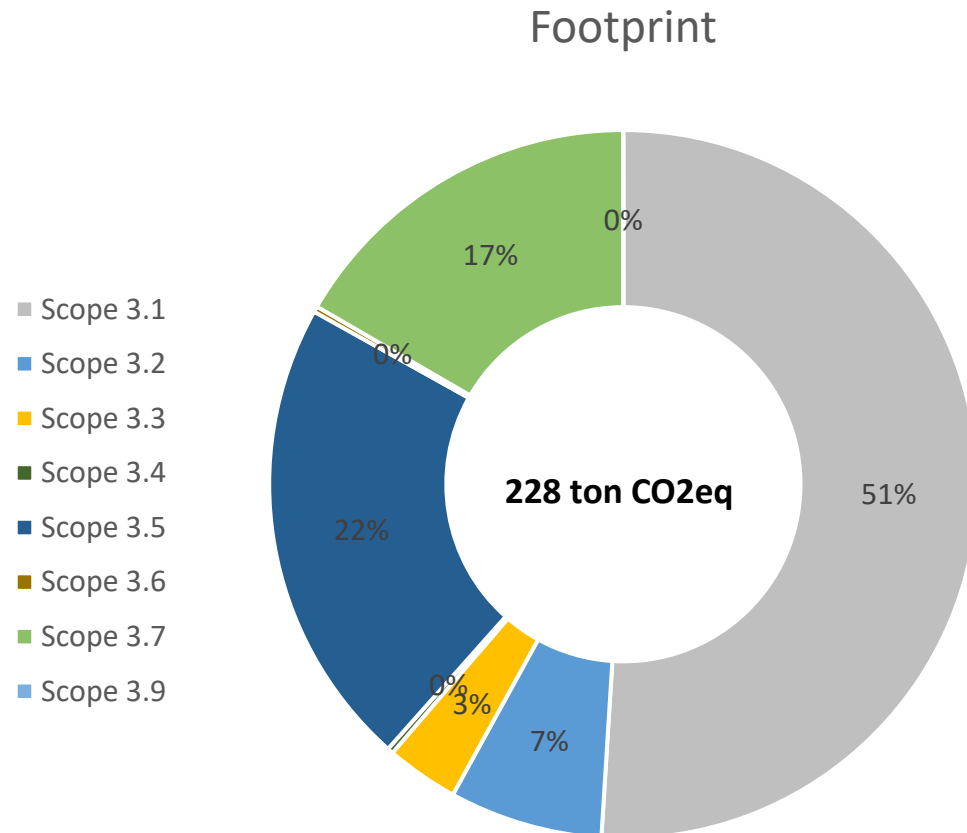


Compared to 2022, the use of HFA 134a increased by 36% in 2023, rising from 50.2 to 68.4 kg. The use of HFA 152a, on the other hand, increased by 50%, going from 32.2 kg to 48.3 kg.

The same increase was observed in the footprint related to the release of the two propellants, with the footprint of the former rising from 76.8 to 104.6 tons CO₂eq, and that of the latter from 5.3 to 7.9 tons CO₂eq.

However, due to the different emission factors, the increase in the release of HFA 134a had a greater impact on the **Scope 1 footprint, which increased by approximately 36%.**

Corporate carbon footprint 2023 – Scope 3



Scope 3 footprint is again dominated by **Scope 3.1** (purchases of goods and services, including chemicals), **Scope 3.7** (employee commuting), and **Scope 3.5** (waste generation).

Regarding **Scope 3.1**, the footprint is mainly due to the **purchase of solvents, reagents, and consumables**.

To a lesser extent, emissions are also contributed by paper purchases and water use.


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5. Results analysis

Comparison: 2022 vs 2023

- **Chiman's carbon footprint** for Scope 1 (for which near-term targets have been set) is **influenced by the market developments** and the **decision to reduce or eliminate the use of HFA-134a**.
- Currently, **the growth in this Scope's footprint** is not aligned with the established targets, but it **is consistent with the expected business expansion**. This situation is likely to remain similar for a few years, followed by a **gradual phase-out of HFA-134a** and a **forecasted reduction in Scope 1 to meet 2030 targets**
- As for **Scope 3**, which does not have specific targets, there has been a **gradual increase in the footprint in line with business growth**. In the coming years, it will be necessary to address specific topics



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For further information:

asfulcini@chiman.it

l.franceschini@turningstones.it