

Sustainability at WEPA

How we advance our goal to be the most sustainable partner for hygiene solutions



wepa

Together
for a better life

Interview with Martin and Andreas Krengel

The second and third generation of the family business

Why is sustainability so important for WEPA as a family business?

Martin Krengel: As a future-oriented and responsible family business, we are taking large steps towards the future. Our guides are respect and commitment and, most notably, our core value of sustainability. At WEPA long-term economic success, the preservation of natural resources and social commitment are closely linked and form the basis of our actions.

Andreas Krengel: This basic principle extends through all generations – and yet each generation of the entrepreneurial family has contributed its own impulses. What unites us here above all: We think and act in a future-oriented and responsible way.

Our mission has always been to provide sustainable hygiene solutions to improve well-being every day, everywhere. We have set ourselves ambitious goals that we want to achieve together with our partners. Just as our purpose describes it: “Together for a better life.”

This is how we realise our vision – being “the most sustainable and agile partner of choice for personal and professional hygiene solutions” .



Martin Krengel

Andreas Krengel

Sustainability as the basis for long-term success

We want to be the **number one in our industry** when it comes to sustainability

We see sustainability as the basis for long-term economic success and the future viability of our family business. The social, ecological and economic challenges are manifold and require holistic responses: Risks must be recognised and managed, opportunities must be seized.

Our 4+1 sustainability strategy puts circular economy at the centre and contributes significantly to WEPA's resilience.

Four sector-specific fields of action build on the stable foundation of our foundation. We pursue ambitious goals in all these strategic areas.

In line with our purpose "Together for a better life", we are aware that sustainability can only be lived together with our employees, our customers, consumers and partners.



Future fibres

We aim for a fibre portfolio with leading environmental performance based on circularity.

Operational efficiency

We aim for a carbon neutral, zero-waste production and a sustainable water footprint.

Sustainable hygiene paper portfolio

We aspire to offer the most sustainable hygiene paper portfolio to make our customers successful.

Portfolio extension through innovation

We aspire to be the leader in sustainable hygiene solutions in Europe.

Foundation

We follow our values, care about our stakeholders and the environment beyond legal requirements, and proactively prevent risks.

4
+
1

Consistently pursue circular economy

We use resources responsibly

We are committed to the principle of the circular economy and align our activities with it. Conserving valuable resources through long and efficient use and using them as sustainably as possible is crucial to our operations.

We focus on the following areas, among others:

1. Recycled fibres for our hygiene paper products
2. Saving resources through innovative packaging solutions
3. Sustainable waste management
4. Efficient and resource-saving production processes



SDGs: Transformation towards a sustainable

Sustainable Development Goals,
to which we make a contribution.

We are committed to the SDGs and focus on the goals to which we can contribute through our business activities.



Our highest priority: Health and safety for employees and in the value chain. Our hygiene products ensure well-being and a safe feeling of hygiene.



Our motto for resources: "Less is more". Wherever possible, we apply the principles of the circular economy.



Our industry is water-intensive. We therefore focus on sustainable water management and have formulated ambitious targets for reducing water risks at our sites with WWF Germany.



We take responsibility for climate protection: with an SBTi-validated climate target and ambitious measures to reduce emissions.



Together with our partners and customers, we focus responsibly on sustainable, long-term and profitable economic growth.



We want to relieve land ecosystems. We achieve this by using recycled fibres, sustainable wood-based virgin fibres and alternative fibres.



We see SDG 17 as a basis: Only by acting in partnership with our stakeholders can we address the transformation towards a more sustainable future.

Future fibres on the basis of the circular economy

We focus on raw materials with the **best ecological performance**

The fibre raw material has a significant impact on the environmental footprint of our products. Articles made from 100% recycled paper perform best in this comparison and are therefore rated by us to be the most sensible raw material for hygiene paper. For example, it takes about 64% less energy to produce recycled fibres compared to virgin fibres. When choosing fibres, care must be taken

to minimise the impact on biodiversity and land use.

Our solution: the principle of cascade use. Valuable raw materials such as virgin fibres should remain in the material cycle as long as possible. It is only after a longer life cycle that they are used as recycled fibres in disposable products such as hygiene paper.

We also conduct targeted research on the use of new types of recovered paper and innovative raw material alternatives such as miscanthus grass.

In general, we source all the fibre raw materials we use from responsible sources.



Sustainable hygiene paper portfolio and innovative portfolio expansion

Successfully in the long-term

We want to offer the most sustainable hygiene paper portfolio to make our customers successful.



Because WEPA is convinced that the future belongs to sustainable products. For example, we have developed the “Sustainable Portfolio Compass” to evaluate our hygiene paper products. This creates transparency along the entire value chain and enables active management of the product portfolios.

With mach m!t PURE, BlackSatino GreenGrow and Satino PureSoft, we offer three new products with top sustainability performance in our portfolio.

In the area of innovative portfolio expansion, we also focus 100% on sustainability. From now on, all decisions concerning innovations will be assessed according to their ESG risks and their social contribution.



Active for climate and resource protection

We set industry standards when it comes to **climate and water**

As a future-oriented family business, we take responsibility for the environment. Our climate targets are validated by the Science Based Targets initiative (SBTi): By 2030, we will reduce our emissions by 52.5%¹. This also has a positive impact on indirect emissions in our customers' value chains.

In partnership for the climate and for biodiversity

With our supplier UPM, we are committed to restoring Finnish peat bogs. Peatlands make an important contribution to climate protection and provide habitats for rare animal and plant species. The resulting increase in biodiversity has a positive effect on the climate, water, soils and healthy soil formation.

Water is a precious commodity that is essential for our production processes. We are constantly working to conserve this important resource and minimise risks. As part of our partnership with WWF Germany, we have set ourselves holistic goals for our water management. These are unique and leading in our industry. They include, for example, reducing water risks at our sites, driving water stewardship along our value chain and preserving natural habitats in river basins. Together with the WWF, we are also implementing a project to renaturalise the floodplain landscape on the Middle Elbe.



¹ Reference: finished goods + semi-finished goods sold + DIP sold

Our social commitment

Partnership cooperation in **environmental and social projects**

Our self-image as a sustainable and future-oriented family business has always included that we feel connected to the respective regions and locations and are committed to being a good neighbour. This is demonstrated above all by selected commitments in the areas of ecology, sport, culture and social affairs, in which we assume local responsibility for society.



Clean-up campaign of the WEPA Group and the WEPA Foundation

Beyond the activities of the WEPA Group, the non-profit and company-affiliated WEPA Foundation also makes an important contribution to society. The foundation focuses on hygiene, environmental and social sustainability, lifelong learning and family entrepreneurship. All these topics are in line with the goals and values of the WEPA Group.



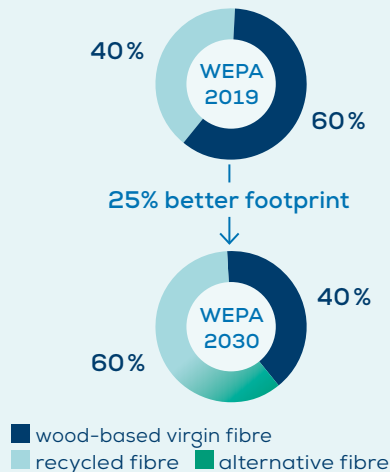
WEPA Bees – a joint initiative at the WEPA Group sites

Selection of ambitious goals in the fields of action of the WEPA sustainability strategy

Future fibres

- **By 2030:** Sales products made from at least 60% recycled fibres and alternative virgin fibres
- **By 2030:** Reducing the environmental footprint by 25%

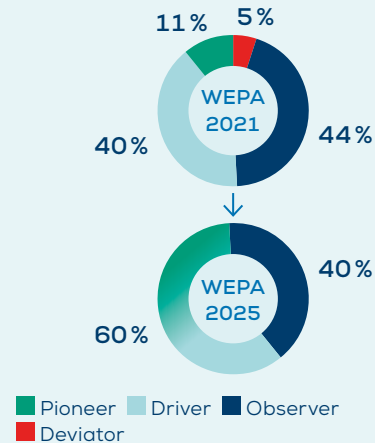
Our fibres used



Sustainable hygiene paper portfolio

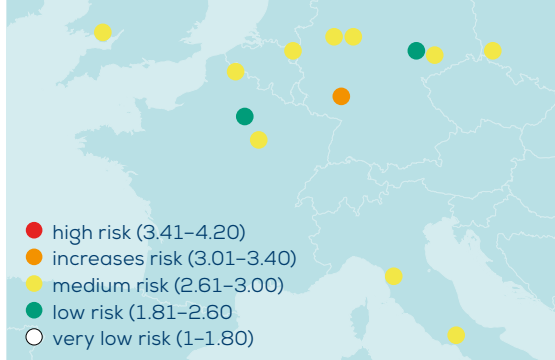
- **By 2025:** 60% of our turnover is generated with products from the “Driver” and “Pioneer” segments
- **By 2025:** Products from the “Deviator” segment are discontinued or further developed in the direction of “Pioneer”

The evaluation of our hygiene paper portfolio



Sustainable use of water

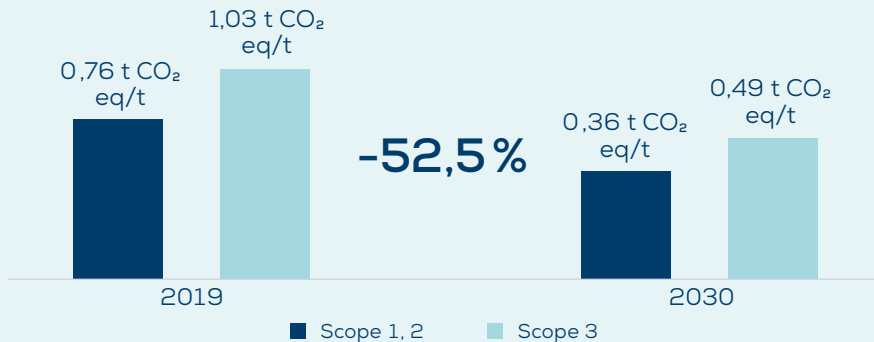
- **By 2030:** Reduction of corporate water risks to an average low water risk < 2.6
- **By 2030:** No site with a water risk category > 3.6



Actively combating climate change

- SBTi 1.5 °C target until 2030: -52.5% CO₂eq emissions/t in Scope 1, 2 and Scope 3¹
- Our ambition: achieving climate neutrality by 2040

Reduction of our CO₂ emissions per tonne of sales product



¹ Reference: finished goods + semi-finished goods sold + DIP sold

The WEPA Group is a future-oriented European family business specialising in the production and distribution of sustainable hygiene paper. The company offers sustainable and innovative hygiene solutions that provide a safe feeling of hygiene and contribute daily to the well-being of millions of people. WEPA is among the three largest European manufacturers and leading the market in the production of hygiene paper from recycled fibre. In the Consumer business area, WEPA is private-label specialist for European retailers. The Professional business unit stands for sustainable and professional hygiene solutions which are used, for instance, in public wash-rooms, the industry, offices or health care facilities.

Contact:

WEPA Hygieneprodukte GmbH
Rönkhauser Str. 26
59757 Arnsberg-Müschede
sustainability@wepa.eu



Facts & figures

around

1,3 Mrd. €

turnover

approx.

4.000

employees

1948

Foundation of
WEPA (Westfälische Papierfabrik)
by Paul Krengel

13

production sites
throughout Europe

More information on the WEPA sustainability strategy, all goals and measures can be found in our sustainability report and on our website:



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