



Lansinoh Laboratories Inc.

Climate Neutrality - Qualifying Explanatory Statement

Baseline period 2021 & Commitment Period 2022

This is the PAS 2060 Qualifying Explanatory Statement to demonstrate that Lansinoh has achieved carbon neutrality and is committed to being carbon neutral in line with PAS2060:2014 reporting requirements

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DFGE – Institute for Energy, Ecology and Economy

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Commitment to climate neutrality

Since our founding by a breastfeeding mother more than 35 years ago, Lansinoh has been committed to the health and well-being of mothers and babies around the world. We serve families in more than 60 countries, offering effective and evidence-based education and products to ensure mothers and babies get the best possible start in their new lives together. But we cannot stop there. We must also ensure that all we do ensures a healthy future for the families who place their trust in us. Their futures depend on climate action and we are committed to doing our part.

We have based our sustainability program on science so that we make sure we are protecting the environment with actions and programs truly aiming at reducing our (environmental) impact.

Our efforts lie in avoiding and reducing GHG emissions. We will compensate remaining emissions in certified offsetting projects.

The launch of climate neutral products is one of our steps in our goal to become climate neutral as a corporation by 2030.

“I am delighted”, says Heike Hinrichs, Head of Global Corporate Planning, “that our CEO, our Global Leadership Team as well as our Teams are leading, supporting and engaging in the sustainability programs we have set up for the future.”

1 Introduction

Company description

Lansinoh Laboratories Inc. (“Lansinoh” in the following) is a global leader in breastfeeding solutions and support headquartered in the USA. For more than 35 years, they have been committed to the health and well-being of mothers and babies around the world. As a next step they have now set ambitious targets that address the company’s sustainability efforts. Lansinoh is committed to a sustainability program that is based on scientific research and that complies with the United Nations’ Sustainable Development Goals, or SDGs for short.

Lansinoh has set science-based emissions reduction targets across the entire value chain. These commitments align to the Paris agreement, which strives to limit global warming to 1.5 degrees Celsius above pre-industrial levels. These goals have been evaluated and validated by the Science Based Targets Initiative. In addition, the company’s goal is to achieve climate neutrality by 2030. A first step towards that goal is to achieve climate neutrality with selected products from the Lansinoh product portfolio.

Disposable Nursing Pads are used by breastfeeding mothers and inserted between the bra and the breast to absorb any milk that may leak between feedings. Lansinoh® Nature Soft Nursing Pads come with a 100% organic cotton face sheet and a back sheet construction of non-woven that works without a PE film which makes the pad more breathable and reduces rustling. Naturally soft, discreet, and super absorbent – Lansinoh® Nature Soft climate neutral pads provide the ultimate comfort and protection.

The Lansinoh® Organic Pre-Birth Preparation Oil conditions and moisturizes skin to support elasticity with a nourishing blend of safe, organic oils. It can be used 3-4 times per week from 34 weeks pregnant to soften the skin of the perineal area, and to facilitate perineal massage. The organic oil’s unique blend has been specially formulated to be suitable for the sensitive skin and is gynecologically tested for use on the perineal area.

Lansinoh® Organic Post-Birth Relief Spray provides soothing relief for post-birth discomfort. Its unique blend of soothing herbal ingredients including aloe vera, chamomile & cucumber helps to cool and calm the perineal area after birth. The organic spray has been specially formulated to be suitable for the sensitive skin and is gynecologically tested for use on the perineal area.

Support by the DFGE

On its way to climate neutrality, Lansinoh Laboratories Inc. was supported by DFGE. Founded in 1999 as a spin-off of the technical University of Munich, the DFGE – Institute for Energy, Ecology and Economy provides consulting services in the field of sustainability. The DFGE offers Sustainability Intelligence featuring calculation, management and reporting solutions aims at bundling the effort of taking part in several sustainability/CSR standards and rankings like CDP, UNGC, EcoVadis or GRI. DFGE services are structured according to the ACCoRD scheme: Analyze, Collect, Compose, Review, and Document, to foster continuous improvement and collect reliable data. The clients range from

international companies (DAX and fortune 500) to SMEs. The partners are key players in the domain, and DFGE experts constantly monitor the current trends and existing norms, to support the organizations with dedicated solutions.

About this statement

This document forms the Qualifying Explanatory Statement (QES), which gives a comprehensive overview on the climate neutrality approach of Lansinoh Laboratories Inc.. It demonstrates that Lansinoh has achieved climate neutrality in 2021 (First achievement period with baseline date 01.01.2021) and is committed to maintaining climate neutrality in 2022 (commitment period) for three of their products: Lansinoh® Nature Soft Nursing Pads, Lansinoh® Organic Pre-Birth Preparation Oil, Lansinoh® Organic Post-Birth Relief Spray. It is the first declaration of commitment and achievement of climate neutrality of the company.

The document is structured as follows: Chapter 1 introduces the project, gives a company description of Lansinoh and describes the supporting role of DFGE. The overall climate neutrality principles followed are explained in Chapter 2. Chapter 3 gives detailed information on the Carbon Footprint assessment. Chapter 4 includes information on climate related strategies, corresponding emission reduction activities and offsetting. All information provided within this report has been reviewed and verified by the DFGE.

This Qualifying Explanatory Statement will be made publicly available on the company's website. If significant changes occur during the commitment period 2022 that could affect the validity of this declaration, an updated QES will be released.

2 The climate neutrality principles

Climate Neutrality

The climate neutrality approach of Lansinoh follows the requirements of the PAS 2060:2014. The Publicly Available Specification (PAS) was published by the British Standards Institution (BSI) and can be linked to many areas, including products, companies, communities, travel, events, projects and buildings.

It was developed in response to the desire for a common, consistent approach to demonstrating climate neutrality. Based on this specification, organizations must implement GHG reduction strategies in order to achieve real emissions savings. Furthermore, it enables comparability of claims and helps to reduce public scepticism about climate neutrality. The PAS 2060 standard sets measurement and reduction targets and through documentation it allows the climate neutrality statement to be verified.

PAS 2060:2014 defines climate neutrality as the "condition in which during a specified period there has been no net increase in the global emission of greenhouse gases to the atmosphere as a result of the greenhouse gas emissions associated with the company, product etc. during the same period"¹. Consequently, climate neutrality means the balance between carbon emitted and carbon absorbed from the atmosphere into carbon sinks. The goal is to reach net zero emissions worldwide by

¹ Pas2060:2014

counterbalancing all greenhouse gas emissions with carbon sequestration. Carbon sequestration refers to the process of removing carbon from the atmosphere and then storing it.

Any system that absorbs more carbon than it emits is called a carbon sink. Oceans, forests and soil are natural carbon sinks. Currently, there are no artificial sinks available that could remove enough carbon from the atmosphere to fight global warming. However, through forest fires and land-use changes the carbon stored in the natural sinks is released into the atmosphere. That is why a reduction in carbon emissions is essential for reaching climate neutrality².

Carbon Accounting

Carbon accounting is the first essential step towards climate neutrality. The Carbon Footprint calculation is oriented on the accounting and reporting framework developed by the Greenhouse Gas Protocol, namely the “Corporate Accounting and Reporting Standard” and the “Corporate Value Chain (Scope 3) Accounting and Reporting Standard”. The Greenhouse Gas Protocol (GHG Protocol) is the outcome of a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). It represents a set of voluntary standards for the accounting, reporting and management of greenhouse gas emissions for both Product and Corporate Carbon Footprints, and is the most widely used framework for these purposes. Furthermore, the GHG Protocol meets the requirements of the PAS 2060: 2014 as an appropriate GHG accounting standard.

Carbon Reduction and Offsetting

Carbon reduction, also referred to as decarbonisation, means the decrease of carbon dioxide or all greenhouse gases in the atmosphere related to primary energy production. Emissions can be balanced by carbon sequestration if adequate reduction measures are implemented or enhanced carbon sinks exist.

Carbon offset offers an opportunity to reduce worldwide carbon emissions. Thereby, the emissions emitted in one sector, by one company or even by a person are reduced somewhere else with the instrument of carbon offsetting, thus reducing net global emissions. Carbon offsetting can be done through investments into energy efficiency, low-carbon technologies, renewable energies or carbon sink securing such as reforestation.

3 Carbon Footprint assessment

DFGE’s Carbon Footprint projects are oriented on the accounting and reporting framework developed by the Greenhouse Gas Protocol, namely the “Corporate Accounting and Reporting Standard” and the “Product Life Cycle Accounting and Reporting Standard”.

The Greenhouse Gas Protocol (GHG Protocol) is the outcome of a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). It represents a set of voluntary standards for the accounting, reporting and management of greenhouse gas emissions for both Product and Corporate Carbon Footprints, and is the most widely used framework for these purposes.

² European Parliament, 2019

3.1 Inventory Boundaries

Included Greenhouse Gases

The Carbon Footprint of the selected Lansinoh products includes emissions of CO₂ and six other greenhouse gas types specified in the Kyoto Protocol and adopted by the GHG Protocol standard: CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.³ Due to the different global warming impacts of the gases, the emitted amount of greenhouse gas is multiplied by a specific factor, the so-called Global Warming Potential (GWP) which is fixed to a 100 years' time period. The GWP values are expressed in CO₂ equivalents (CO₂e) and refer to the latest assessment report of the Intergovernmental Panel on Climate Change (IPCC)⁴.

Temporal boundaries

The Product Carbon Footprint of each product refers to the forecasted production quantities for the calendar year 2021. For the Lansinoh® Nature Soft Nursing Pads, the forecast is based on production quantities for 01.03.2021 (market launch) to 31.12.2021, thus covering emissions for 10 months. For the Lansinoh® Organic Pre-Birth Preparation Oil and the Lansinoh® Organic Post-Birth Relief Spray the quantities are based on the forecasted production volume from 01.05.2021 (market launch) to 31.12.2021, thereby covering emissions for 8 months.

Lifecycle stages

In general, the attribution to different categories of emissions sources follow the guidelines of the GHG Protocol with differentiation of the products lifecycle stages. Following the GHG protocol Product Life Cycle Accounting and Reporting Standard⁵ the attributional approach is applied. The attributional approach is defined as a method in which GHG emissions and removals are attributed to the unit of analysis of the studied product by linking together attributable processes along its life cycle.

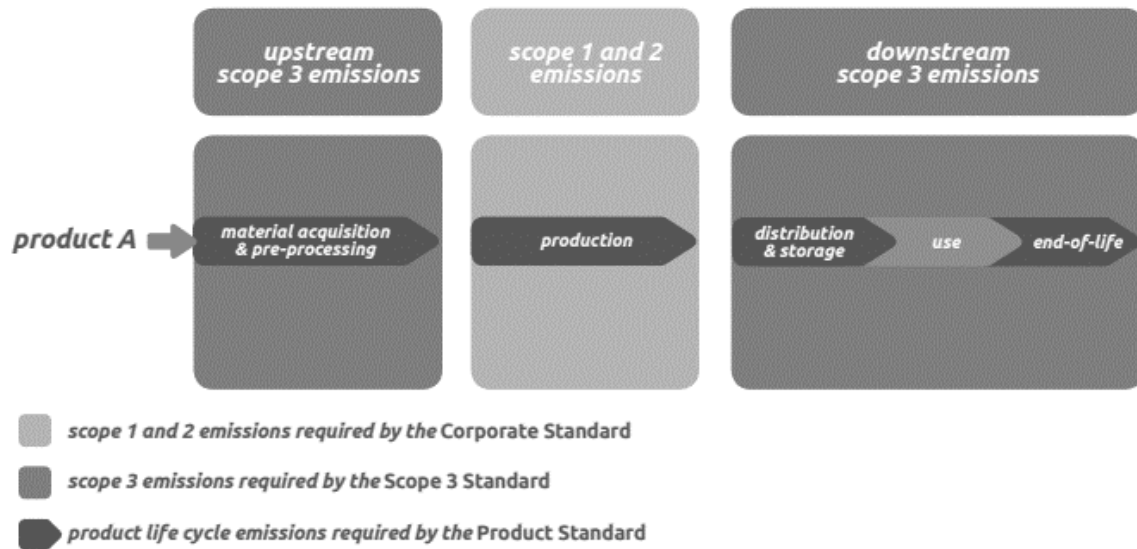
For the calculation of a product carbon footprint (PCF), the emissions associated with the product are considered. A PCF provides all greenhouse gas emissions along the entire life cycle of a certain product, from the purchased raw materials to delivery ("cradle-to-gate") or even or beyond over the useful life to disposal ("cradle-to-grave"). The figure below illustrates the relationship between the Corporate Standard, Product Standard, and Scope 3 Standard. In this simplified example, a company manufactures one product (Product A). The example shows how scopes of emissions at the corporate level correspond to life cycle stages at the product level.

³ GHG Protocol 2013, Accounting and Reporting Standard Amendment, p. 3

⁴ IPCC Fifth Assessment Report, 2014 (AR5)

⁵ GHG Protocol Product Life Cycle Accounting and Reporting Standard, 2011

Figure 3-1: The relationship between the Corporate, Scope 3, and Product Standards for a company manufacturing product A



For the PCF for the Lansinoh products all lifecycle stages are considered.

Emission factors

Greenhouse gas emissions result from a variety of processes, of which energy generation and transformation processes are the most important and common ones. To calculate the emissions for a specific process, an adequate conversion factor has to be used: the emission factor (short “EF”).

It describes the amount of greenhouse gas emissions released in a certain process per unit of input or output (such as kg, kWh, or litre). Examples for CF units of measure are: kg CO₂e/kg, kg CO₂e/kWh, kg CO₂e/l. The data sources for the emission factors used are generally acknowledged databases from environmental or governmental organisations, for example the DEFRA (Department for Environment, Food and Rural Affairs), the IEA (International Energy Agency) or the Umweltbundesamt (UBA).

Data quality rating

The quality of used input data is rated by DFGE experts based on qualitative indicators defined by the GHG protocol. For the different balance groups, an error analysis is performed, including an estimation of the bandwidth in which the actual value is located. Results are then aggregated using mathematical methods.

3.2 Results

Carbon Footprint for Lansinoh was assessed via a complete analysis considering the selected inventory boundaries. The calculation is based on the methodology of the Greenhouse Gas Protocol (GHG Protocol) Product Standard.

Lansinoh® Nature Soft Nursing Pads

In 2021, the calculated Product Carbon Footprint for the forecasted production volume of Lansinoh® Nature Soft Nursing Pads amounts to **422 t CO₂e**.

Table 3-1: Lansinoh® Nature Soft Nursing Pads emissions per lifecycle in 2021 (forecasted production volume)

Scope	Value	Unit
Material acquisition and pre-processing	251	t CO ₂ e
Production	48	t CO ₂ e
Distribution & Storage	88	t CO ₂ e
Use	0	t CO ₂ e
End-of-life	35	t CO ₂ e
Total CF	422	t CO₂e

No emissions occur during the use-phase of the Lansinoh® Nature Soft Nursing Pads because the Nature Soft Nursing Pads are single use products with an average lifespan of four hours. An additional 20% surcharge was added to the carbon footprint to account for data uncertainties, resulting in a Product Carbon Footprint of **506 t CO₂e**.

Lansinoh® Organic Pre-Birth Preparation Oil and Lansinoh® Organic Post-Birth Relief Spray

The emissions for the baseline period for both the products are based on a screening of preliminary primary data. The screening shows 20 t CO₂e for the Lansinoh® Organic Pre-Birth Preparation Oil and 13 t CO₂e for the Lansinoh® Organic Post-Birth Relief Spray. The detailed Product Carbon Footprint for both products follows at a later stage in 2021. At the publishing date of the QES the calculation for Lansinoh® Organic Pre-Birth Preparation Oil and Lansinoh® Organic Post-Birth Relief Spray is still ongoing. The QES will be updated accordingly.



4 Climate neutrality

4.1 Emission reduction strategies

Base year selection

For comparing emissions over time, and especially for defining an emission reduction target, it is necessary to select a base year as a point of reference. Lansinoh's initial baseline period is 1 January - 31 December 2021 adjusted to the according forecasted production volumes of the different products (see Chapter 3.1 "Temporal boundaries").

Ongoing and completed activities

This QES presents the first assessment of greenhouse gas emissions for the selected products. Thus, no explicit emission reduction activities were implemented during the application period 2021.

Lansinoh has set up a carbon management plan for the application period 2021 to reduce its carbon intensity footprint in order to demonstrate commitment to being climate neutral in accordance with PAS 2060. As part of the climate strategy and commitment to climate neutrality throughout the product portfolio Lansinoh aims to reduce emissions wherever possible. Only unavoidable emissions are to be compensated⁶. The reduction measures are developed and implemented in various internal processes but also along the supply chain. Among others the reduction measures include an increased share of green energy for the Lansinoh energy demand and reduced packaging. Furthermore, Lansinoh investigates ways to participate and/or apply Circular Economy by using more and more recycled materials in their products instead of virgin ones.

4.2 Offsetting

The present Product Carbon Footprint includes emissions of all lifecycle stages for the Lansinoh® Nature Soft Nursing Pads and screening-based emissions for the Lansinoh® Organic Pre-Birth Preparation Oil and Lansinoh® Organic Post-Birth Relief Spray. Because this is the first carbon footprint assessment for the selected Lansinoh products and in accordance with the PAS 2060 the total amount of carbon emissions for 2021 were offset by Lansinoh.

Together with DFGE Lansinoh has put in place an offsetting programme that complies with the most rigorous international standards, while also driving social and economic improvements. The neutrality is achieved by reducing and compensating greenhouse gas emissions through supporting the development of sustainable climate solutions in developing countries. Offsetting projects bring social, environmental and economic side-benefits, which contribute to United Nations Sustainable Development Goals (SDGs) and are labelled by the Gold Standard.

The Gold Standard is a full-fledged carbon offset standard. The Gold Standard Foundation was founded in Switzerland as a non-profit organization and operates a certification program for Gold Standard CO2 certificates. Over 60 NGOs worldwide support Gold Standard's mission to promote high-

⁶ Compensation is done via emission certificates, with which the unavoidable amount of emissions is offset in climate protection projects

quality balancing quality and sustainable development in carbon markets. Anyone wishing to participate in the Gold Standard must demonstrate their commitment to promoting stable carbon markets with sustainable development through actions and written agreements.

For Lansinoh carbon credits are retired 12th March 2021.

These credits are supported by publicly available project documentation on the Market registry online. The link to the registry proving the exclusivity of the carbon cancellation on behalf of Lansinoh can be found here: <https://registry.goldstandard.org/credit-blocks/details/167262>. The registry system is the central storehouse of data on all registered projects, and tracks the generation, retirement and cancellation of all credits. To register with the program, projects must show that they have met all standards and methodological requirements.

The project chosen for the compensation is 'Access to Safe Water in Cambodia' which is Gold Standard certified. With this project, water purifiers can be provided to rural communities in Cambodia and provide them clean, safe drinking water. The project also creates rural employment opportunities in filter manufacturing and distribution. Women make up 47% of Hydrologic's staff, including 60% of top-level managers and 60% of the rural sales force. The sale of Gold Standard carbon credits enables Hydrologic to continue researching and developing purifier technology and to train local producers and distributors, thus scaling up its positive impact.

As the carbon footprints for the selected projects are based on forecasted production volumes for the emissions calculation, the actually produced quantities for the application period will be monitored closely. If necessary, additional carbon credits will be purchased.

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Munich/Germany, May 2021

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