



APRIL 2022

CARBON EMISSIONS REPORT

CTIA EXCLUSIVE PILOT

PRESENTED TO

Oratex Inc.

PRESENTED BY

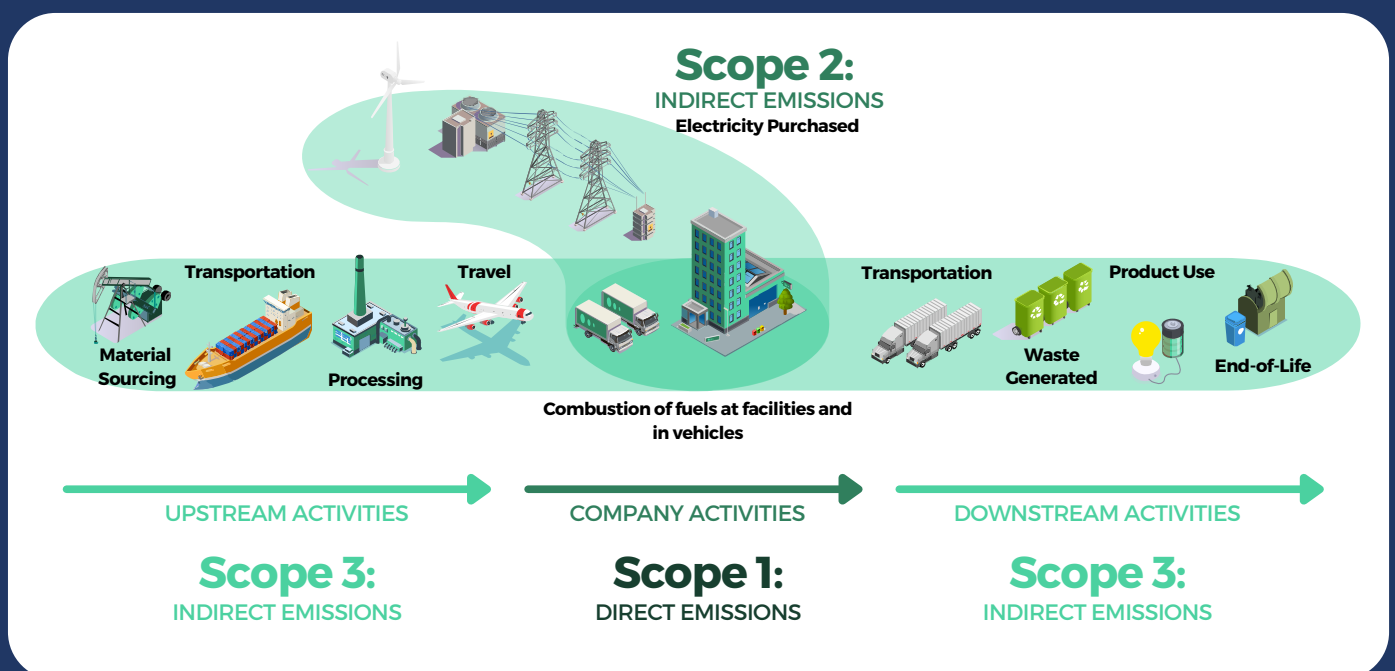
GLOBAL INNOVATIVE TECH
& W2R SOLUTIONS

INTRODUCTION

Oratex Inc. is a participant in the carbon footprint pilot project a member of Canadian Textile Industry Association (CTIA). This pilot project is a collaboration effort with Global Innovative Tech. and W2R Solutions. The purpose of this project is to quantify the operational greenhouse gas (GHG) emissions of each pilot participant. This quantification informs reduction opportunities and is part of CTIA's Environment and Sustainable Development Committee strategy.

SCOPE OF WORK

In order to quantify the GHG emissions of Oratex Inc., a carbon accounting approach was implemented. Carbon accounting considers three scopes of emissions, numbered 1 to 3. Scopes 1 and 2 are considered in this report. Scope 1 relates to the direct emissions from stationary combustion (ex. natural gas usage) and mobile combustion (vehicles). Scope 2 refers to the indirect emissions from electricity purchase. Scope 3 relates to all the indirect emissions from Oratex's value chain and was outside the scope of this report.



METHODOLOGY

The methodology used for this analysis is based on the international standard established by the Greenhouse Gas Protocol Initiative (GHG Protocol) known as the Corporate Accounting and Reporting Standard. This is the standard used by companies and organizations to measure and manage their GHG emissions and become more efficient, resilient, and prosperous. It has been established in a joint initiative with World Resources Institute and the World Business Council for Sustainable Development.

BACKGROUND

- Name of the reporting entity: Oratex Inc.
- Description of the reporting entity: Clothes and fabric manufacturer
- Reporting period: January 1, 2021 to December 31, 2021

Scope of physical boundary

- 9900 Boul Ray Lawson, Anjou, QC H1J 1L8
- 800 Rue Melchers, Berthierville, QC J0K 1A0

Scope of operational boundary

- Scope 1 direct GHG emissions from natural gas combustion on site for heating and production supplied by Hudson Energy.
- Scope 2 indirect GHG emissions from electricity purchased.

Carbon Dioxide Equivalent (CO₂e) Defined:

Carbon dioxide emissions are used as the benchmark for global warming potential. Other greenhouse gas emissions are in turn converted, based on their global warming potential, into a carbon dioxide equivalent, or **CO₂e**.

ENERGY CARBON FOOTPRINT OVERVIEW

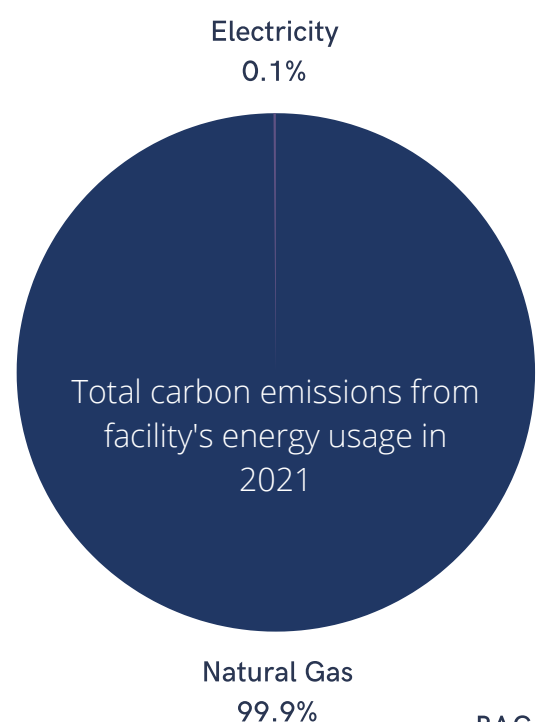
2049

TONNES OF CO₂E

Breakdown of Energy Emission in 2021

Scope	Grid Region	Energy Source	Amount of energy	Units (GJ,kWh)	CO ₂ e (tonnes)
Scope 1	Quebec	Natural Gas	40,647.54	GJ	2046
Scope 2	Quebec	Purchased Electricity	2,421,420	kWh	3

99.9% of Oratex's locations carbon emissions come from use of natural gas.



REGIONAL OBSERVATIONS

Understanding Grid System and Competitive Outlook

99% QUEBEC'S ELECTRICITY
IS OVER 99% CLEAN.

Quebec's electricity grid is a global leader for renewable generation.



3X ELECTRICITY IS ROUGHLY
3.5X MORE EXPENSIVE THAN
GAS IN QUEBEC

Currently, electricity is approximately 3.5x more expensive to use in Quebec than Natural Gas. Although this is changing with Climate related policies and geo political events adding pressure on gas prices.

Oratex's total energy usage is comprised of:
82% Natural Gas & 18% Electricity
(11,291MWh vs 2,421MWh)

GLOBAL COMPARISON

Oratex Canada 2021 vs Global Competitors

To demonstrate the environmental superiority of Quebec's electric grid, Oratex's usage was compared to other textile hotspots in the world.

	<u>City/Region</u>	<u>Province</u>	<u>Country</u>	<u>t CO2e</u>	<u>Variance</u>
ORATEX INC.	Anjou/Berth.	Quebec	Canada	2,049	-
	Guangzhou	Guangzhou	China	9,577	467%
	Bhilwara	Bhilwara	India	11,261	550%
	Saxony	Saxony	Germany	6,312	308%

*Based on 13,712 MWh annual energy consumption baseline

**Assuming Global Competitor Electricity Grid



“A global leader in renewable energy, Hydro-Québec supplies 8 million Quebecers with power that is more than 99% clean. And our energy stands out from the competition.”

- Hydro Quebec”

<https://www.hydroquebec.com/clean-energy/#:~:text=A%20global%20leader%20in%20renewable,stands%20out%20from%20the%20competition.>

QUESTIONS? CONTACT US.

*"We do not inherit the earth from our
ancestors, we borrow it from our children."*

Native American Proverb

GLOBAL INNOVATIVE TECH

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