

Press Release – June 28, 2022

Toms and Better Energy enter a power purchase agreement that contributes to the construction of a new solar park

Toms Group has entered its first Power Purchase Agreement (PPA) with Better Energy as part of Toms' new strategy for sustainability, where combatting climate change is one of the focus areas. The agreement is an important contribution to ensure that Better Energy builds a new solar park, which will produce 75% of the electricity consumption at Toms' large production factory in Hvidovre from October 2023.

For several years, Toms' electricity consumption has been covered by certificates of origin (COs) from wind farms. But to further strengthen the imperative transition to renewable energy, Toms has chosen to invest in renewable energy production by upholding the principles of additionality - in other words, be the direct reason for expanding renewable energy capacity:

“At the beginning of the year, we joined Science Based Targets, and as a result, we are in the process of setting binding CO2 reduction targets for our entire value chain. However, we are already in the process of reducing the CO2 emissions associated with our own production - i.e. scope 1 and 2. We do this partly by reducing and restructuring our energy consumption - and by buying electricity through the PPA, which ensures the production of more subsidy-free renewable energy”, says Annette Zeipel, CEO of Toms Group.

Companies can make a difference through their active choice to purchase new green and subsidy-free energy, thereby significantly reducing CO2 emissions and at the same time influence the production of new green energy.

“It is always great when companies are setting ambitious sustainability targets. However, it has even more impact when companies are determined to consider the implications of their choices and take things to the next level. A PPA is a viable and ideal solution to ensure that you are simultaneously greening your operations and the grid. Both are critical to driving a true green transition,” says Peter Munck-Søe Jensen, EVP of Power Solutions in Better Energy.

Since 2011, Toms has supported the green transition by covering more and more of its electricity consumption with renewable energy. Annette Zeipel continues:

“We believe that everyone must do more if the important objectives of the Paris Agreement are to be met. We need to produce even more renewable energy. That is why this agreement is an important milestone for us.”

The agreement will enter into force in October 2023, when a new solar park will supply 4 GWh of additional green electricity annually earmarked for Toms Group. The energy covers 75% of the electricity consumption in Toms' factory in Hvidovre. This corresponds to 28% of Toms' total electricity consumption in Denmark and 18% at group level.