

An aerial photograph showing a large forest fire. Bright orange and yellow flames are visible along a path or ridge on the right side of the image, with thick white smoke billowing upwards and spreading across the sky. The surrounding forest is dense and green, though some trees appear charred or dead. The overall scene is dramatic and highlights the impact of climate change on natural ecosystems.

**COP26 What is it
and what does it
mean for Colart?**

COP 26 – What is it?

A pivotal moment in the fight against climate change.

COP26 is the 2021 United Nations climate change conference. COP means conference of parties, and this is the 26th annual summit, which tells you that climate change is not new, but it is now urgent.

COP21 took place in Paris in 2015. For the first time ever, something momentous happened: every country agreed to work together to limit global warming to well below 2 degrees and aim for 1.5 degrees, to adapt to the impacts of a changing climate and to make money available to deliver on these aims. The Paris Agreement was born. The commitment to aim for 1.5 degrees is important because every fraction of a degree of warming will result in the loss of many more lives lost and livelihoods damaged. Under the Paris Agreement, countries committed to bring forward national plans setting out how much they would reduce their emissions – known as Nationally Determined Contributions, or ‘NDCs’.

They agreed that every five years they would come back with an updated plan that would reflect their highest possible ambition at that time. The run up to this year’s summit in Glasgow is the moment (delayed by a year due to the pandemic) when countries update their plans for reducing emissions. But that’s not all. The commitments laid out in Paris did not come close to limiting global warming to 1.5 degrees, and the window for achieving this is closing.

The decade out to 2030 will be crucial. So as momentous as Paris was, countries must go much further than they did even at that historic summit in order to keep the hope of holding temperature rises to 1.5 alive. COP26 needs to be decisive.

Colart x Climate Change

What is Colart doing to mitigate climate change? We have been measuring our climate impact for 10 years now, and it has been a learning curve, it is easy to understand why we calculate profits and losses but not so easy when we are talking about climate.

Our climate assessments measure GHG (greenhouse gases) across 3 scopes.

Scope 1 – Energy specifically gas from fossil fuels

Scope 2 – Purchased energy specifically Electricity

Scope 3 – Freight, Packaging, Waste

What are the scopes and what do they mean?

Scope 1 - This one covers the Green House Gas (GHG) emissions that a company makes directly – for example while running its boilers and vehicles.

Scope 2 - These are the emissions it makes indirectly – like when the electricity or energy it buys for heating and cooling buildings, is being produced on its behalf.

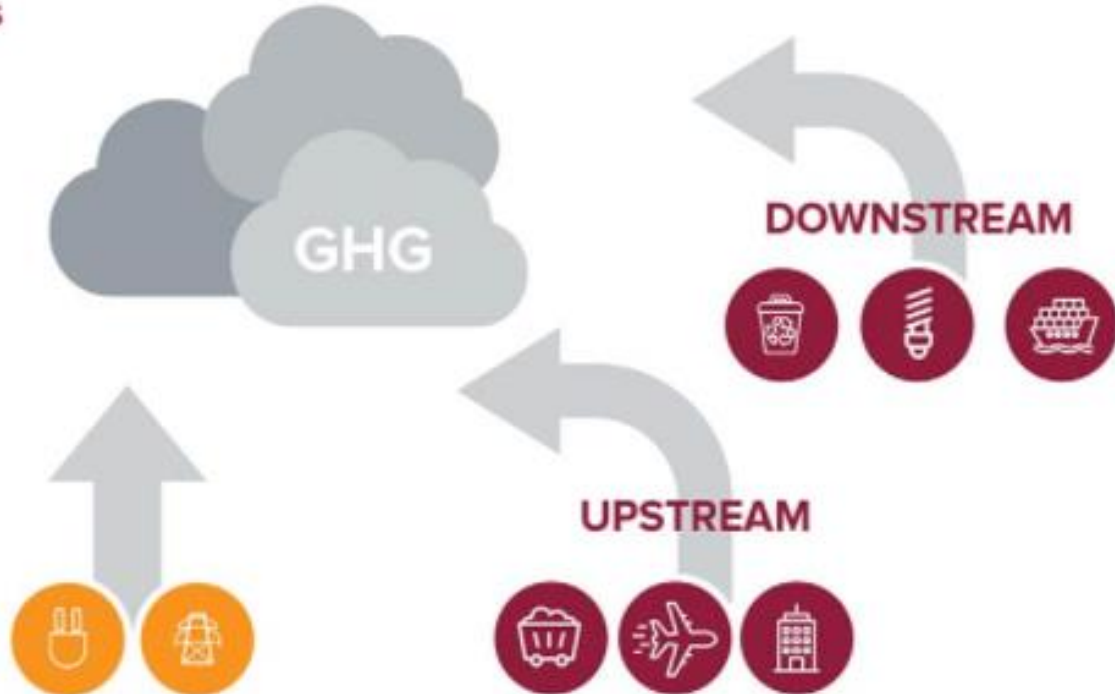
Scope 3 - In this category go all the emissions associated, not with the company itself, but that the organisation is indirectly responsible for, up and down its value chain. For example, from buying products from its suppliers, and from its products when customers use them. Emissions-wise, Scope 3 is nearly always the big one.

The GHG protocol categorizes a company's GHG footprint into three different scopes: Scopes 1, 2, and 3.



SCOPE 1

emissions are direct emissions from owned or controlled sources.



SCOPE 2

emissions are indirect emissions from the generation of purchased energy.

SCOPE 3

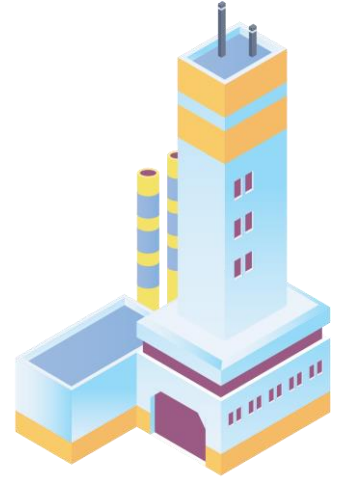
emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Challenges of Scope 1 & 3

Scope 1

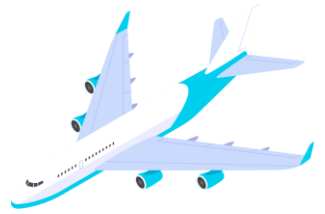
Alternative to natural gas

- Biomass Heat pumps
- District Heating



Ideally we should remove any fossil fuel consumption through our own operations, however this is not possible today due to lack of infrastructure and investment in cleaner alternative natural energy. The next step is to reduce our consumption eliminating any unnecessary usage. Replacing old boilers and equipment will improve our efficiency and lessen the emissions in Scope 1. Offset what is left to mitigate the Carbon emissions in Scope 1

Challenges of Scope 1 & 3 cont



Scope 3

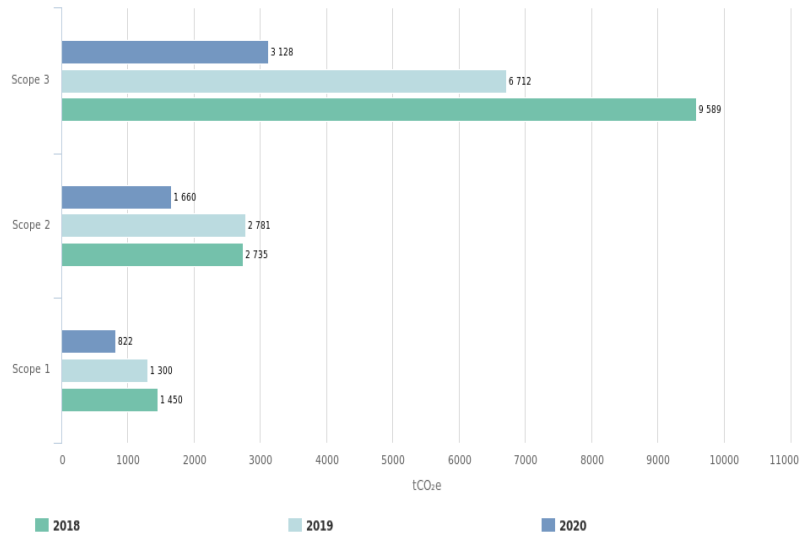
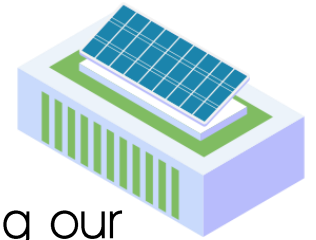
This is the largest of the scopes and for Colart the most unknown.

Today we measure our freight, we focus on mode of transport and mile / km travelled. The impact varies depending on whether we ship by air, sea, or road. In 2020 we halved our emissions primarily due to the fact that we reduced our air freight to zero, albeit by default.

Freight is only a small part of scope 3 and yet already makes up the largest part of our emissions. We need to measure our suppliers impact which relate to us, this includes weight of materials delivered, distance travelled, country of origin, any extraction (pigments), production impact of materials.



Our emissions to date



We have been measuring our data since 2011 across all sites. Scope 1 & 2 are our own operations and in order to reduce our impact, for the last 18 months we have focused on Scope 2. Now 67% of our sites purchase green energy and Le Mans have created renewable energy from solar panels since June 2021.

What's the difference between carbon neutral, zero-carbon and net-zero?

Carbon Neutral – Step 1

This means that all the carbon emissions you generate as a person or a business are offset, either by reducing your carbon emissions, or by counteracting your emissions through carbon absorbing projects such as sustainable reforestation.

To be carbon neutral, a business should be considering their own direct emissions as well as those that their suppliers create in relation to their business, and their customers create by using their products.

Net-Zero – Step 2

Net-zero includes other anthropogenic greenhouse gas emissions such as methane and nitrous oxide (normally a product of agriculture, raising livestock and damming) as well as CO₂.

Net-zero also includes a combination of both reducing and offsetting your carbon emissions. As a business you must reduce your emissions where possible and only offset any remaining emissions through greenhouse gas removals such as sustainable reforestation projects.

This also means that to reach Net-zero, you cannot purchase any carbon credits (by purchasing a carbon credit you allow your company to emit 1 tonne of CO₂ or other GHGs on the basis that another company has reduced their emissions by the same amount).

Zero - Carbon – Step 3

The final challenge is becoming Zero-Carbon. This means that no carbon is emitted in the first place so it's even better. For example, let's say a household or business uses all solar energy, they would not need to offset this energy use as there are no emissions and they would be able to label themselves as Zero-Carbon.

How do we reach Carbon Neutrality

Carbon neutrality is the balance between eliminating carbon and absorbing carbon emissions from carbon sinks.

Colart is working towards carbon neutrality and in order to achieve this will work in 2022 to understand our full emissions including scope 3 and what will that take to achieve.

Next step is to have reduction targets in place and to have clear initiatives to implement them and by when.

And lastly whatever we cannot remove / eliminate we will offset.

This is in no way an easy task, to understand our supply chain beyond first tier is a huge project. We will work together with our teams across the business and create a project team to work towards Climate neutrality to ensure we are aligned with the Paris agreement and work towards the target of ensuring we protect our planet and not let it heat up beyond 1.5 degrees.

<https://www.youtube.com/watch?v=aM31RyxSSCw>

<https://www.youtube.com/watch?v=uynhvHZUOOo>