

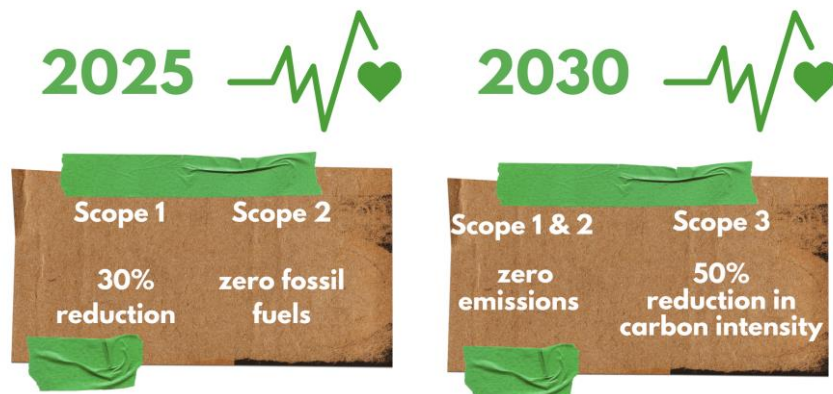
Colart Sustainability Manifesto

Our Mission, to be the leading house of sustainable creative brands means we will lead the transition in the art materials industry towards safeguarding the environment and natural resources. We will work with and guide our partners and suppliers towards sustainable practices, advocating equality and respectful working conditions for the people they engage.

Our Vision, empowered by the long-term vision of our owner, is to inspire every artist in the world, sustainability sits at the heart of what we do. This is true whether related to our people, our relationship with our consumers and customers, our processes and our products, and through our brands.

Sustainability is important to Colart because as a creative business, we understand our role and the Social Impact that our brands and products can contribute to society through enhancing the wellbeing of our consumers and society at large. To do this we are committed to achieving the sustainable development goals (SDGs) of the United Nations 2030 agenda.

For Colart, sustainability means we will put more back into society, the environment, and the global economy than we take out.



We will do this through three key work streams focused on driving sustainable actions:-



1. Products with Impact to deliver sustainable value.

Our ambition is to deliver a product portfolio optimised to reduce complexity and minimise its impact on the environment, making use of standardised (good, better and best) formulations, a low waste and energy efficient manufacturing and supply chain, and environmentally tuned packaging. 100% of our plastic packaging will be reusable or widely recyclable and will include at least 50% post-consumer recycled content.

Brand Plans will be developed based on brand strategy, with a roadmap for new product initiatives which will be designed to extend life through circularity initiatives and the consideration of end-of-life management.

Our Brands offer materials to enable the creation of original art and they are therefore our legacy. Our products are designed for longevity, and our materials are tested to guarantee the highest quality and lightfastness. This will ensure that art creation using our products are available for future generations.

Through strong partnerships, Colart is committed to supporting the success of our customers. We will inform our customers and consumers about the functional, environmental and safety performance of our products, offering them a comprehensive spectrum of product options enabling differentiation and choice.



2. **Operations with Impact** to push the boundaries for what can be done

We want to drive our industry's transformation by creating a net positive value loop in our production and along our supply chain. We will source from responsible suppliers and our supply chain partners and will lobby these stakeholders and encourage them to operate according to the same standards as Colart.

This focus includes reducing hazardous waste by 50%, minimising any waste to landfill, reducing water usage by 30% across operations.

We will develop our manufacturing systems to continually improve our sustainability performance with the business operating a manufacturing footprint based around centralised paste production. Regional sites carry out filling, final assembly, and distribution, ensuring that Colart maximizes the sustainability potential of its products and keeps inventory levels lean so minimising our footprint.



3. **People with Impact** *are value creators.*

At Colart, we want our people to feel motivated and empowered to take the lead on the challenges of tomorrow. Their well-being is important to us, as we see people as the cornerstone of a sustainable business. We will ensure Colart is a safe and healthy place to work, and this means we are committed to eliminating risk in the workplace to ensure minimising severe accidents whilst developing and implementing action plans to ensure the health, safety and mental wellbeing of our people.

We want the communities in which we operate to benefit from our presence, so we will identify and consult with local community stakeholders close to our operations. This starts with educating our leadership before we look to enhance awareness and freedom to act in our people. We are committed to our programme of employee volunteering days, (one day per person per year) to work on community projects.

Our aim is to give people the necessary skills so that we all have a role in our sustainability ambitions. This connection will be supported by the creation of a Sustainability Ambassador Network, which will work together globally to advocate and support sustainability within Colart. The mission of the Network will be to:

- Promote sustainability in the company by recommending initiatives to reinforce sustainable thinking and actions.
- Implement thoughtful, practical, iterative, and innovative strategies to cultivate a culture where sustainable thinking and action is respected and intentionally valued.
- Encourage consultation and participation of people across the business respecting formal representative mechanisms.
- Promote participation to all employees in activities supporting sustainability particularly linked to DEI, wellbeing and community support.
- Communicate sustainability initiatives, actions, and results in a timely manner.

We will measure our progress with the direct support of our parent group Lindéngruppen, Colart is developing a new Value Creation Model that will enable us to measure our progress towards our sustainability goals and put a financial value on our environmental and social impact, as well as the usual economic measures.

In 2023, we will scale up our preliminary works to the next level by planning and delivering a bottom-up Value Creation Model, Business Unit by Business Unit. This step will enable Colart to produce an end-to-end stakeholder Budget and Reporting Cycle for future years measuring our economic, environmental and social impacts (externalities) whilst quantifying our true value creation. This analysis fully recognises that we are interdependent on the environment and the societies in which Colart operates.

By factoring in some of the major costs and benefits that our businesses generate, we give sustainability performance a similar weighting as financial performance, ensuring sustainability performance is given the attention, resources and investments it requires.

Our aim is to use the Value Creation Model to integrate overall value creation into the governance of the Colart Group, our investment decisions, and even incentive structures in order to secure long-term growth and profitability.

Connecting our people we will seek to leverage the involvement of everyone in Colart giving people the skills so that we all become ambassadors to both ignite our sustainability culture and become change makers for progress.

The drive for action will be supported by the creation of a Sustainability Council, responsible for working collaboratively to advocate, support and drive action. The Council, meeting on a 6-weekly basis, will be led by the CEO, supported by the Group Sustainability Manager and include a lead for each sustainability workstream: -

- Products with Impact – Chief Commercial and Brand Officer
- People with Impact – Chief People Officer
- Operations with Impact – Chief Supply Chain Officer