

## DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**

## DISCLOSURE QUESTIONNAIRE

Company Name: Colart International Holdings  
 Date Submitted: 5/15/2023

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals	✓	
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries	✓	
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries	✓	
Tax Advisory Services		✓

  

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other	✓	

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

  

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓

## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Colart International Holdings

UPDATED AS OF:

05/15/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries
<b>TOPIC</b>	Chemical Intensive Industries
<b>SUMMARY OF ISSUE</b>	<p>Colart International is a company that manufactures art supplies, an industry in which chemical use is a material environmental issue.</p> <p>The aspects of the production process that are chemically intensive are chemicals used in paints, varnishes, thinners, paint removers, among others.</p> <p>The company uses Substances of Very High Concern (SVHC) under EU Reach Regulations, but has targeted removing such chemicals from raw materials. There are 6 SVHCs present in the Colart products:</p> <ul style="list-style-type: none"> <li>-Basic violet 3</li> <li>-1,4-Dioxane</li> <li>-Octamethylcyclotetrasiloxane</li> <li>-Acrylamide</li> <li>-Dibutyltin Dichloride</li> </ul> <p>These substances are found in 6 raw materials used to manufacture the company's paint products. SVHCs are only present in products manufactured in Le Mans, all other sites manufactured goods do not contain SVHCs.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>In the fiscal year 2021, 85.5% of the company's revenue was earned from the sale of its art materials. Currently, 6 SVHCs are present in 130 unique pastes/products, all at a level below 0.01%.</p> <p>The company has removed 28 SVHCs from raw materials since 2017, affecting 892 different product formulations and 2890 individual products.</p>
<b>IMPACT ON STAKEHOLDERS</b>	As a chemical intensive industry, manufacturing of art supplies poses risks to the environment such as pollution of air, land, and water, as well as potential human health risks to those exposed to harmful chemicals.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>The company has the objective of removing SVHCs from raw materials since 2017, prior regulatory requirement. As part of the EU Green Deal, which aims to make Europe a toxic-free environment, Colart has been working to look for alternative raw materials in order to continue the removal of SVHCs.</p> <p>As part of Colart's raw material approval process, Safety Data Sheets provided by supplier according to EU regulation, are reviewed. The Safety Data Sheet indicates the hazardous materials it may contain and whether they are compliant with REACH registration requirements. If a new raw material is suggested by the team, it must go through a process of checks by the company's regulatory team before it can be approved. The regulatory team can reject any raw materials or chemicals on a basis of health &amp; safety or insufficient information. This step provides reassurance that the raw materials used are safe.</p> <p>(CONTINUED ON NEXT PAGE)</p>

<p><b>IMPLEMENTED MGT PRACTICES (CONTINUED)</b></p>	<p>In the case of raw materials used in products sold in North America, the company submits material for review by a toxicologist to advise on concerns with applicable US regulations and for limits of use in products.</p> <p>The hazardous solid waste and wastewater produced during the production of products in Le Mans &amp; Tianjin facilities are certified ISO 14001 to ensure safe removal. In addition the company has strict policies in place to monitor and manage its wastewater. Any water used in production of products is treated before it is released into the waste stream, to ensure there is zero contamination.</p> <p>In the company's UK facilities, water used during production is retained and reused; not producing hazardous by-products.</p>
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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries
<b>TOPIC</b>	Energy and Emissions Intensive Industries
<b>SUMMARY OF ISSUE</b>	<p>As an art supply manufacturer, Colart operates in an industry in which energy and carbon emissions is a material environmental issue.</p> <p>Scope 3 emissions make the largest contribution to the group's carbon emissions, corresponding to their downstream supply chain, namely from emissions from transporting raw materials and final products as well as emissions produced from the extraction, processing and elaboration of raw materials.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>In the previous fiscal year, 100% of the company's revenue was earned from the sale of art supplies.</p> <p>In 2021, the company calculated their Scope 1, 2 and 3 carbon emissions for the entire group. The calculation of the company's emissions are:</p> <ul style="list-style-type: none"> <li>-Scope 1 emissions: 1,027 tCO<sub>2</sub>e</li> <li>-Scope 2 emissions: 1,953 tCO<sub>2</sub>e</li> <li>-Scope 3 emissions: 5,014 tCO<sub>2</sub>e</li> </ul> <p>In 2021, the company's energy sources were 29% renewable.</p>
<b>IMPACT ON STAKEHOLDERS</b>	The manufacturing and distribution of art supplies contribute to global carbon emissions and climate change.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>The company has a group target to reduce CO<sub>2</sub> consumption with 5% each year, which in turn also relates to the company's energy reduction measures. The company is currently developing a carbon reduction roadmap and a renewable energy share target of 45% by 2025.</p> <p>Implemented practices across its sites include:</p> <ul style="list-style-type: none"> <li>-Energy efficient measures for the buildings</li> <li>-Investing in new equipment that is more energy efficient</li> <li>-Reduction of employee travel</li> <li>-Switching to renewable energy contracts.</li> <li>-Creating packaging guidelines and projects to replace as much virgin plastic as currently possible.</li> </ul>

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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries
<b>TOPIC</b>	Water Intensive Industries
<b>SUMMARY OF ISSUE</b>	As an art supply manufacturer, Colart operates in an industry that is water intensive. Water is used for mixing raw materials, cleaning equipment, and rinsing paint products. Additionally, many paints contain water. The company conducted a life cycle assessment of a few key product categories which concluded that the freshwater consumption was highest in the raw material phase of paint which includes the extraction and processing, components and manufacturing.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>In the previous fiscal year, 100% of the company's revenue was earned from the sale of art supplies.</p> <p>The group's 2021 global water intensity was calculated as approximately 0.85 litres per unit manufactured.</p>
<b>IMPACT ON STAKEHOLDERS</b>	<p>As a water intensive industry, manufacturing poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.</p> <p>The company's manufacturing facilities are located in Le Mans (France), Tianjin (China), Minehead and Lowestoft (UK). Le Mans is the company's only location that is considered in a water stressed region.</p>
<b>IMPLEMENTED MGT PRACTICES</b>	<p>All water use is monitored on a monthly basis in the company's manufacturing sites. In our manufacturing sites in Le Mans and Tianjin, water is used in the manufacturing process, and the waste water is considered toxic due to the nature of the raw materials we use. All of this water is treated before it is released into the water waste stream.</p> <p>In the UK, any water used is not contaminated due to the nature of products being manufactured in the UK (facepaint &amp; brushes). Any water is either used for cleaning or released into the waste water stream.</p> <p>Colart is working on a plan to mitigate impact on water sources in Le Mans. The team in Le Mans has ordered a study with an environmental expert, due to last from April until September 2023 with the aim of creating investment propositions for 2024. 3 courses of action will be studied: reducing water used for production, reusing water after it has been treated in the effluent station, and reusing rainwater.</p> <p>The company does not currently conduct an assessment comparing its water use &amp; management with others in their industry yet has established a global water reduction target of 2% for 2023, which is a continuous year on year reduction target.</p>

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<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Supply Chain Disclosure
<b>TOPIC</b>	Suppliers in the mining industry
<b>SUMMARY OF ISSUE</b>	Colart International is a art supplier company. Some of the pigments used in their materials are made from cobalt and other mined materials.
<b>SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)</b>	Approximately 1% of the company's Cost of Goods Sold comes from raw materials that would be considered of high social and environmental risk due to its attachments to the mining industry.
<b>IMPACT ON STAKEHOLDERS</b>	Companies that purchase products and by-products of mining activities have a higher risk of encountering social and environmental issues in their supply chains. Specifically, biodiversity risks, human rights violations, and contributions that fund armed conflict (directly or indirectly) are material risks present in the industry.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>To manage the risks involved in the supply chain, Colart International operates a supplier assessment policy. They conduct due diligence on suppliers before allowing them to become a preferred supplier, which includes information gathering, data gathering from SEDEX, and online searches to exclude suppliers who have been convicted of offences relating to modern slavery. Each supplier is required to complete a Supplier Assessment Questionnaire based on the Colart's pillars. This, as well as inherent risk and any social audits, are used as part of a risk assessment tool which allows the company to identify potential risks.</p> <p>37% of their supplier expenses related to the mining industry are part of the Responsible Mineral Initiative.</p> <p>Colart has a zero-tolerance approach to any form of modern slavery. They are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or their supply chain.</p>