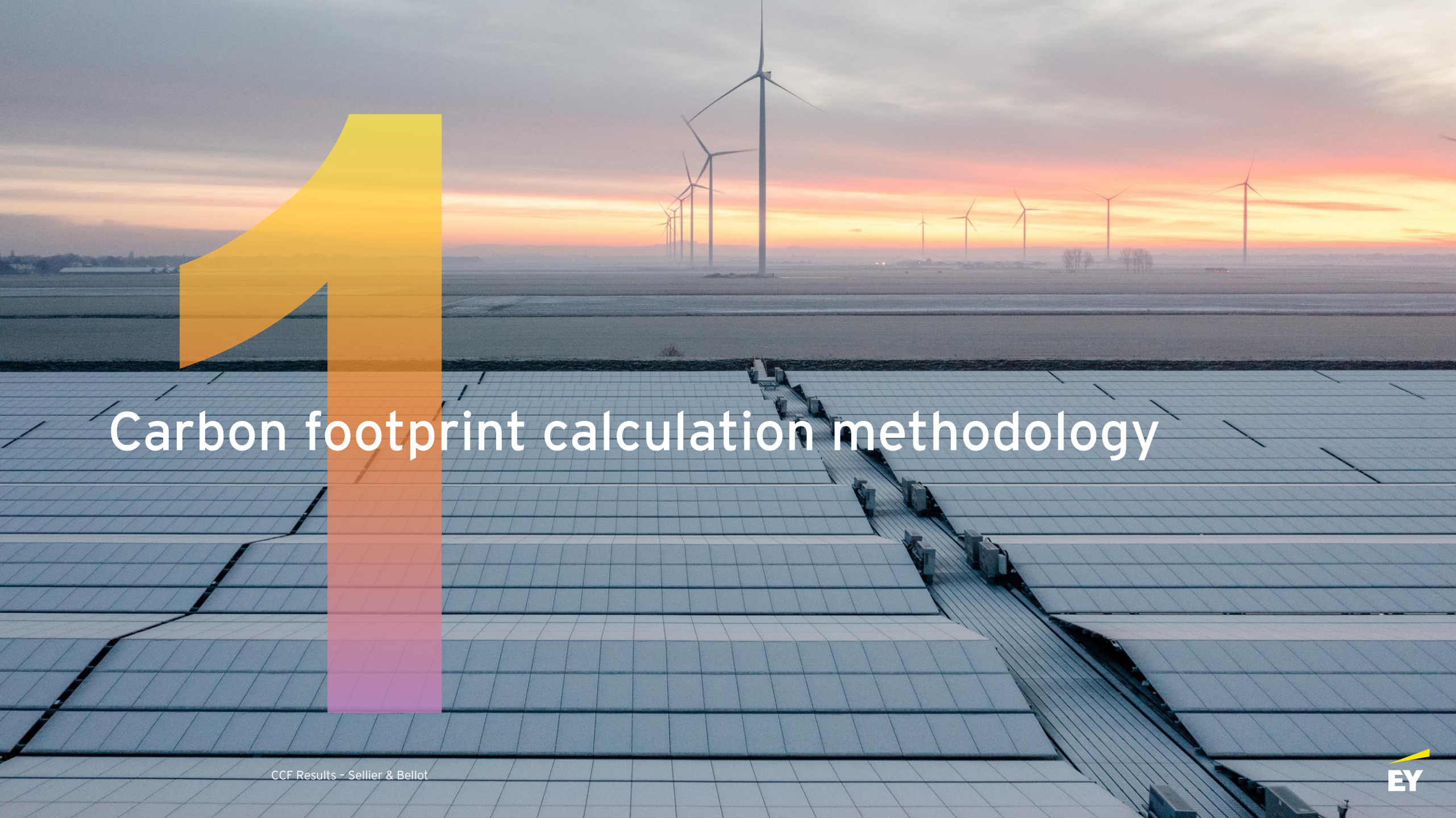
Sellier & Bellot

Corporate Carbon Footprint 2024
Scope 1–3 Results

February 2025

Content



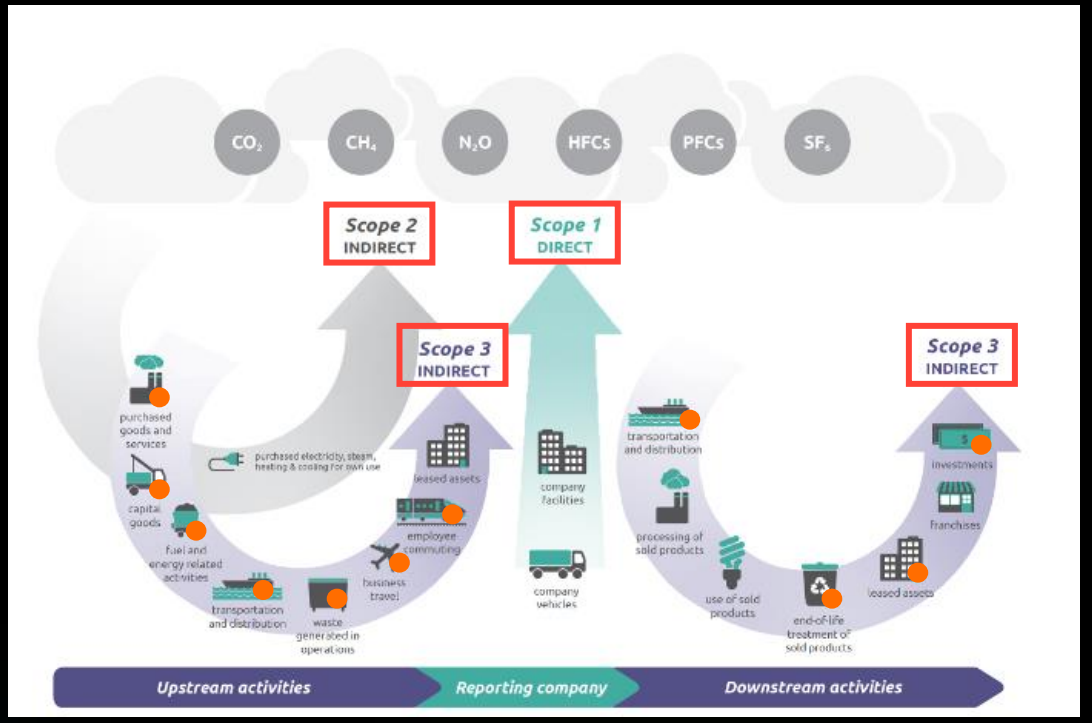
1 Carbon footprint calculation methodology

Carbon footprint calculation methodology

The scope of the CCF calculation

Category	Approach
Scope 1 Direct emissions	Included
Scope 2 Indirect emissions (electricity, steam, heat, or cooling)	Included
S3.1 Purchased Goods and Services	Included
S3.2 Capital Goods	Included
S3.3 Fuel- and Energy-Related Activities not Included in Scope 1 and Scope 2	Included
S3.4 Upstream Transportation and Distribution	Included
S3.5 Waste Generated in Operations	Included
S3.6 Business Travel	Included
S3.7 Employee Commuting	Included
S3.8 Upstream Leased Assets	Not included
S3.9 Downstream Transportation and Distribution	Included
S3.10 Processing of Sold Products	Not included
S3.11 Use of Sold Products	Not included
S3.12 End-of-Life Treatment of Sold Products	Included
S3.13 Downstream Leased Assets	Included
S3.14 Franchises	Not included
S3.15 Investments	N/A

The CCF calculation was done for Scope 1,Scope 2 and Scope 3 (relevant categories)



Source: GHG Protocol; https://ghgprotocol.org/blog/you-too-can-master-value-chain-emissions

Legend:

Included in Scope 3 calculation
Not included in Scope 3 calculation

Carbon footprint calculation

Step-by-step

Single steps:

1. Choosing company boundaries
2. Identification of activity data
3. Identification of valid emission factors
4. Use of conversion factor and conversion coefficients
5. Assessment of the type of greenhouse gases and, if necessary, the use of GWP (Global Warming potential)
6. Calculation of emissions

Choosing company boundaries

- Determining the company's boundaries and the concept of "control" are key aspects in determining whether emitted emissions will be classified as Scope 1, Scope 2 or Scope 3.
- In general, where it is possible to directly control emissions, they should be classified as Scope 1 or Scope 2.
- Control approach with an operational control was used for the CCF calculation.
- The operational control approach is currently the most common approach seen in Non-financial reporting.

Carbon footprint calculation methodology

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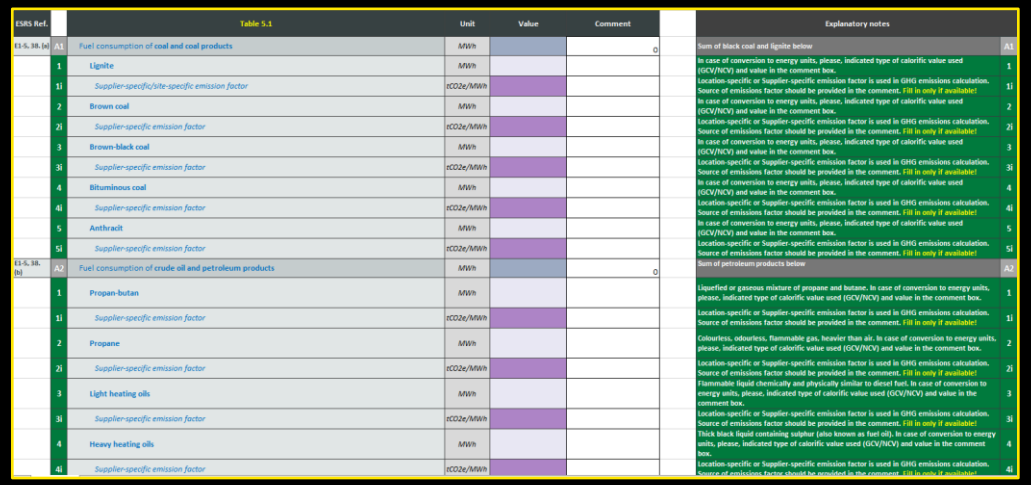

ESRS Ref.		Table 5.1	Unit	Value	Comment	Explanatory notes	
E1-5. 38. (a)	A1	Fuel consumption of coal and coal products	MWh		0	Sum of black coal and lignite below	A1
	1	Lignite	MWh			In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	1
	1i	Supplier-specific/site-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	1i
	2	Brown coal	MWh			In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	2
	2i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	2i
	3	Brown-black coal	MWh			In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	3
	3i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	3i
	4	Bituminous coal	MWh			In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	4
	4i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	4i
	5	Anthracit	MWh			In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	5
	5i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	5i
E1-5. 38. (b)	A2	Fuel consumption of crude oil and petroleum products	MWh		0	Sum of petroleum products below	A2
	1	Propan-butan	MWh			Liquefied or gaseous mixture of propane and butane. In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	1
	1i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	1i
	2	Propane	MWh			Colourless, odourless, flammable gas, heavier than air. In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	2
	2i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	2i
	3	Light heating oils	MWh			Flammable liquid chemically and physically similar to diesel fuel. In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	3
	3i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	3i
	4	Heavy heating oils	MWh			Thick black liquid containing sulphur (also known as fuel oil). In case of conversion to energy units, please, indicated type of calorific value used (GCV/NCV) and value in the comment box.	4
	4i	Supplier-specific emission factor	tCO2e/MWh			Location-specific or Supplier-specific emission factor is used in GHG emissions calculation. Source of emissions factor should be provided in the comment. Fill in only if available!	4i

Identification of activity data

- Activity data represent, for example, the energy carriers (coal, oil and oil products, natural gas…) and energy (considers electricity…) consumed entering the combustion processes of energy production (obtained by measurement, calculation or from invoices), but also information on purchased goods, waste production, business trips and other data related to Scope 3
- Data on fuel consumption (from records or invoices),
- The obtained consumption value must be recalculated according to the caloric value (here according to the current NID and the value for the given state)
- Data on consumption/leakage of F gases (from records or invoices). The obtained value in kg considers the consumption from cooling and air conditioning or other relevant equipment
- Data on the consumption of purchased electricity, heat, cooling… (from measurements or invoices)
- Activity data were collected by means of quantitative questionnaires completed by individual entities

Carbon footprint calculation methodology

Step-by-step

Single steps:

1. Choosing company boundaries
2. Identification of activity data
3. **Identification of valid emission factors**
4. Use of conversion factor and conversion coefficients
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6. Calculation of emissions

Identification of valid emission factors

- Requirement for Appropriate, Consistent and Best Available (ESRS)
- Commonly used general ones from databases such as EPA (USA), DEFRA (UK), UNFCC, Environmentally-Extended Input-Output 2024 (DBEIS) or other relevant sources
- Selected annually updated, source data of emission factors of energy carriers and fuels from the UNFCCC inventory by country - NID and annexes in CRT
- The source data of emission factors for the production of electricity and heat can be specified from information from state authorities in selected countries or from calculations (MPO, IEA, AIB...)

MINISTERSTVO PRŮMYSLU A OBCHODU	EPA	Department for Environment Food & Rural Affairs	United Nations Framework Convention on Climate Change	GREENHOUSE GAS PROTOCOL	ipcc
The Ministry of Industry and Trade publishes the emission factor of electricity production for the Czech Republic.	U.S. Environmental Protection Agency operates GHG Emission Factors Hub, which provides default emission factors for various sectors and activities.	Department for Enviroment, Food & Rural Affairs provides emission factors that can be used to report on GHG emissions by UK organisations and international organisations reporting on UK operations	The GHG Inventory contains a pre-defined format emissions inventory that all EU member states are required to submit based on the UN Framework Convention on Climate Change (UNFCC). The inventory includes NID (National Inventory Document) and CRT (Common Reporting Tables).	Greenhouse Gas On its website, the Protocol aggregates information and links to other available databases of emission factors specific to various sectors and territorial units	Intergovernmental Panel on Climate Chaneg (IPCC) regularly publishes scientific reports, the so-called Assessment Reports , where emission factors and other conversion factors are used for emission calculations.

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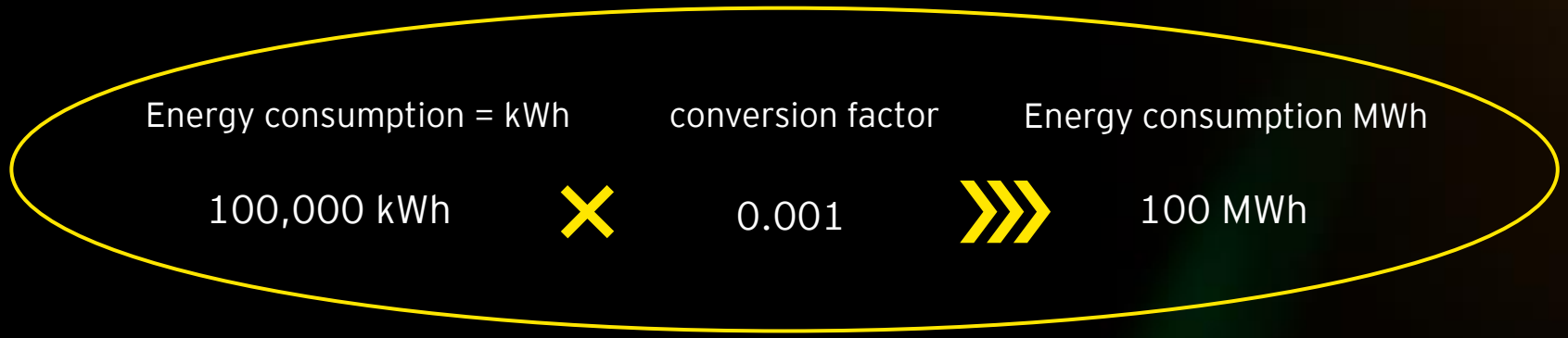
Using a conversion factor

- If activity data and emission factors have different units, conversions and conversion factors must be applied to match the units
- A conversion factor is a defined value used to change one set of units to another (e.g. kWh to MWh , MWh to TJ)
- Conversion factors are generally widely accepted and never change, they must come from a trusted and verified source (in this case from Annex II of the IPCC Sixth Assessment Report)



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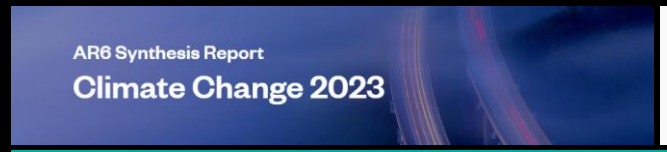

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Chlorofluorocarbons				
CFC-11	CCl_3F	4,750	4,660	6,230
CFC-12	CCl_2F_2	10,900	10,200	12,500
CFC-13	$CClF_3$	14,400	13,900	16,200
CFC-112	CCl_2FCCl_2F			4,620
CFC-112a	CCl_3CClF_2			3,550
CFC-113	CCl_2FCClF_2	6,130	5,820	6,520
CFC-113a	CCl_3CF_3			3,930
CFC-114	$CClF_2CClF_2$	10,000	8,590	9,430
CFC-114a	CCl_2FCF_3			7,420
CFC-115	$CClF_2CF_3$	7,370	7,670	9,600
E-R316c	trans cyc (-$CClFCF_2CF_2CClF$-)			4,230
Z-R316c	cis cyc (-$CClFCF_2CF_2CClF$-)			5,660

Source: https://www.ipcc.ch/assessment-report/ar6/

Assessment of the type of greenhouse gases and, if necessary, the use of GWP (Global Warming potential)

- GWP is an indicator of the effect of a given substance on global warming, describing the radiative effect (degree of damage to the atmosphere) of one unit of a given greenhouse gas relative to one unit of CO_2 .
- GWP uses a 100-year time horizon where CO_2 is the reference gas with a specified 100-year GWP 1
- GWP values are published by the GHG protocol for common greenhouse gases and are based on the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPPC).

GREENHOUSE GAS PROTOCOL

IPCC Global Warming Potential (GWP) values relative to CO_2

Common chemical name or industrial designation	Chemical formula	GWP values for 100-year time horizon		
		Fourth Assessment Report (AR4)	Fifth Assessment Report (AR5)	Sixth Assessment Report (AR6)
Major Greenhouse Gases				
Carbon dioxide	CO_2	1	1	1
Methane – non-fossil	CH_4	25	28	27.0
Methane – fossil	CH_4	N/A	30	29.8
Nitrous oxide	N_2O	298	265	273
Nitrogen trifluoride	NF_3	17,200	16,100	17,400

Source: GHG Protocol; https://ghgprotocol.org/sites/default/files/2024-08/Global-Warming-Potential-Values%20%28August%202024%29.pdf

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6. **Calculation of emissions**

Calculation of emissions

- The last step in the whole process
- Application of the calculation procedure using activity data and appropriate emission factors
- The final calculation of emissions presents the amount of GHG emissions emitted in the given year and expressed in tons of CO_2 equivalent (tCO_2e)

2 CCF Results

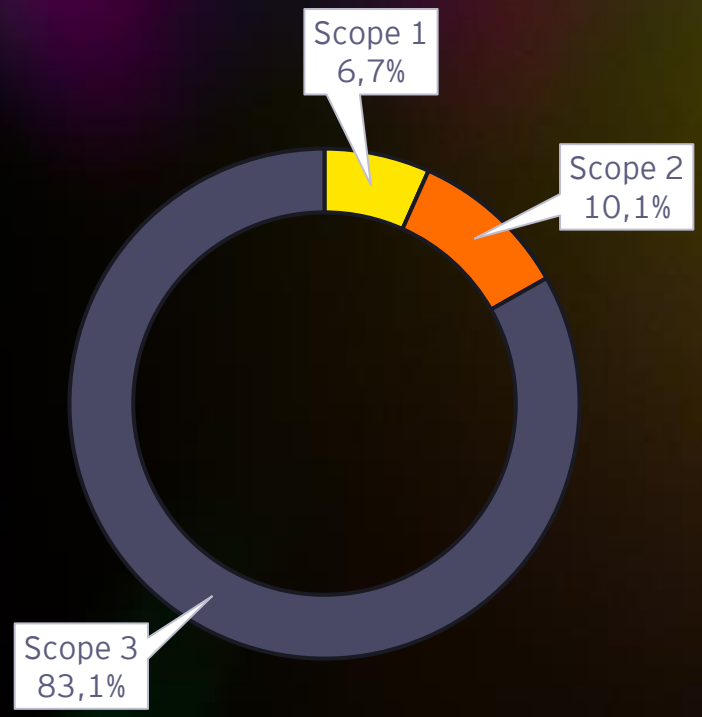
CCF Results

Sellier & Bellot Scope 1, 2 and 3 results in 2024

- Sellier & Bellot has emitted total of 75 578 tCO_2e
- That is 46,4 tCO_2e per employee
- The overall GHG intensity:
  - LB: 15,29 tCO_2e/mil. Kč
  - MB: 16,5 tCO_2e/mil. Kč
- The majority of Sellier & Bellot's emissions come from indirect emissions – Scope 3, representing 83,1% of the total GHG emitted
- The results are based on data collected for period 01–12/2024

	tCO_2e	%
Scope 1	5 051	6,7
Scope 2 LB	7 656	10,1
Scope 2 MB	13 628	-
Scope 3	62 871	83,1
Total	75 578	100

Sellier & Bellot total GHG emissions per Scope ratio



Carbon footprint calculation results

Sellier & Bellot Scope 1 & 2

- Identified sources of emissions associated with GHG emitted were caused by consumption of:

			Input data	tCO_2e
Non-RES	Natural Gas	*MWh*	23 016	4 628
	Gasoline	*l*	2 036	5
	Diesel	*l*	144 504	387
	Propane	*kg*	968	3
	Electricity	*MWh*	20 693	7 656
F-gases	R404a	*kg*	5,9	28

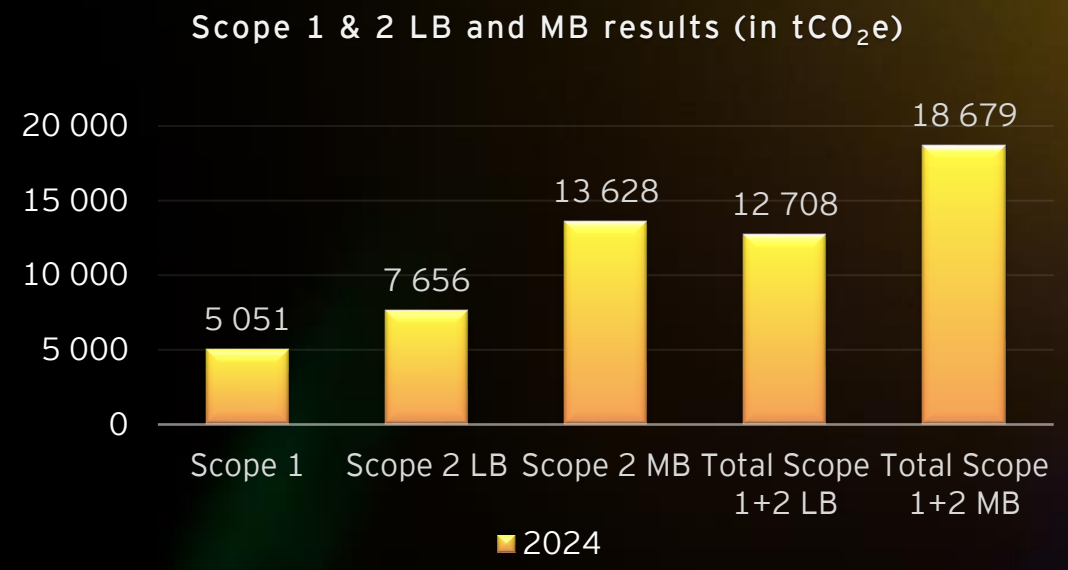
- It was taken into account whether the purchased energy (electricity) comes from renewable sources (RES) or non-renewable sources (Non-Res).
- In 2024 there was 0 MWh consumed from RES

- Scope 2 emissions results were calculated using both the Location-based method (LB) and the Market-based (MB) method

Location-based method reflects the grid average intensity in given location, where energy consumption occurs

X

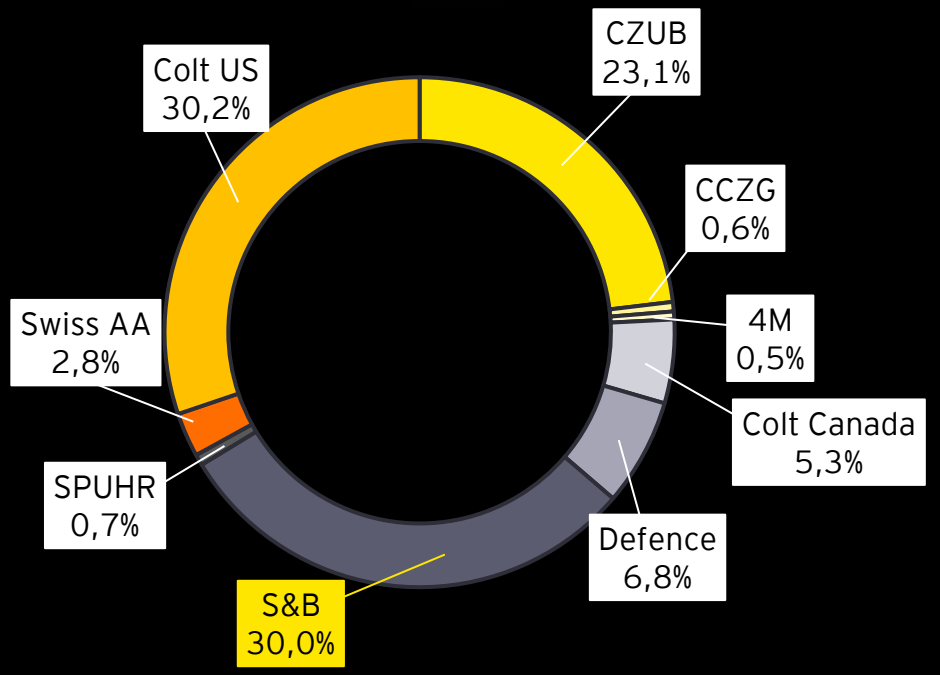
Market-based method reflects used market instruments purposefully chosen by the company, e.g. PPA, Guarantees of origin etc. GOs



Carbon footprint calculation results

Sellier & Bellot Scope 3 general overview

The contribution of Sellier & Bellot to the overall emissions of Colt CZ Group



*Colt US represents results for Colt, CZ-USA, and Dan Wesson

Colt CZ Group

- The calculation was done for emissions emitted in 2024
- Group has produced emissions totaling in 209 859 tCO_2e

Sellier & Bellot

- In 2024 Sellier & Bellot produced 62 871 tCO_2e in total
- Share on Colt CZ Group's total emissions is 29,96 %

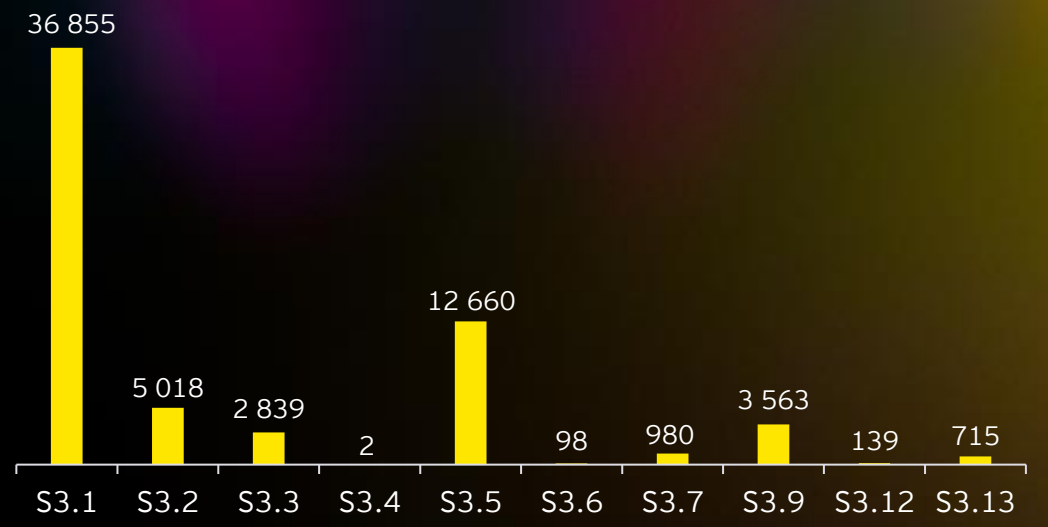
Methodology

- The emissions were quantified using the most accurate method possible based on the available input data
- Following the outlined conditions, the spend-based (SP) method was used for 4 categories, the waste-type-specific (WTS), average data (AD) and distance-based (DB) methods for 2 categories and fuel-based (FB) method for 1 category

Carbon footprint calculation results

Sellier & Bellot Scope 3 insight

Unit	tCO_2e	%	Method
S3.1 Purchased Goods and Services	36 855	59	SP
S3.2 Capital Goods	5 018	8	SP
S3.3 Fuel- and Energy-Related Activities Not Included	2 839	5	AD
S3.4 Upstream Transportation and Distribution	2	0,003	SP
S3.5 Waste Generated in Operations	12 660	20	WTS
S3.6 Business travel	98	0,16	DB
S3.7 Employee Commuting	980	2	FB+DB
S3.9 Downstream Transportation and Distribution	3 563	6	SP
S3.12 End-of-Life Treatment of Sold Products	139	0,2	WTS
S3.13 Downstream Leased Assets	715	1	AD
Total	62 871		



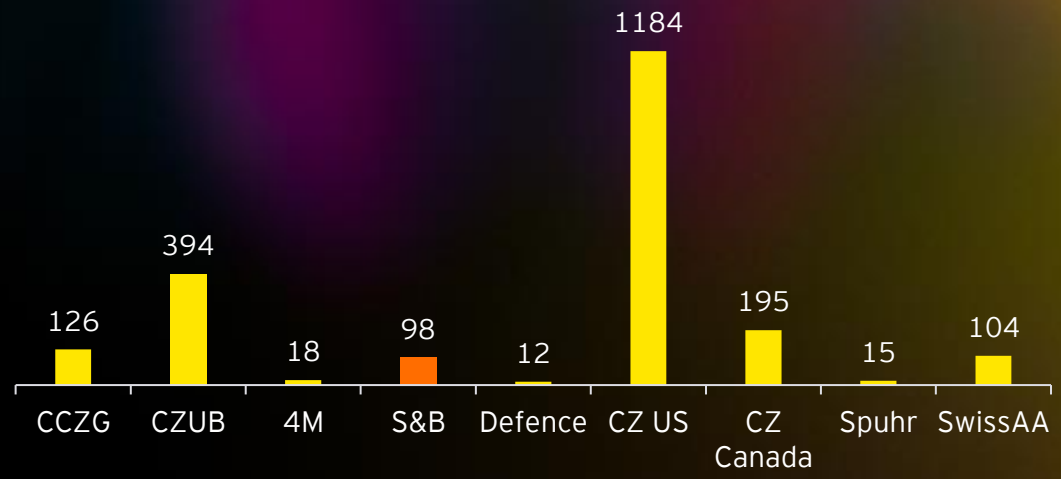
- The highest share on the GHG represents category S3.1 (59 %).
- Categories S3.8, S3.10, S3.11 and S3.14 were not included, category S3.15 is not relevant for the entity.

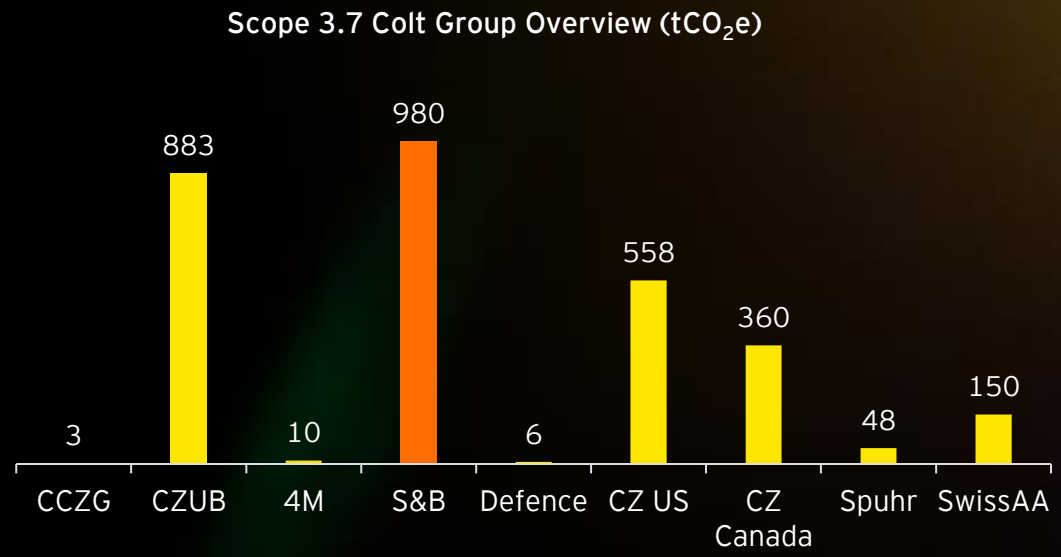
Carbon footprint calculation results

Sellier & Bellot Scope 3.6 and 3.7

- Sellier & Bellot has produced total of 98 tCO_2e by bussiness travel emissions (Scope S3.6)
- Sellier & Bellot has produced total 980 tCO_2e by employee commuting (Scope S3.7)
- That is 0,06 tCO_2e per employee for Scope S3.6 and 0,6 tCO_2e per employee for Scope S3.7

Entity	No. of employees
CCZG	31
CZUB	1 300
4M	16
Sellier & Bellot	1 630
Defence Solutions	8
CZ US	267
CZ Canada	133
Spuhr i Dalby	18
SwissAA	135



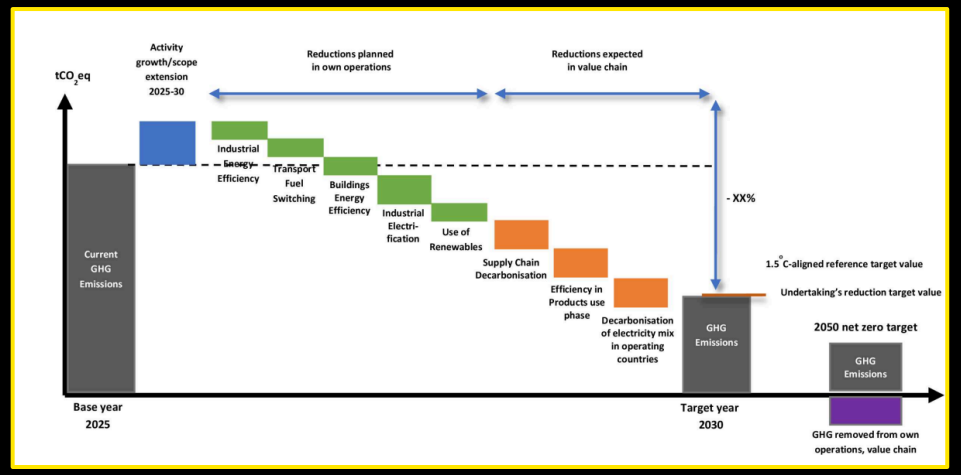


3 Summary and next steps

Summary and next steps

The path to reducing GHG emissions

- Based on the CCF results, it is possible to determine the options for reducing GHG emissions and set the corresponding **decarbonization strategy**
  - Target development – SBTi, CDP, TCDF
  - Identification of emissions hotspots
  - Identification of reduction opportunities within a company
  - Development of stakeholder engagement
  - Monitoring and measuring progress over time

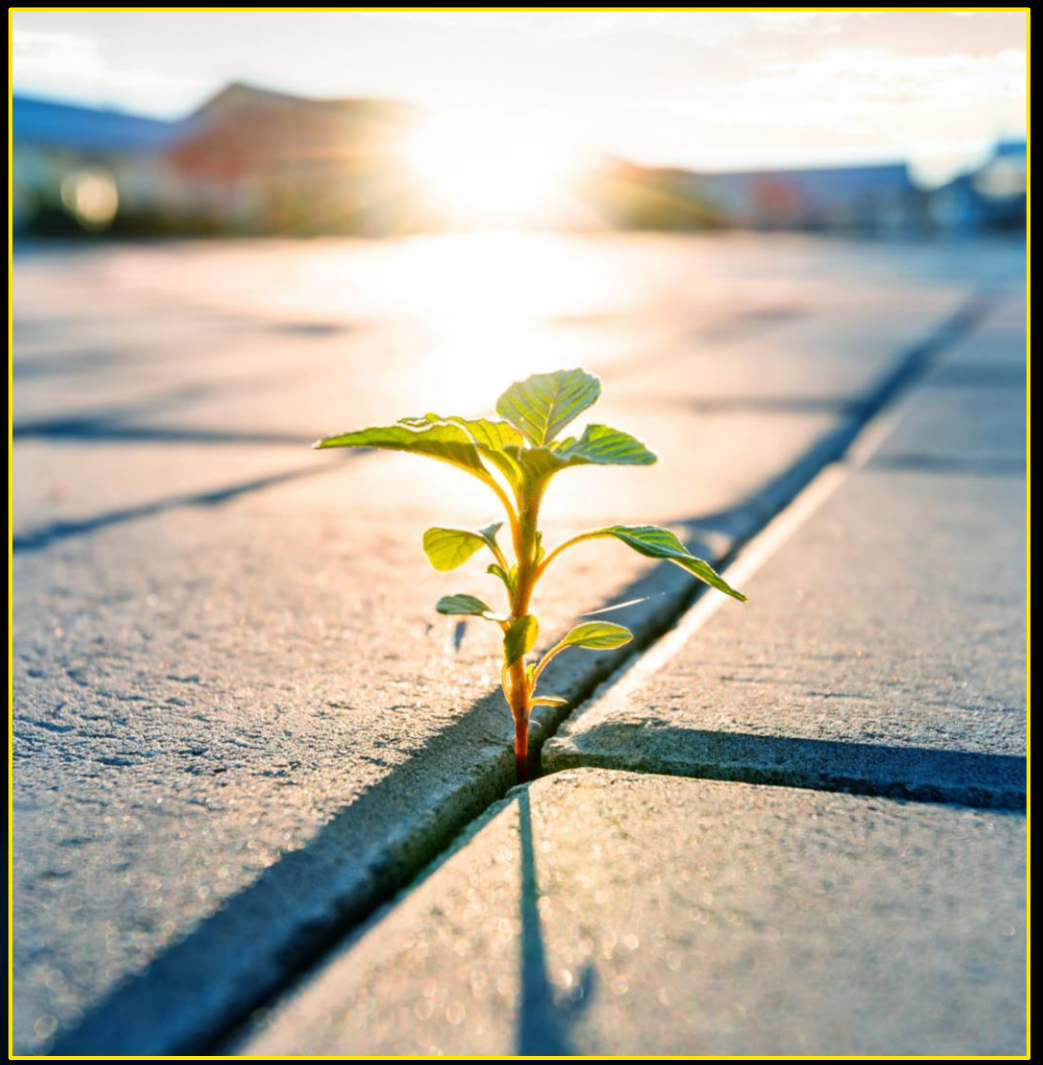


- Disclosure requirement ESRS E1-1 Transition plan for climate change mitigation states – *"The undertaking shall disclose its transition plan for climate change mitigation"*

Summary and next steps

Recalculation methodologies

- The availability of emission factors (EF) varies over time depending on the source publishing the EFs (NID – April, Ecoinvent – July, IEA – October…)
- The first available EFs to be used are issued by the UN Framework Convention on Climate Change (UNFCC) – CRT & NID
- It will be necessary to recalculate methodologies for structural changes – companies are required to recalculate base year emissions when the changes with an impact on the inventory occur (e.g., changes in calculation methodologies)
- Base year recalculation policy should be developed and if applicable significant threshold (quantitative/qualitative) should be determined



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