

Carbon Accounting Report Summary

2023



Lorama Group Inc.
2695 Meadowvale Blvd,
Mississauga, ON L5N8A3
T + 905-878-2833 F + 905-878-7732
www.lorama.com

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This report details the Greenhouse Gas Emissions (GHG) accounting for **Lorama Group Inc.** for the reporting period of 01-Jan-2023 to 31-Dec-2023.

The GHG inventory aims to clearly outline the sources and levels of emissions to identify critical areas for improvement and develop effective reduction strategies.

Lorama Group Inc. is a leading manufacturer of Colour Dispersions and Bio-based Additives, and a global distributor of Specialty Chemicals and Functional Extenders. Lorama Group is committed to three pillars of sustainability – environmental, social, and economical. We have built our business on developing additives made from water-based, non-toxic, and renewable resources that meet or exceed global industry technical requirements. Lorama’s international presence includes subsidiaries in Miami, Mexico, Barbados, and Brazil, with additional labs in Kenya and Malaysia.

Our emissions have been categorized based on the source of the emissions:

- Direct Emissions (Scope 1): emissions that come from sources directly owned/controlled by Lorama Group. These include:
 - Mobile combustion
 - Stationary combustion
 - Refrigerants
- Indirect Emissions (Scope 2): emissions associated with electricity, steam, heat, or cooling purchased from external providers. These include:
 - Purchased Electricity
 - Purchased Natural Gas
- Other Indirect Emissions (Scope 3): emissions from sources outside Lorama’s control but are still a result of our activities. These can include:
 - Downstream Transportation and Distribution
 - Purchased Goods and Services
 - Business Travel
 - Waste Generated in Operations

This report relies on the Greenhouse Gas Protocol (GHG Protocol) for data collection methods, emission factors, and underlying assumptions. All emission values are presented in metric tons of carbon dioxide equivalent (tCO₂e) unless otherwise noted.

The total GHG emissions for the 2023 reporting period we found to be **356,261.09 tCO₂e**. Refer to Table 1 for a breakdown of emissions by scope.

Table 1: Lorama Group’s GHG Emissions by Scope

Scope	Total Emissions (tCO ₂ e)	% of Total
Scope 1	113.04	0.032%
Scope 2	757.55	0.22%
Scope 3	355,390.5	99.75%
TOTAL (Scope 1, 2 and 3)	356,261.09	100 %

In addition to breaking down emissions by scope, it is also important to understand the distribution of emissions across various activities to help target specific areas with the highest potential for emissions reduction.

Figure 1: Lorama Group's GHG Emissions by Activities

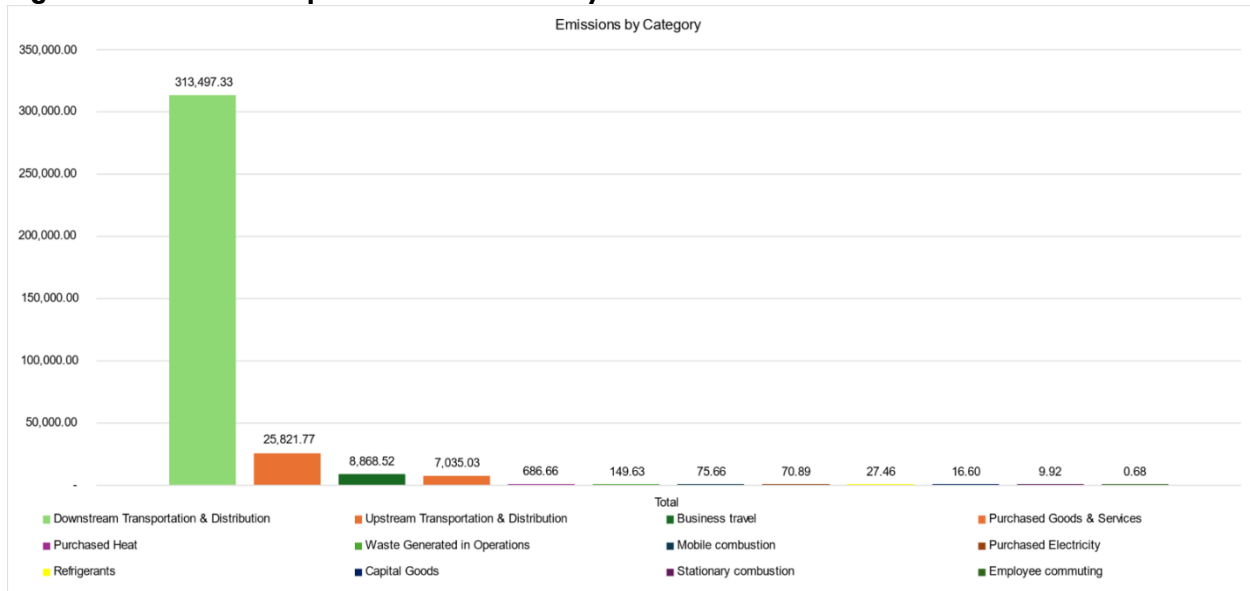


Figure 1 outlines the GHG emissions resulting from each activity in Lorama Group's operations. The primary contributor to our emissions was Downstream Transportation and Distribution, which is the shipment and distribution of our products to customers on a local and international basis.

Lastly, with Lorama having several operational sites, here is a breakdown of our total emissions by subsidiary, to better understand where to focus reduction initiatives.

Figure 2: Lorama Group's GHG Emissions by Subsidiary

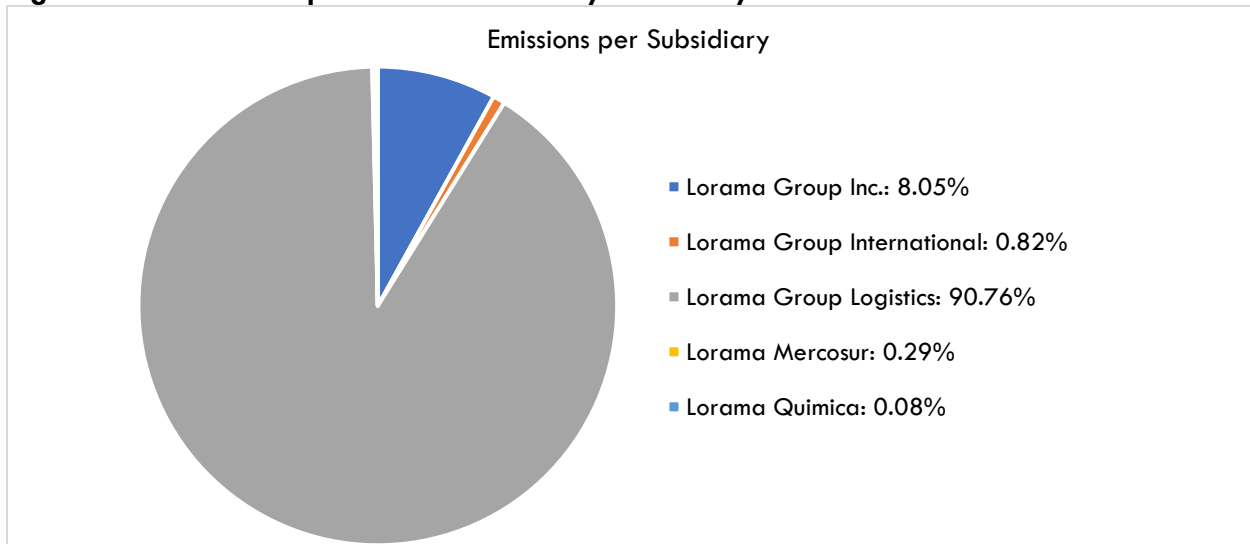




Figure 2 shows that the majority of our emissions come from Lorama Group Inc. and Lorama Group Logistics. These are the two subsidiaries responsible for our manufacturing, shipping and distribution activities, and they account for most of our emissions.

As this is our inaugural year of reporting, the data collected will serve as our baseline, enabling us to establish a framework for identifying and implementing improvements to reduce our emissions. This can include optimizing delivery routes and consolidating shipments, as well as prioritizing the procurement of raw materials and components that have lower environmental impacts.