



## A double materiality process to assess Colart's readiness to meet the EU's new Corporate Sustainability Reporting Directive (CSRD) requirements

### Case Study: Colart

The Colart Group is the global parent company and home for some of the world's most recognized brands in the art material industry. A certified B Corp since 2023, Colart's mission is to inspire every artist in the world.



Colart is owned by Lindéngruppen, a second-generation family business focusing on sustainable long-term development of industrial companies. With the European Union's Corporate Sustainability Reporting Directive (CSRD) being phased in from the start of 2024, Lindéngruppen made a strategic decision to prepare itself ahead of schedule.

The ambition was both to gain a picture of material impact and financial topics across the group and also to learn lessons about the challenges and implications of conducting a double materiality assessment.



Overall, it was great to work with Junxion. The project was done on a very tight schedule and I really appreciated Junxion's efficiency and professionalism.

**AJITA CHAMBERLIN**

GROUP SUSTAINABILITY MANAGER, COLART INTERNATIONAL HOLDINGS

## The Challenge

Two years had passed since Colart completed a materiality assessment and the incoming regulations presented an opportunity to update the process. The CSRD requires all in-scope European companies to make disclosures on the risks and opportunities arising from social and environmental issues, and on the impact of their business on people and the environment.

Seeking as much clarity as possible on the not-yet-finalized regulations, Colart engaged Junxion to conduct the double materiality assessment. Having worked together previously, Colart was keen to harness Junxion's familiarity with their business, their expertise in sustainability in general and in materiality assessments in particular.

Double materiality introduces the concept of the material relevance of a company's activities, its impacts on the environment and the ecosystem (the society perspective), as well as the financial relevance to business value (the investor perspective). These two sets of perspectives, looking at impact on and impact from material social and financial issues are what makes it double, rather than single materiality.

## How We Helped

Junxion worked in tandem with Colart's sustainability manager to deliver the work on a tight schedule. Colart identified and surveyed stakeholders and drafted the initial long list of potential sustainability matters.

We conducted interviews with internal and external stakeholders and experts to glean insights and conducted an environment scan. We assessed the severity of the long list of impacts to generate a shortlist of sustainability matters that was grounded in thresholds and allocations – planetary boundaries and social norms.

Junxion then facilitated a workshop with internal stakeholders to validate the shortlist and assess financial risks and opportunities applying the company's financial risk tool. We identified where the most difference can be made to enable transformation, in line with Colart's aspiration to be a catalyst for a more sustainable art materials industry.

## Measuring Success

The double materiality assessment provided an opportunity for senior leadership to convene and focus on these important sustainability issues, and consider the financial implications for the business. This is what the CSRD regulation aims to achieve: a process to reflect on how companies need to develop their business models to be more sustainable.

By conducting the double materiality assessment before regulations required it, Colart and its sister entities are more familiar with what will be involved and are also able to immediately begin applying the insights from the process to shape company strategy.



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Are you keen to map your outcomes, measure your impact and report effectively? Reach out to [Mike Rowlands](#) in Vancouver, [Shayla Meyer](#) in Toronto, or [Adam Garfunkel](#) in the UK to start a conversation.