



WHY ARE WE A CLIMATE-POSITIVE COMPANY?

The consequences of global warming are becoming ever more tangible and the pressure on politicians and companies - not least through the Fridays for Future movement - is growing. There is now a global consensus that we urgently need to counter man-made climate change.

Success in reducing emissions depends to a large extent on voluntary and consistent action by industry in the industrialized countries. Thus, we at ARTS Asset Management GmbH are also prepared to take responsibility for the world we leave to our children and grandchildren.

For this reason, we have had the greenhouse gas emissions caused by our company's activities recorded and offset twice by purchasing a total of 580 climate protection certificates for the year 2021 and 2022. With these certificates, we support a [Verified Carbon Standard \(VCS\) "Forest Conservation Project" - to protect the Peruvian rainforest in the Amazon region.](#)

We are aware of our special responsibility as a company towards future generations and have acted accordingly. The climate impact of our company was determined for us by Fokus Zukunft GmbH & Co. KG: Our CO₂ footprint is approximately 145 tons of CO₂ equivalent pollutants per year. By way of illustration: On average an Austrian produces about 8 tons of CO₂ per year through his lifestyle.

In addition, projects in emerging and developing countries contribute to improving the economic, social, and ecological situation and support the realization of the United Nations' Sustainable Development Goals. For emerging and developing countries, emissions trading is a key driver for the transfer of clean technologies and sustainable economic development.

This greenhouse gas balance sheet provides a transparent overview of our company's greenhouse gas emissions. The report thus forms an important building block in our climate protection commitment. We have received the "climate-positive company" award for the double compensation of our greenhouse gases.



**CLIMATE POSITIVE
COMPANY**

certified by Fokus Zukunft

Frequently asked questions „FAQs“

Why is our company committed to global climate protection?

The global community has agreed that global warming must be limited to below 1.5 degrees Celsius to prevent catastrophic consequences. But the current pledges of individual countries are only sufficient to limit warming to a maximum of 4 degrees. Closing this ambition gap will require an additional and significant commitment from businesses, as well as citizens. We have recognized that voluntary emission reductions by companies are essential to effectively counteract climate change. That is why we have decided to neutralize or double compensate our CO₂ emissions and thus want contribution to a future worth living. Because we do not only want to analyze the problems, but also tackle and solve them.

What is a carbon footprint?

The carbon footprint is the measure of the amount of greenhouse gases (measured in CO₂ equivalents) that are generated directly and indirectly, by an activity of an individual, a company, an organization an event or a product. It includes the resulting emissions from raw materials, production, transport, trade, use, recycling, and disposal. The basic idea of the CO₂ footprint or carbon footprint is therefore to create a basis on which influences on the climate can be measured, evaluated, and compared. Thus, necessary reduction potentials can be identified, measures can be established, and their effectiveness can be evaluated.

What does climate neutrality mean?

According to the principle of CO₂ compensation described in the Kyoto Protocol, greenhouse gases that are produced in one place on earth and cannot be avoided are to be saved by climate protection projects in another place. To finance these, companies buy certificates of corresponding climate protection projects from the six available project sectors (biomass, cooking stoves, solar energy, forest protection, hydropower, and wind energy). Each certificate represents 1 ton of CO₂ saved by the respective project. There are numerous climate protection projects worldwide, most of which support renewable energy projects. The initiators of these projects receive emission credits for their commitment, which can be traded in the form of climate protection certificates. The amount is measured, for example, by comparison with the emissions that would have resulted from the construction of a coal-fired power plant.

How was the amount of CO₂ emissions calculated by our company?

For the calculation of our company's footprint, we have commissioned the external sustainability consultancy Fokus Zukunft GmbH & Co. KG, Richard-Wagner-Strasse 20, D-82335 Berg. The emissions balance was calculated using the official Greenhouse Gas Protocol guideline.

What is reported under the Greenhouse Gas Protocol?

Emissions are divided within the Greenhouse Gas Protocol according to Scopes 1, 2 and 3, each comprising different types of greenhouse gas emissions. Scope 1 includes direct emissions from own energy plants. Scope 2 includes emissions that occur indirectly in the provision of energy to the company. Scope 3 emissions are further indirect emissions that occur throughout the value chain.

Which greenhouse gases are included in the calculation?

The calculation of greenhouse gas emissions includes the seven main greenhouse gases defined by the Intergovernmental Panel on Climate Change (IPCC) and the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), nitrogen trifluoride (NF₃), and sulfur hexafluoride (SF₆).

What are CO₂ equivalents?

Not each of the seven main greenhouse gases is equally effective. Methane, for example, is 21 times more climate-damaging than CO₂, nitrous oxide is 310 times more damaging, and sulfur hexafluoride is as much as 14,000 times more damaging. To compare emissions, all greenhouse gases are therefore converted to CO₂. This is then referred to as CO₂equivalents.

How is the collected consumption data converted into greenhouse gas emissions?

The conversion of the collected consumption data (such as electricity consumption or fuel consumption) is done using emission factors, which indicate the emissions per unit (e.g. per kilowatt hour of electricity or liter of gasoline). The emission factors come mainly from DEFRA (Department for Environment, Food and Rural Affairs), but also from the GEMIS database (Global Emissions Model of Integrated Systems, IINAS) and the Ecoinvent database, and are updated regularly.

How are emission certificates generated?

The initiators of the climate protection projects - mainly renewable energy projects - receive emission credits for their commitment, which can be traded in the form of climate protection certificates. The amount of the emissions offset is measured, for example, by comparing it with the emissions that would have resulted from building a coal-fired power plant instead of generating renewable electricity.

What quality criteria do the climate protection projects meet?

The climate protection projects purchased by us are each accredited, approved and controlled according to one of the three internationally recognized certification standards - VCS (Verified Carbon Standard), UN CER (Certified Emission Reduction of the United Nations) or the Gold Standard developed by WWF. The validation of the project results, in terms of CO₂ savings achieved, is certified by independent testing authorities such as TÜV.



What happens to the CO₂ certificates after they have been purchased?

The acquired number of CO₂ certificates is decommissioned. This is significant in that this retirement is a precondition for the design and marketing of CO₂-neutral companies and/or products. Without decommissioning, a CO₂ certificate could continue to be traded in the voluntary market, if necessary, which would not achieve any additional emission reduction.

Why are international projects supported?

Climate change is global, so it does not matter where CO₂ emissions are emitted or saved; in the end, the sum of greenhouse gases is decisive. The Kyoto Protocol, which is binding under international law, stipulates that so-called climate protection projects that avoid or store greenhouse gas emissions should take place where they are most economical. Accordingly, there are many projects in emerging and developing countries since the potential for savings through new technologies is still very high here and these can be used much more cost-effectively. In addition, the conditions for renewable energy systems (solar, wind, hydro, and biomass) are often much more favorable there. Furthermore, the projects in emerging and developing countries contribute to the improvement of the economic, social, and ecological situation and support the realization of the sustainability goals of the United Nations. For emerging and developing countries, emissions trading is a key driver for the transfer of clean technologies and sustainable economic development.

What are the advantages of climate neutrality?

1. Contribution to the goals of the government, the European Union and the United Nations Sustainable Development Goals (SDGs).
2. Raising awareness among employees, partners, and customers regarding the use of finite resources. This positively changes the way energy and other resources are used in the company and in people's everyday lives.
3. Entry into the growth market of "sustainable companies". Through the status "climate neutral" or "climate positive" we can distinguish ourselves in our market segment.
4. currently, this enables us to play a pioneering role and thus positions our company as progressive, innovative, partner-oriented, and forward-looking.
5. promotes awareness of the energy transition.