



Corporate Social Responsibility 2020

iGC international

Branded Products with Global Reach

Corporate Social Responsibility: IGC International

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Our commitment to CSR

IGC International is a distributor of branded merchandise & retail items, located in Rotterdam, the Netherlands. We are part of a global network operating since 1956 with 50+ partners who collectively cover over 110 countries. Together we service multinational clients.

Corporate Social Responsibility has become one of the standard business practices of our time. At IGC we believe CSR is a must-have, not a nice-to-have. It is a component of our overall business strategy and part of our company's DNA.

We purchase and market branded products that are guided by responsible sourcing-principles. Through a network of local and international partners, we manage the complexity of global purchasing and the risks inherent in buying promotional products. Along with commercial considerations, our product sourcing strategy also incorporates CSR criteria.

You can't know about a company's sustainability without transparency. You have to know where a product came from, under which conditions it was made, and by whom. That means we have to collaborate closely with our stakeholders to drive sustainable development.

Our commitment:

- We only work with suppliers who respect our Code of Conduct
- We support the ten principles of the UN Global Compact on human rights, labor, environment and anti-corruption
- In 2019 our responsible business practices have been rated gold for the third consecutive year by EcoVadis
- In 2019 we were audited on sustainability by SGS on behalf of the Together for Sustainability (TfS) initiative
- In 2019 we were selected as [sustainability role models](#) by TfS

- We have knowledge of 'glocal' product and environmental legislation
- Our key manufacturers are audited for social compliance by third parties
- Quality control procedures are in place to ensure product quality is maintained or improved and manufacturing errors are reduced or eliminated
- Product inspections are conducted at various stages of the manufacturing process
- Lab testing is carried out to safeguard product quality and to comply with (safety) requirements
- We can provide testing reports and factory certifications on request

UN Global Compact: Statement of continued support

Rotterdam - February, 2021

I am pleased to confirm that IGC International reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. We joined the UN Global Compact May 2017, as we wanted to adopt an internationally recognized framework for structuring and reporting on our Corporate Social Responsibility (CSR) efforts.

Our Communication on Progress (COP) describes our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. This COP will be shared with our stakeholders using our primary channels of communication.

Sincerely yours,



Hans Poulis
CEO, IGC International



Organizational Governance

Mission statement

We are an international distributor providing branded merchandise & retail items to multinationals. Our solutions, as part of the marketing mix, add value and strengthen the relationship between your brand and your target audience. We can guarantee the highest quality by preserving a culture of continuous improvement and building a transparent supply chain.

Vision statement

We aim to be a top 5 distributor within the European market by growing our customer portfolio exponentially, while embracing sustainable production practices to minimize our social and environmental impacts.

Core Values

We operate based on five core values:

- **Service:** We go the extra mile for our customers. The secret behind our success? Long-term, genuine partnerships.
- **Knowledge:** We put our knowledge into practice. We've been part of the promotional products industry for over 60 years and are recognized for our expertise in purchasing, compliance and global distribution.
- **Trust:** We have no secrets. We demonstrate full transparency through our financial and ESG (*environment, social and corporate governance) reporting.
- **Quality:** We can guarantee the highest quality by preserving a culture of continuous improvement.
- **Responsibility:** Together we can promote a sustainable mindset!

Motive

Our reasons to put CSR into practice are:

- **Innovation:** creating sustainable solutions.
- **Brand differentiation:** our strategy sets us apart from competitors who do not adhere to the same standards and practices as we do.
- **Customer/stakeholder engagement:** we can raise awareness by sharing knowledge. We also support our client's/stakeholders CSR goals and partner up with them for special projects.
- **Long-term thinking:** CSR is an effort to look at the company's long-term interests and ensuring the company is sustainable.

Sustainability pillars

Environment, Labour & Human Rights, Sustainable Procurement, Business Ethics & Information Security.

CSR Ambassadors IGC International

A continuous flow of feedback between departments and levels is required to ensure optimal implementation of our sustainability strategy, policies and procedures. In 2020 we assigned expert ambassadors for each sustainability pillar, who monitor feedback and follow-up on the progression of the company within the theme and compare this with the predefined goals. Our sustainability ambassadors meet on quarterly basis to discuss progress. By doing so, possible gaps can be identified quickly, and corrective actions can be implemented. The ambassadors support Soraya van den Broek, our dedicated CSR & Quality Manager. You can contact our team via compliance@igc-international.com

Sustainability Impact Analysis

Introduction

This chapter focuses on the identification and assessment of actual/potential adverse impacts which are involved in our own activities and activities of business relationships. The identification is based on standards/principles of the UN Global Compact principles and the Sustainable Development Goals (SDGs)

Definition: A sustainability impact assessment is used to analyse the probable effects of a particular project or proposal on the social, environmental, and economic pillars of sustainability.

The promotional product industry

Promotional products are used in marketing/sales and are branded with a company logo or slogan. The aim is to promote a brand, corporate identity or event, increasing brand awareness. Statistics show that consumers like receiving promotional products from brands and are more likely to reach out to a brand they've received such items from.

When it comes to sustainability, our reputation is less positive. In the media our products are branded as e.g. 'cheap giveaways', 'disposable goods from overseas', 'environmental nightmares'.

The industry experiences pressure to be competitive, which often leads to providing a giveaway for the cheapest price possible, without thinking about the purpose of the item, the value, effectiveness, desirability, usefulness...

For end consumers to want to keep their gifted products, instead of throwing the items away without a single look, our industry has to put focus on value, quality, utility and creativity. A successful promotional gift can last a decade. These are items we put most focus on as a company. We try to steer our customers away from making unsustainable decisions. We have to work together to create a sustainable future.

In 2020 more and more promotional companies are looking at their environmental footprint. At IGC we put our efforts in sustainable production and ethically/responsibly sourced items.

Sphere of influence

The UN Global Compact asks companies to embrace, support and enact, *within their sphere of influence*, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption.

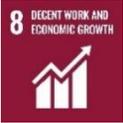
The image below indicates the areas in which we can make a difference as a company. We will use this model for our impact assessment (showing negative influence, thus areas in which we can improve/ have to work on).



Materiality

Materiality helps us identify and prioritise the sustainability issues that matter most to our business and stakeholders. We have used topics defined by SASB and the GRI for our impact analysis.

Sustainability Impact Analysis

<i>Sphere of influence</i>	<i>Materiality</i>	<i>Impacts (potential or actual scenarios)</i>	<i>SDG's related to the issues?</i>
Workplace	<p>SASB: Labor practices Employee engagement, Employee health & safety, Diversity & inclusion</p> <p>GRI: Non-discrimination, Training & education, Diversity & equal opportunity, Anti-corruption, Employment, Occupational health & safety</p>	<ul style="list-style-type: none"> • Working conditions (e.g. risk inventory & evaluation to mitigate workplace risks) • Employee safety: e.g. accidents can occur at the workplace due to lack of certain safety measures • Employee wellbeing e.g. stress can have an impact on physical, mental, emotional state of employees • Career management/HR: adverse impacts may occur in hiring, promotion, training & development, transfer, layoff and performance appraisals • Waste management • Responsible information management • Bribery & corruption e.g. conflict of interest 	  
Operations Service & products	<p>SASB: Product quality & safety Product design & lifecycle management Materials sourcing & efficiency, Data security</p> <p>GRI: Procurement practices, Materials, Marketing & labelling</p>	<ul style="list-style-type: none"> • Sourcing of products • Product lifecycle (end-of-life) • Circular product design • Customer health & safety • Choice of packaging can have an impact on the environment e.g. polybags, plastics • Choice of product materials can impact the environment • Choice of local/EU vs Far East sourcing has an economic/social impact 	

<p>Supply Chain Production & transport*</p> <p><i>*directly linked to the impacts through our business relationship: production, shipping/delivery are outsourced</i></p>	<p>SASB: Product quality & safety GHG Emissions, Energy Management, Water & Wastewater Management, Waste & Hazardous Materials Management, Labor practices. Supply Chain Management</p> <p>GRI: Child labor, Forced or compulsory labor, Supplier social assessment, Supplier environmental assessment, Materials, Energy, Emissions, Waste, Occupational health and safety</p>	<ul style="list-style-type: none"> • CO2 emissions production & transport (shipping by sea, rail, air, truck) have an impact on the environment • Traceability: working via traders, suppliers, wholesalers etc. makes the supply chain more complex when it comes to traceability – knowing where materials, products come from and under which circumstances they are made. Extra measures are needed to ensure full transparency • Factory working conditions, human rights and environmental practices are unclear if a factory has zero certifications (e.g. third party audits) • A factory can have a negative impact on its local community/environment e.g. water, biodiversity, local & accidental pollution, materials, chemicals & waste • Poor quality control can result in non-compliant/defect products 	   
<p>Marketplace Customer, end-consumer</p>	<p>SASB: Selling practices & product labelling Customer privacy, Data security, Product Quality & Safety, Customer Welfare</p> <p>GRI: Customer health and safety, Marketing and labelling</p>	<ul style="list-style-type: none"> • Product end-of-life • Single-use items, cheap giveaways, samples = environmental impact • Packaging, gift packaging, displays = waste • Customer health & safety: a faulty product can injure its user e.g. a power bank battery that explodes • Low-quality/defective products have an impact on the reputation/image of the customers/company 	 
<p>Community Local</p>	<p>SASB: Water & wastewater management Diversity & Inclusion, GHG Emissions, Waste & Hazardous Materials Management</p> <p>GRI: Emissions, Waste, Employment, Non-discrimination, Training and education, Diversity and equal opportunity</p>	<ul style="list-style-type: none"> • Local community employment, education, internships (positive impact) • GHGs, water, biodiversity, local & accidental pollution, materials, chemicals & waste (negative impact) 	  

Government
EU, NGO's

- Compliance to national, international/EU rules & regulations, laws
- Potential partnerships for the SDG goals (opportunity)



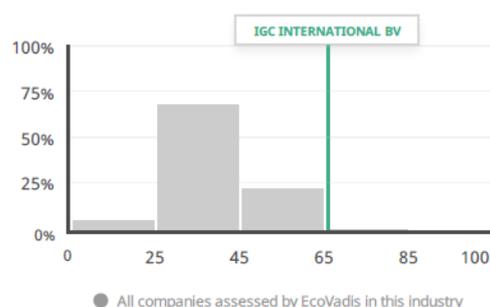
CSR Certifications & Memberships

EcoVadis Gold Rating

In order to make our activities transparent for our partners and customers, we put ourselves forward for assessment covering 21 criteria across four themes; Environment, Fair labor practices, Ethics/fair business practices and the Supply chain. We are proud of the fact that in 2019 our responsible business practices have been rated Gold for the third consecutive year by EcoVadis. This positions us in the top 1.6% of suppliers assessed by the internationally recognized CSR rating agency.

The graph shows the position of IGC compared to the average of all companies assessed by EcoVadis in the same industry. In 2020 we have invested time to further advance our level of sustainability. We hope to achieve the EcoVadis platinum rating by Q2-2021.

Overall score distribution



Theme score comparison



Together for Sustainability

Together for Sustainability (TfS) has developed and implemented a global program to assess, audit and improve sustainability practices within the supply chains of the chemical industry. TfS is a sustainability initiative of 25 multinational companies.

In 2019 a third party auditor from SGS conducted a two-day TfS (sustainability) audit at our site, which we successfully completed with a score of 91%.

In 2019 we've also been put forward as a sustainability role model by our client Henkel and the Together for Sustainability Initiative, giving us the opportunity to share a [best practice case](#). We have received recognition for our advanced approach to sustainable consumption & production and were judged on our excellent score in the TfS assessment (EcoVadis survey + on-site audit performed by SGS).

Sedex (B) membership

We are a member of Sedex, home to one of the world's largest collaborative platform for buyers, suppliers and auditors to store, share and report on information quickly and easily. The platform is used by more than 43.000 members in over 150 countries to manage performance around labor rights, health & safety, the environment and business ethics. Being a member of Sedex is a sign of our willingness to share information and to use this information to help manage and improve ethical standards within the supply chain.

MVO Nederland

In January 2018 we became partners of MVO Nederland. MVO NL is the Centre of Excellence for Dutch companies that are striving towards corporate social responsibility. More than 2000 companies are affiliated with this networking organization.

Our reason to join was to be able to access a local network. Via their platform we can discuss the topic of CSR in our native language and have access to valuable tools and training (e.g. ISO 26000) to give structure to our CSR policies.

Sustainable Development Goals

The SDGs are 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. They are a unique opportunity for all sectors to rally around a common global agenda to end poverty, protect the planet, and ensure that all people enjoy a shared and durable prosperity.

Which SDG's can IGC influence?

(based on our CSR policies and goals/objectives)



Sustainability Strategy

Our sustainability strategy follows a clear structure:

- Sustainability integrated into our company Mission, Vision and Values
- Sustainability ambassadors for each pillar: Labour & Human Rights, Business Ethics & Information Security, Environment, Sustainable Procurement
- Stakeholder dialogue to identify material topics and priorities
- Policy and procedure booklets for each sustainability pillar
- Clear goals/objectives for each sustainability pillar (SMART)
- KPI dashboard including the KPI's which are monitored quarterly and measured on an annual basis
- Reporting annually via our UN Global Compact - Communication On Progress

The following paragraphs highlight our sustainability policies and goals/objectives. Full policy/procedure booklets, goals/objectives and KPI dashboard are available upon request. Please consult our CSR & Quality Manager via compliance@igc-international.com

Business Ethics & Information Security

Our Business Ethics & Information Security policy supports the UN Global Compact principle #10 on Anti-Corruption.

We are committed to conducting business in an ethical manner. Our policy was first introduced in 2017 and gives an overview of problems that can arise in a business environment, how to act in these situations and preventive measures we can take. As a global business we also have to fight corruption in our supply chain. If a supplier violates our Code of Conduct we have to step up and take measures. There are different cases in which unethical behavior can occur. Examples are e.g. manufacturers who falsify audit documentation or corruptly bypass health and safety requirements, colleagues who take bribes and conflicts of interest.

All forms of corruption and bribery are wrong and illegal. It has an adverse reputational impact on our organization and those that we work with.

Our Business Ethics & Information Security policy discusses the following topics:

*full policy/procedure booklets are available upon request

- Transparency
- Compliance with laws and rules
- Anti-corruption
- Fair competition
- Intellectual property rights
- Conflict of interest
- Gifts and hospitality
- Record keeping
- Fair Treatment of Suppliers
- Marketing
- Information Security
- Grievance mechanism
- Whistle Blowing

Policy Goals/Objectives

Goals

- Behave in an ethical responsible way.
- Fight corruption in our supply chain.
- Be publicly recognized as an honest and transparent company.

Objectives

- Maintain a zero tolerance approach when it comes to corruption and bribery, by 2022 all employees will receive regular training on Business Ethics & Information Security matters.
- By 2022 further expand and communicate our grievance mechanism system/whistle blowing procedure, giving room for stakeholders to speak up if a grievance occurs and give them the possibility to remain anonymous.
- In 2021 create more awareness on data breaches and information security. We will improve our overall data security with support of our IT team, and will increase awareness by implementing new software/tools.

Environment

Our Environmental policy was first introduced in 2017 along with our Employee Awareness Program. The latter discusses ways to reduce energy and waste on office locations, promoting a sustainable mindset among employees. In 2019 we introduced a sustainable collection featuring products made from sustainable materials like e.g. organic cotton, recycled materials, FSC paper/carton, jute, cork, wood, bamboo etc.

Our Environmental policy discusses the following topics:

*full policy/procedure booklets are available upon request

- Ways to protect the environment
- Ways to improve our environmental performance
- Chemical and Hazardous Materials
- Air Emissions
- Minimize Waste, Maximize Recycling
- Packaging
- Transportation
- Paper and Office Supply Waste
- Mugs, Dishware, Utensils and Food Waste
- Recycling
- Office Purchases (Circularity)
- Energy
- Computers and Related Equipment

Policy Goals/Objectives

Goals

- Minimize the impact of our operations on the environment.
- Promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.

Objectives

Hazardous materials

Short-term:

- Eliminate the sales of plastic products including toxic chemicals e.g. PVC, Phthalates, BPA & BPS by 2023

Long-term:

- By 2025, 75% of all textiles we produce/source should be OEKO-TEX certified
- Eliminate single use plastics by 2025 by promoting sales of reusable products and discouraging cheap giveaways
- Explore the possibility of a take back program (product end-of-life)

Sustainable products & materials

Short-term:

- Increase sales of sustainable products to 25% of total sales in 2023 (a product is deemed as sustainable if it consists of at least 30% eco materials)
- Increase sales of organic cotton for textile products with 15% by 2023
- Increase sales of Fairtrade cotton for textile products with 15% by 2023
- Increase sales of products made from recycled materials with 15% by 2023

Long-term:

- By 2025, 50% of products sold will have at least one sustainable attribute which addresses social, ethical and/or environmental aspects
- By 2025 eliminate the use of paper products/packaging material without a FSC/PEFC (at least 70% from a responsible forest or recycled material) certification.

CO2 Emissions

- By 2025 be able to give full insight into the lifecycle emissions of our products, taking into account aspects like production locations, raw material source, way of transport, weight of product, distance etc.

Sustainable Consumption

Our sustainable consumption procedure is in-line with UN Global Compact principle 8 & 9 which states that we need to undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies. It also supports SDG 12, responsible consumption and production.

Promotional products are a powerful marketing tool. They allow a brand to connect with consumers to increase brand awareness. It is our responsibility to make our clients aware of the risks that come with global purchasing.

Buying an item for the absolute lowest price, often means it is of inferior quality. It can present defects that cause risks to the health & safety of the consumer. There is a chance that this item is produced unethically or in a factory that doesn't respect environmental laws. Product quality, safety and sustainability go hand-in-hand. This is why we've launched a sustainable collection in 2019. For every 'standard' promotional product, we can offer a sustainable alternative.

Sustainable products:

- Prove environmental, social and economic benefits
- Protect public health and the environment over their whole life cycle, from the extraction of raw materials until the final disposal
- Are made from eco-friendly materials or include sustainable components
- Contain no harmful chemicals
- Can create opportunities for economically disadvantaged groups
- Promote sustainable consumption

Together we can promote a sustainable mindset!

In the upcoming years we want to push for change by introducing sustainable products to clients and to create environmental awareness by giving advice. What impact does their product choice have on consumer health & safety and the environment? Why should they go for e.g. a biodegradable pen instead of a normal pen?

Sustainable Procurement

Our Sustainable Procurement policy covers UN Global Compact principles 1 to 6 on human rights & labor and Sustainable Development Goal (SDG) 12 on responsible consumption and production.

We have a large and diverse extended supply chain and we recognise the critical role our suppliers play in helping us source responsibly and sustainably. Our Sustainable Procurement policy was first introduced in 2017. It allows us to manage risk across global and complex supply chains. We work closely with our suppliers to address human rights, labor, health & safety and environmental issues.

Our Sustainable Procurement policy focuses on the following risk areas:

- Focus on the areas that present the greatest risk of adverse impact on people, environment and government according to the country, sector, activity, or type of relationship with the supplier.
- Focus on top spend suppliers - identify largest categories of procurement spend and categories that are critical to business operations in terms of little or no availability of alternative options (evaluation once a year).
- Focus on suppliers of services and products that have or may have a high risk of negative impact on people and environment.

*full policy/procedure booklets are available upon request

Policy Objectives

Goals

- Securing transparency (traceability) by giving access to reliable and comprehensive data of business activities as well as social & environmental impacts.
- Create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing products and services to market.
- Promoting responsible consumption by using our resources efficiently.

Objectives

Short-term

- Increase the number of sustainable (product) suppliers in our portfolio with 15% by 2023. (criteria for sustainable suppliers: e.g. b-corporation, suppliers providing eco labels, suppliers with a predominantly eco product catalog – over 50%)

Long-term:

- By 2025 all high-risk suppliers we work with should be audited by a third party or have valid social/environmental factory audits/certifications.
- We aim to strengthen and develop our local* and EU partnerships to enable us to provide an improved range of sustainable products.
- We aim to increase our proportion of spending on local* and EU suppliers by 25% by 2025.
- Increase the number of high-risk country factories with an environmental audit (e.g. SMETA 4-pillar) with 10% by 2025

*The GRI defines local to mean: the same geographic market as the reporting organization (that is, no transnational payments are made to a local supplier)

Labour & Human Rights

Our labour and human rights policy supports the UN Global Compact principles on human rights & labour, SDG 8 on decent work and economic growth, SDG 4 on quality education and SDG 5 on gender equality.

Our employees are of great value and the key to our success. We must strive to provide a workplace where they can fulfil their potential. We must maintain a strong commitment to high standards that deliver a fair, respectable and safe workplace for all. Our Labour & Human Rights policy was first introduced in 2017. It extends on topics discussed in our Employee Handbook. We've introduced several procedures/measures in the past years to support our policy including health & safety programs (RSI, stress prevention) and training & career development plans.

Our Labour & Human Rights policy discusses the following topics:

*full policy/procedure booklets are available upon request

- Human Rights
- Labour rights
- Child labour, Forced or Compulsory Labour
- Health & Safety
- Wages & Benefits
- Leave
- Training, Career development
- Teamwork
- Equal opportunity
- Anti-discrimination
- Workplace harassment

Policy Objectives

Goals

- Respect, protect and promote human rights.
- Sustain employee engagement/satisfaction by building an ideal work environment for our teams.

Objectives

- Conduct an employee satisfaction survey in 2020 and sustain an overall rating of 7 or higher in the upcoming years.
- Maintain a zero tolerance approach to discrimination & harassment by educating employees and increasing awareness through office campaigns.
- Educate employees on health & safety by creating awareness through prevention programs.
- By the end of 2021 establish an employee development plan for each member of staff to improve employee engagement and support individual career goals.

Measurements 2020

Business Ethics & Information Security	
Number of reported incidents due to information security (data) breaches	0
Number of reported incidents due to corruption	0
Environment	
Total Electricity consumption	35.340 kWh
Total gas consumption	10.602 m3
Paper and/or Cardboard waste recycled	3360 litres
Sustainable Procurement	
% of high-risk suppliers with valid recognised 3rd party CSR audit report (SMETA, BSCI, etc.)	66%
% of total suppliers which are rated as 'Sustainable'	20%
Labour & Human Rights	
% of employees are female	77%
Average rating from Employee Satisfaction Survey	8
Absentee rate	0,65

Sustainability Initiatives 2020

Green Recovery business statement

In 2020 we've signed the [Green Recovery statement](#), an initiative of the Dutch Sustainable Growth Coalition. Together with more than 250 Dutch companies we pledge our support to take sustainability as a cornerstone in COVID-19 recovery measures, at both national and European Union (EU) level.



Supporting the Dutch government & healthcare institutions to solve PPE shortages

We have been active in China and Hong Kong for over 25 years as an importer and exporter of consumer products and high-quality merchandise. During the peak of the Coronavirus outbreak in China early 2020 we were able to supply face masks in this region. In March 2020 we've made the decision to also provide healthcare organizations and private companies in The Netherlands (and Europe) with [Personal Protective Equipment \(PPE\)](#) to solve the rising shortage of face masks.

In April the Dutch government appointed us as an official purchasing partner for surgical face masks & FFP2 masks.

In October 2020 we launched Kaze Origins in Europe, high quality FFP2 masks for consumers: <https://kazeorigins-eu.com/>

End of 2020 we launched a mask project together with Lianne Spaander and Ronald Helder called '[Houd Elkaar Veilig](#)'. This project aims to provide a special edition FFP2 mask to vulnerable people. Via this project we've made several donations to healthcare institutions in The Netherlands.



Annex 1: IGC Code of Conduct

Our Supplier Code of Conduct defines the non-negotiable minimum standards that we ask our suppliers to respect and to adhere to when conducting business with IGC International.

The Code of Conduct has been developed with recognition of the importance of the ten principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption.

Human Rights & Labour

Employment is freely chosen

We will not tolerate any form of forced labour or labour, which involves physical or mental abuse or any form of mental or corporal punishment.

Freedom of association and the right to collective bargaining are respected

Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

Working conditions are safe and hygienic

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Child labour shall not be used

We expect our suppliers not to employ: (a) children below 14 years of age or, if higher than that age, the minimum age of employment permitted by the law of the country or countries where the performance, in whole or in part, of a contract takes place, or the age of the end of compulsory schooling in that country or countries, whichever is higher; and (b) persons under the age of 18 for work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of such persons.

Living wages are paid

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned.

Working hours are not excessive

The supplier must ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours. Any overtime worked shall be voluntary and compensated.

Fair and Equal Treatment

The supplier shall not discriminate in hiring and employment practices on the grounds of criteria such as of race, colour, religion, gender, age, physical ability, national origin, sexual orientation, political affiliation, union membership, medical tests, or marital status.

Any form of psychological, physical, sexual or verbal abuse, intimidation, threat or harassment must not be tolerated.

Environment

We expect our suppliers to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Suppliers should wherever possible support a precautionary approach to environmental matters.

Chemical and Hazardous Materials: The Supplier shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. All the applicable laws and regulations related to hazardous materials, chemicals and substances shall be strictly followed.

Wastewater and Solid Waste: Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

Air Emissions: Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

Minimize Waste, Maximize Recycling: Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Anti-Corruption

Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Suppliers shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement (covering promising, offering, giving or accepting any bribes). All business dealings should be transparently performed.

Disclosure of Information

Falsification of records or misrepresentations of conditions or practices in the supply chain are unacceptable.

Intellectual property

The supplier shall take appropriate steps to safeguard and maintain confidential and proprietary information of its business partners and use such information only for the purposes authorized for use by the contractual agreement.

Product Quality and Safety

All products and services delivered by the supplier must meet the quality and safety standards required by applicable law. When conducting business with or on behalf of IGC International, the supplier must comply with the given quality requirements.

We, the undersigned hereby confirm that:

- We have received and taken due note of the contents of the IGC International Supplier Code of Conduct.
- We are aware of all relevant laws and regulations of the countries in which our company operates.
- We will report to IGC International any case of violations of the Code.
- We will inform all of our employees/subcontractors of the content of this Code, and that we will ensure that they also comply with the provisions incorporated therein.
- We hereby authorise IGC International or any organizations acting on behalf of IGC to carry out audits with or without notice at our premises and the business premises of our subcontractors at any time to verify compliance with the IGC Supplier Code content.

Name of Company:

Name and Title:

Signature Company Stamp/Seal:

Date & Place:

This document must be signed by an authorized representative of the supplier.

Annex 2: Together for Sustainability (TfS): Best Practice Case

The IGC International case: CSR woven into a company's DNA

[October 2, 2019](#)

IGC International purchases and markets branded promotional products that are guided by responsible sourcing-principles. Through a network of local and international partners, IGC International manages the complexity of global purchasing and the risks inherent in buying promotional products. Along with commercial considerations, the company's product sourcing strategy also incorporates corporate social responsibility criteria.

Product quality, safety and sustainability go hand in hand

IGC International sources promotional products that will reinforce clients' brands. It is IGC's core mission to make global clients who want to buy promotional products for branding purposes, aware of the inherent risks associated with global purchasing. Therefore, the company believes it needs to change the mindset of buyers by advocating the added value of sustainability. Its true value is transparency, the knowledge of where a product comes from and what it is made of. Price and quality can be inadvertently linked; buying an item at the lowest price does not mean it is of good quality. The item can present defects that cause risks to the health and safety of the consumer. The product can be produced unethically in a factory that does not respect environmental laws or labor and human rights. For IGC International, product quality, safety and sustainability go together.

All these efforts help serving IGCs clients and at the same time are contributing to IGCs excellent score in the TfS Assessment (by EcoVadis).

Implementing and managing responsible supply chains is a process of learning by doing in a never-ever cycle of continuous improvement

A few years ago, IGC International introduced the company's supplier code of conduct as part of their responsible supply chain management processes. It is based on the ten principles of the United Nations Global Compact and defines the non-negotiable minimum standards that the company asks its suppliers to respect and adhere to. Suppliers who are unwilling or unable to satisfy the requirements of the IGC's code of conduct will be phased out. As Soraya van den Broek explains "Managing a responsible supply chain is quite challenging. You learn by doing, and there is not only one right way to do it. It is a cycle of continuous improvement."

IGC International works closely with its suppliers to drive sustainable improvements. In 2017, the company started to work for a brand specialized in baby products. It carefully selected a partner in China to manage the production of these sensitive items. IGC helped the factory grow by for example controlling working and overtime hours, creating a safer working environment and providing training to production staff to improve quality and efficiency. The IGC team visited the factory several times to guide the process which ultimately resulted in better working conditions and higher product quality.

Driving sustainability through an organization or it takes two to tango

IGC International believes sustainability is a team effort. Therefore, the company actively involves its stakeholders in the company's sustainability journey. Two years ago, IGC International appointed a CSR manager who works closely with management and sales to implement the company's corporate social responsibility policy. Team members provide support in different areas like quality management, product compliance and factory audits. IGC International also works in collaboration with its clients on projects that promote sustainable development.

Key requirements to improve a company's sustainability performance: be transparent and raise awareness of the benefits of sustainability with staff and clients alike

As Soraya van den Broek continued "You can't know about a company's sustainability without transparency. If a company is holding back information, it might be a sign they are not as sustainable as they claim to be." In its sustained efforts to become more transparent, IGC International gives its clients

access to product test reports, company certifications, audit documentation and confirmation regulatory standards are met.

An organization cannot drive sustainability through its operations if the staff is not fully aware or engaged. Therefore, employees must be informed about the benefits of sustainability. Raising awareness happens via webinars for the IGC International global staff and clients.

The future: moving from compliance to offering an eco-collection

Going beyond compliance is the way forward. Soraya van den Broek explains “That is why we have created an eco-collection in cooperation with our suppliers. We have a lot of knowledge regarding this topic and we want to share this with our clients. By doing so, we work on a sustainable mindset together. For every ‘standard’ item we propose, we present a sustainable alternative. Consumers will be able to learn more about the products they use and where they come from.”

iGC international

Branded Products with Global Reach

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