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Communication on Progress to the UN Global Compact

Reporting period: 1-5 2021 - 30-4 2022



keiretsu
creative corporate promotion

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Introduction Keiretsu Europe

For over 20 years, Keiretsu Europe has been providing the highest quality branded premiums and custom-made items that strengthen the story of big and small brands with passion and pleasure.

As a supplier of consumer and consumable items, we are aware that we have a responsibility towards today's global challenges.

After all, our planet faces major ecological and social challenges. From climate change to high environmental pressure and increasing inequality.

Keiretsu Europe chooses tomorrow and believes in the future!





To our stakeholders

Keiretsu Europe continues its support to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We also support all 17 United Nations Sustainable Development Goals (SDGs). In 2021 we focused on the following five:

- Good Health and Well-Being
- Quality Education
- Affordable and clean energy
- Decent work and economic growth
- Responsible consumption and production

In this annual report, we take you through our sustainability initiatives and how we continuously strive to improve our CSR performance and how we support the Ten Principles of the UNGC into our business strategy, culture and daily operations.

Sincerely yours,

Bart van der Linden
Chief Executive Officer





Human Rights

Principle 1: *Businesses should support and respect protection of internationally proclaimed human rights.*

Principle 2: *Make sure that they are not complicit in human right abuses.*

Within Keiretsu Europe we work according to a labour and human rights policy. This policy was updated in 2021 and shared within the organisation. We aim to safeguard and promote good health, working conditions, educations and diversity within our company, and prevent discrimination and harassment. Keiretsu Europe is aware of its responsibility. We promote the same principles in our relationships with suppliers, customers and other stakeholders. In addition, we have a policy of ethics and have established a code of conduct for suppliers in 2021.





Human Rights

Measurable outcomes

We strive to ensure that employees and stakeholders are continuously aware of our labour and human rights, and a policy of ethics. Therefore, we carry out several activities within Keiretsu Europe:

- We conduct an annual employee satisfaction survey. In 2021, the focus was on education, a good work-life balance, open communication and a safe and pleasant culture within the company.
- Suppliers must comply with the Keiretsu Europe code of conduct. In addition, they have to be a member of SEDEX or BSCI. All suppliers comply with these requirements.
- Keiretsu Europe has an active whistle-blower policy. This regulation describes the possibility of reporting suspicions of wrongdoing related to labour and human rights at Keiretsu Europe. In 2021 no incidents regarding labour and human rights are reported.





Labour

Principle 3: *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.*

Principle 4: *The elimination of all forms of forced labour and compulsory labour.*

Principle 5: *The effective abolition of child labour.*

Principle 6: *The elimination of discrimination in respect of employment and occupation.*

Keiretsu Europe developed different policies regarding Labour: policy on sustainable purchasing, policy of ethics and a policy regarding labour and human rights. Employees have, without exception, the right to join trade unions of their own choice, to establish them and to bargain collectively. The management of Keiretsu Europe is open to the work of trade unions and to activities organised by trade unions. Forced labour, compulsory labour and child labour is not allowed within Keiretsu Europe and its suppliers. All employees within Keiretsu Europe performing work of equal value have the same rights, receive the same social benefits, working conditions, promotion and training opportunities. We apply the principle of 'the best person for the job'. Diversity and differences between our employees are valued.





Labour

Measurable outcomes

We carry out several activities within Keiretsu Europe to ensure that there is a freedom of association, right to collective bargaining no forced labour and compulsory labour, effective abolition of child labour and elimination of discrimination in respect of employment and occupation:

- No notifications from various audit reports in 2021 are reported regarding freedom of association and the effective recognition of the right to collective bargaining.
- A training course on ethical negotiation was conducted in 2021. With this, we promote responsible sourcing practices and sustainable supply chains.
- Suppliers must comply with the Keiretsu Europe code of conduct, which describes the following aspects. All workers (without exception) should have the right to become a member of a trade union of their own choice and to negotiate collectively in it. Moreover, it describes that discrimination must not occur in any way on

the basis of race, caste, origin, religion, age, disability, gender, marital status, sexual orientation, trade union membership or political beliefs. In addition, they have to be a member of SEDEX or BSCI. It is also described that children under the age of 18 shall not be used in work that may jeopardise health or safety, including night work. Children under the age of 15 may not be deployed in activities that can damage health and/or hinder education. Child labour that does not comply with the above agreements is not accepted. There must also be no forced labour of any kind. All suppliers comply with these requirements.

- Keiretsu Europe has an active whistle-blower policy. This regulation describes the possibility of reporting suspicions of wrongdoing related to labour and human rights at Keiretsu Europe. In 2021 no incidents regarding labour and human rights are reported.



Environment

Principle 7: *Businesses should support a precautionary approach to environmental challenges.*

Principle 8: *Undertake initiatives to promote greater environmental responsibility.*

Principle 9: *Encourage the development and diffusion of environmentally friendly technologies.*

We have established and internally communicated our policy that specifically address our environment: quality and environmental policy. Keiretsu Europe is aware of its responsibility and concern for quality, the environment and society. As an organisation, we are committed to reducing our impact on the environment. By offering our customers sustainable solutions, we are able to make the world more sustainable together. At the supplier level, we also try to order more efficiently and to select packaging materials that are less harmful to the environment.





Environment

Measurable outcomes

We carry out several activities within Keiretsu Europe to ensure that we support a precautionary approach to environmental challenges, promote greater environmental responsibility and environmental friendly technologies:

- In 2021, we again had our ISO 14001 environmental management system audited with a positive result. Our partner Keiretsu Printmanagement has also been successfully FSC certified. This makes it possible to source paper and wood from a sustainably managed forest.
- Our premises are 60% self-sufficient in energy through the solar panels on the entire surface of our roof.
- We have contributed to a 15% reduction in water consumption on textile productions
- We have scaled up our electric vehicle fleet in 2021.



- We are increasingly using local suppliers. In the past, we mainly did business with companies from Asia. However, from a sustainability and cost perspective, we have chosen to work with more companies that are located closer to us (Europe). This ensures shorter distances, less travel and a reduction in CO₂ emissions.



Anti corruption

Principle 10: *Businesses should work against corruption in all its forms, including extortion and bribery.*

Ethical behavior is an important pillar within Keiretsu Europe. We are aware of the fact that corruption may occur. Keiretsu Europe's policy is to avoid any form of corruption. Keiretsu Europe has incorporated this into various documents, such as policy of ethics and code of conduct. These documents are distributed internally and are part of training courses.





Anti corruption

Measurable outcomes

We carry out several activities within Keiretsu Europe to avoid any form of corruption, including extortion and bribery:

- A training course on ethical negotiation was conducted in 2021. With this, we promote responsible sourcing practices and sustainable supply chains.
- Keiretsu Europe has an active whistle-blower policy. This regulation describes the possibility of reporting suspicions of wrongdoing related to corruption at Keiretsu Europe. In 2021 no incidents regarding labour and human rights are reported.
- We conducted a CSR supplier risk analysis in 2021. This analysis describes the CSR risks that may occur when sourcing products and services for Keiretsu Europe, also related to corruption. It also describes the preventive measures taken to reduce or avoid any risks.
- The procedure 'selection of suppliers' also emphasises that additional steps are taken to evaluate the bribery and corruption risk of the third party.





**Thank you for reading our Communication on
Progress to the UN Global Compact.**