



CSR Annual Report 2021

August 2021



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. This report shows how we, as an organisation, deal with these challenges and how Keiretsu Europe makes a positive social impact.

“ At the end of 2022, Keiretsu Europe will produce its own merchandise for more than 80% out of sustainable materials! ”

There is no Planet B

Keiretsu Europe chooses for tomorrow and believes in the future!

Sustainability has a large support base within our organisation. A dedicated Green Task Force team, with members from all divisions of our organisation, is continuously assessing our processes, materials and operational concepts from a sustainable perspective. This is reflected in the following aspects:

- In our product design,
- In our purchasing,
- In producing our products,
- In packaging and shipping,
- In the use of our office and warehouse,
- In the use of our fleet.

The Green Task Force team and our production partners are actively working to make our market more sustainable and develop it further. We take CSR into account in everything we design, purchase or produce (or have produced). Processes and working methods are anchored by our ISO 9001, ISO14001 and 26000 certifications.



From the management

At Keiretsu Europe, we do everything we can to run our company in a responsible and sustainable way. We have integrated the management of our CSR objectives into our strategy and operational behaviour, which is beneficial for all stakeholders, the environment and the community.

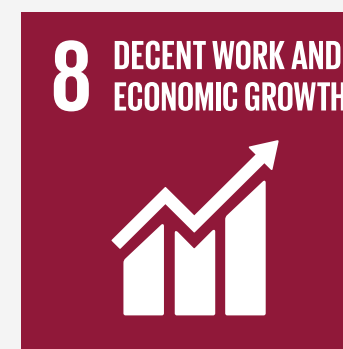
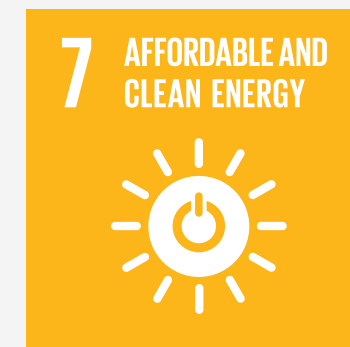
We have been developing and delivering innovative and sustainable branded products around the world that meet our customers' needs and add value to their brand for over 20 years.

By performing with complete transparency and in the most social and sustainable way, we are able to make positive changes. We choose to do what's right for our entire supply chain by being selective and managing the chain well.

Our ethical values are brought together in the Keiretsu Europe Code of Conduct. This informs stakeholders about what we see as our ethical obligations with regard to environmental and social values. We expect our partners to adhere to these values.

By communicating transparently about our own goals and performance, we build trust and awareness and encourage social change.

We support all 17 United Nations Sustainable Development Goals (SDGs), but for 2021 we will focus on the following five:





Every year we set short, medium and long term CSR goals. We evaluate the results of these objectives and set them annually.

One of the objectives was to be 100% self-sufficient in energy in the short term. This goal was realized by means of more than 564 solar panels on the roof of our head office in Rotterdam. In addition, we have set targets for our products.

For example, we want to achieve a plastic reduction within 1.5 years, where we strive for 25% less plastic in our products sold. Keiretsu Europe also wants to make its contribution in the field of recycled materials. We have as objective for 2025 to make use of at least 50% recycled PET in circular items.

We recognize 5 important areas that contribute to corporate social responsibility: our customers, our people, our community, our suppliers and our environment.

Our Customers

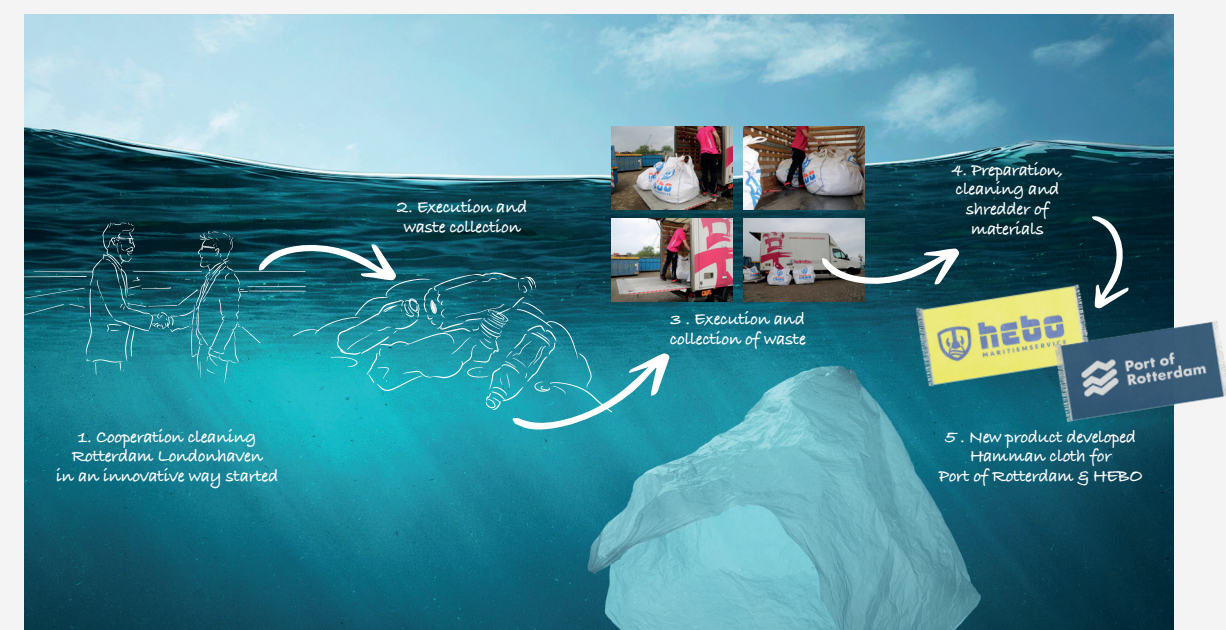
We are constantly working to offer our customers the best proposal that meets their needs, but with the lowest possible impact on the environment. By constantly reviewing our processes and product offerings with green and sustainable items, we deliver the best possible service within the applicable parameters.

Our people

We ensure that our people experience us as an inspiring partner that binds and stimulates them to get the best out of themselves and their talent. That is why we continuously invest in knowledge development, personal growth and optimal employability. We also give shape to this by offering a good working environment with standing and dynamic workplaces and varied and responsible lunches. We have a sports area and a large roof terrace for relaxation. Since mid-2018 we offer possibilities for flexible working. This contributes to a good work-life balance and less CO₂ emissions from commuting.

Our Community

We are proud partners of among others Pink Ribbon, WWF (the Plastic Campaign), De Betrokken Spartaan and the CHIO. We also join forces with HEBO and the Port of Rotterdam Authority; together we take care of the collection and reuse of port plastic.



We actively collaborate with school communities such as Albeda College and Zadkine, Rotterdam University of Applied Sciences and the Graphic Lyceum in Rotterdam. We offer internships in various fields and we share knowledge and skills with students, the employees of tomorrow. In addition, we create sustainable employment in the Rotterdam region for people with a distance to the labour market.



Our suppliers

Every year we test our suppliers using SEDEX. In 2020, 96% of our suppliers met this SEDEX standard (compared to 88% in 2015). This Supplier Ethical Data Exchange purchasing tool provides insight into data relating to working conditions, safety, the environment and ethics. The application of these guidelines contributes to the elimination of abuses in the procurement chain and encourages suppliers to improve the conditions in their chain.

Our planet

What we buy, where we buy and how we pack and transport it has an impact on our ecological footprint and social aspects. Profitability is a prerequisite for this. From our head office in Rotterdam we contribute to circularity internationally, nationally and regionally. In accordance with our strategies, we carry out combined logistical transport movements. We do this as much as possible by means of electric transport.



For example, we have created and scaled up our electric vehicle fleet by 60% compared to 2018. For our regional customers we provide a combined daily ride. Our premises are 60% self-sufficient in energy through the solar panels on the entire surface of our roof.

We are building a strong and healthy future for everyone - and for our planet.

Overview Sustainable Development Goals

In 2015, all members of the United Nations agreed to the Agenda for Sustainable Development for 2030, an action plan for peace and prosperity for the people and the planet, now and in the future. At the heart of it are the 17 Sustainable Development Goals (SDGs), which recognize that ending poverty and other deprivation must go hand in hand with strategies that improve health and education, reduce inequality and stimulate economic growth, all while tackling climate change and working to preserve our oceans and forests.

Keiretsu Europe supports all 17 UN goals for sustainable development, but we prioritise the following 5 because of their relevance to our business.



3. Health and Well-being

SDG objectives and indicators

3.9 By 2030, the number of deaths and illnesses caused by hazardous chemicals and air, water and soil pollution and contamination must be significantly reduced.

What we are doing:

- There are health and safety procedures for the staff of Keiretsu Europe
- We only select suppliers who comply with the health and safety guidelines for working with hazardous substances. Those guidelines are:
 - Employees are trained in the handling of dangerous goods. There are safety standards for the transport of dangerous goods
 - Measures have been taken to prevent the leakage or spillage of hazardous substances
 - There are rules for waste recycling and disposal
- Through testing procedures, we ensure that consumer health and safety is not harmed
- We work with internationally recognised organisations such as Intertek, UL and SGS
- We follow regulations such as REACH, RoHs

Our goals:

- Water consumption on textile productions is reduced by 50% by 2025
- Continue testing and ensure that we are constantly up to date with new regulations
- Building a solid partnership with testing companies
- Provide regular training and updates to Keiretsu Europe staff
- Together with the supplier, minimise the use of hazardous substances and take adequate health and safety measures





4. Good education

SDG objectives and indicators

4.4 By 2030, the number of young people and adults with relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship should be significantly increased.

What we are doing:

- Every year, we offer a number of traineeships for Rotterdam educational institutions at different locations in the city disciplines at MBO and HBO level
- We offer a sustainable workplace to people who are distanced from the labour market
- Employees follow courses to broaden and deepen their knowledge

Our goals:

- To increase the knowledge and skills of local students by giving lessons and master classes by our staff
- Productions in the Far East that offer courses and employment to people with a distance to the labour market are at the forefront of our preferred supplier programme



7. Affordable and sustainable energy

SDG objectives and indicators

7.2 Significantly increase the share of renewable energy in the overall energy mix by 2030

What we are doing:

- Our buildings are 60% self-sufficient in energy through the solar panels on the entire surface of our roofs
- Own fleet: 50% electric vehicles

Our goals:

- 25% of our productions by 2025 are circular
- 100% electric fleet
- Supplying the overproduction of our solar panels to the energy grid



8. Decent work and economic growth

SDG objectives and indicators

8.7 Take immediate and effective measures to eliminate forced labour, put an end to modern slavery and trafficking in human beings and secure the prohibition and abolition of the worst forms of child labour, including the recruitment and use of child soldiers, and an end to child labour in all its forms by 2025.

8.8 Protect labour rights and ensure safe and promote healthy working environments for all workers, including migrant workers, especially women migrants, and those in precarious working conditions.

What we are doing:

- We only select suppliers who have adopted different industry codes of conduct (Sedex, BSCI, BEPI, PPP)
- The Keiretsu Europe Code of Conduct has been signed by all stakeholders
- Keiretsu Europe has policies on labour practices and training of its staff
- Our main suppliers are required to have a Supplier Practices Policy on labour practices and reporting on this is required
- As a BSCI member, we are responsible for the regular audits of our suppliers

Our goals:

- Continued support from industry and memberships.
- Increase the number of suppliers who have signed our code of conduct and supplier policy.
- Increase the number of suppliers reporting on their CSR performance
- Increase in the number of suppliers for which Keiretsu Europe BSCI is responsible
- Search for other industry initiatives that can be merged to improve knowledge and increase collective power



12. Responsible consumption and production

SDG objectives and indicators

12.5 Significantly reduce waste generation by 2030 through prevention, reduction, recycling and reuse.

12.6 Encourage companies, in particular large and transnational companies, to adopt sustainable practices, and integrate sustainability information into their reporting cycle.

What we do:

- We monitor and improve waste management in all business activities
- We monitor suppliers' waste management performance
- We monitor the sustainability factor of the products we offer and sell
- 97% of the products we offer are sustainable

Our goals:

- Reduce the amount of non-renewable materials used and increase the use of recycled materials
 - Using the support of amfori BEPI to better map environmental performance of our most important suppliers
 - Teach our customers to choose sustainable alternatives and help them understand the environmental impact of their choices
- Creating a handbook for sustainable materials and organising training courses for Keiretsu Europe staff on this subject
- Increase the number of 'greener' products sold

Performance and objectives	2018	2019	2020	2021 (target)
Environment & Climate We take action to be responsible with our environmental footprint and to provide our customers with high-quality products.				
Energy & GHG				
% of reduction in CO ₂ emissions related to direct business operations	70%	75%	80%	85%
Reducing electricity consumption compared to previous year	n.a.	n.a.	18%	2%
% electric company cars	30%	40%	48%	55%
Material, chemicals and waste				
% of sustainable products offered	89%	96%	97%	98%
% of our electronic waste, responsibly processed by certified partners	80%	95%	100%	100%
% processed cardboard in cardboard shredder	n.a.	n.a.	100%	100%
Number of directly and indirectly purchased toxic substances	0	0	0	0
Number of incidents related to local pollution	0	0	0	0
User safety				
Number of products recalled after delivery	0	0	0	0
Supply chain				
% of suppliers complying with Keiretsu Europe's Code of Conduct	73%	99%	100%	100%
% of suppliers agreeing to Keiretsu Europe's supplier conditions	n.v.t	88%	95%	97%
% of suppliers with SEDEX or BSCI certification	86%	93%	96%	100%
Reducing % water consumption on textile production	n.a.	n.a.	10%	15%
% sales employees who participate in Environmental training	n.a.	n.a.	100%	100%
People & Society				
Number of reports from whistleblower scheme	0	0	0	0
Number of reported incidents of discrimination and intimidation	0	0	0	0
Number of reported information security incidents	0	0	0	0
Number of health and safety incidents	0	0	0	0
Sales employees participating in Ethics training	n.a.	n.a.	100%	100%
Equal pay for men and women	100%	100%	100%	100%
% of employees participating in corporate events	60%	70%	80%	90%
Number of interns within Keiretsu Europe	7	9	9	9
Relationships				
Employees who take part in voluntary work within the organization	n.a.	n.a.	5	14
Number of charities to which Keiretsu Europe contributes	6	8	9	11

Contribution to community

We are always looking for ways to give to civil society organisations and charities that matter to us, through money, obsolete products or volunteer hours. Here are a few examples of our charitable efforts:



As Keiretsu Europe we contribute to Pink Ribbon with our own charity branch (Keiretsu Charity Concepts). We use our knowledge and expertise This way we donate approximately € 300,000 (entirely altruistic) to breast cancer research in the Netherlands and Belgium. to develop and produce annual merchandise items.



KWF Cancer Foundation is a foundation dedicated to fighting cancer through scientific research, education, patient support and fundraising. Together with KWF we have developed a children’s cuddle toy with the name “Hug” which literally gives a hug to anyone in need.



The Princess Máxima Centre concentrates all highly complex care and research in paediatric oncology. The mission is: cure every child with cancer, with optimal quality of life.



The Friends of the Red Cross is a growing network of committed entrepreneurs who attach great importance to corporate social responsibility and corporate social responsibility. Keiretsu Europe contributes to making people at home and abroad self-reliant and less vulnerable to disasters.



Worldwide, the World Wildlife Fund brings people, companies and governments together to work for nature. Keiretsu Europe also participates in this movement. We are officially WWF Business Supporter. We are working on a world in which people live in harmony with a vital and resilient nature, for generations to come.



Foundation De Betrokken Spartaan is the social organisation of Sparta Rotterdam which is committed to improving society. Through this foundation, Keiretsu Europe ensures that people with a distance to be able to work in our warehouses, we offer safe learning environments with a view to the future.



Albeda is an inter-confessional and intercultural training centre in Rotterdam and the surrounding area. Albeda builds an entrepreneurial vocational school in the city and the region, together with Keiretsu Europe.



As Keiretsu Europe, we contribute to Unicef with our own charity branch (Keiretsu Charity Concepts). We use our knowledge and skills to make a valuable contribution every year.



CHIO Rotterdam is the oldest top sports event in Rotterdam. and the only Dutch top five-star equestrian sports event. Keiretsu Europe is a proud sponsor of this historic event.

