

Impact report 2020-2021

Our journey to a sustainable future



Our journey to a sustainable future

PREFACE

2020 will forever be remembered as the year COVID-19 took hold and changed the world. The shift to working from home enabled us to grow faster than ever before. We realise that our growth does not come without environmental impact. We are acutely aware of our role in the growing e-waste problem and the energy-intensive production of electronic products.

We also know that there is so much more we can do to combat climate change. We are a part of an industry that must undergo massive transformation to achieve the goals set in the Paris Climate Agreement.

Today, we take responsibility, knowing the choices we make every day truly matter. We want to be a driver for positive change. Our purpose: Making fair digital accessories the new norm. We don't yet have all the answers – and know we have a lot to learn. However, together with employees, consumers, business, and production partners, and the global community, we will succeed.

Sustainability is not achieved overnight. It is a continuous effort, one undertaken every day. While we are making progress, we have only taken the first steps in our sustainability efforts. We are engaging and collaborating with retail, industry and manufacturing partners to make clever changes in production, operations, and our product range.

With clever thinking, we believe it is possible to create sustainable products for fair prices. We want to make sustainability pervasive for all, offering THE affordable, sustainable alternative. I invite you to take a look at this first impact report to get an impression of our journey to deliver clever and sustainable solutions to everyday life.



ROGIER VOLMER
CEO

Executive summary

OUR FIRST STEPS TOWARDS A SUSTAINABLE FUTURE

The shift to working from home due to COVID-19 has enabled us to grow faster than ever. We realise, however, that our growth does not come without environmental impact. Today, we take responsibility, knowing the choices we make every day truly matter. The report provides an impression of our journey to making fair digital accessories the new norm: Fair for people. Fair for the planet. At fair prices.

ESG in heart of our organisation

ESG has been embedded as a main pillar in the overall company strategy.

We have also incorporated ESG into our purpose, vision, and mission statements.



In 2020-2021, we set the ESG baseline. We focused on obtaining insights into where we stand and where we can improve.

- We began investigating life cycle analyses (LCA) to identify the elements on which we can improve to reduce the CO2 footprint of our products (sourcing, production, product-in-use, and end-of-life).
- We conducted a Materiality assessment with our stakeholders. Its analysis helps us ensure that we are focusing on the areas in which we can have the most meaningful impact, as well as the areas of greatest interest to stakeholders, as we must work together to reach our common goals.
- We started a process of measuring the impact, both positive and negative, that Trust – as well as its value chain operations – has on society.

Goals based on the UN Sustainable Development Goals (SDG)

To maximise our impact, we have set priorities. We have selected three SDG impact goals on which we can make the largest immediate impact.



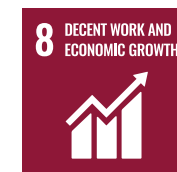
Trust has the ambition to be circular in 2040. We believe in the need for a circular economy, in which discarded products are collected and recycled into raw materials to produce new products. Our efforts are focused on:

- Removing where we can
- Reducing where we cannot
- Recycling what is left

These efforts resulted in an average plastic reduction per packaging of over 37% percent in FY 2020-2021. In June 2021, Trust introduced the first of many upcoming products made from recycled materials: the GRS-certified Atlanta Laptop Bag ECO, made from 18 recycled PET bottles.



Trust aims to be climate neutral in 2030. Our responsibility extends beyond our direct operations, to the entire life cycle of our products. Most of Trust's impact on the environment is indirect, through the products we sell to customers from manufacturing partners and suppliers.



To support SDG8, we do our utmost to create an environment in which employees of all ages and backgrounds feel safe and can thrive. In 2020-2021, many tools and activities were introduced to contribute to employee development, health, and engagement.

Our responsibility goes beyond our own workforce. We are also committed to ensuring decent working conditions at our manufacturing partners. To do so, a supplier code of conduct is embedded as a contractual condition of doing business with Trust. In fiscal year 2020-2021, we carried out 45 audits.

Our ambition is to initiate and further intensify the dialogue with retailers, consumers, manufacturing partners, employees, and other stakeholders regarding how Trust can play its part in offering fair and affordable products to everyone. This report aims to facilitate this dialogue by clearly stating our ambitions, actions, progress, and challenges.



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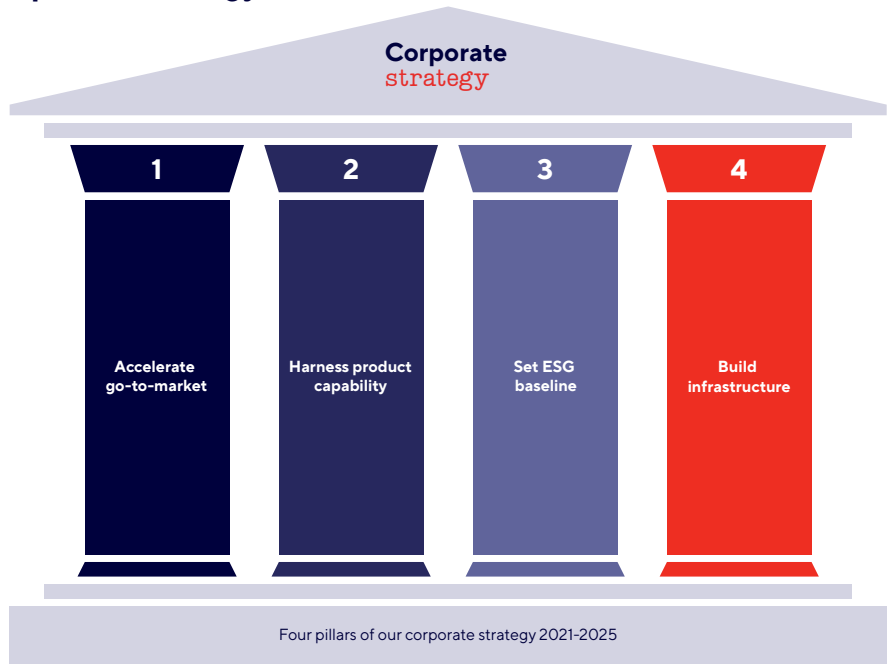
Highlights 2020-2021

1. ESG Highlights 2020-2021

JUST A FEW OF OUR FIRST RESULTS

We are only getting started, but we made some important steps in 2020-2021.

1. ESG pillar in corporate strategy



2. ESG strategy

Goals based on Social Development Goals.

Impact goals	<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	<div>13</div> <div>CLIMATE ACTION</div> <div></div>				
Improvement goals	<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<div>10</div> <div>REDUCED INEQUALITIES</div> <div></div>	<div>15</div> <div>LIFE ON LAND</div> <div></div>	<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> <div></div>
Compliance goals	<div>1</div> <div>NO POVERTY</div> <div></div>	<div>2</div> <div>ZERO HUNGER</div> <div></div>	<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>	<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> <div></div>	<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	<div>14</div> <div>LIFE BELOW WATER</div> <div></div>	<div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>

3. First product made with recycled materials

Atlanta Laptop Bag ECO with GRS certification.



4. 37% average plastic reduction per packaging



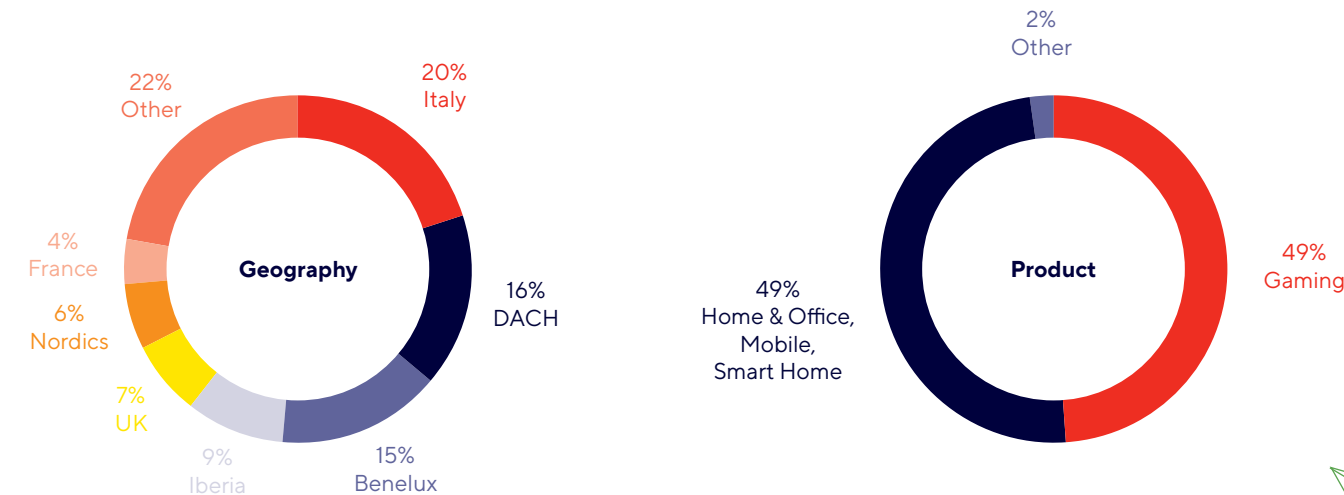
Trust at a glance

2. Trust at a glance

Data & figures

A SHORT INTRODUCTION TO TRUST

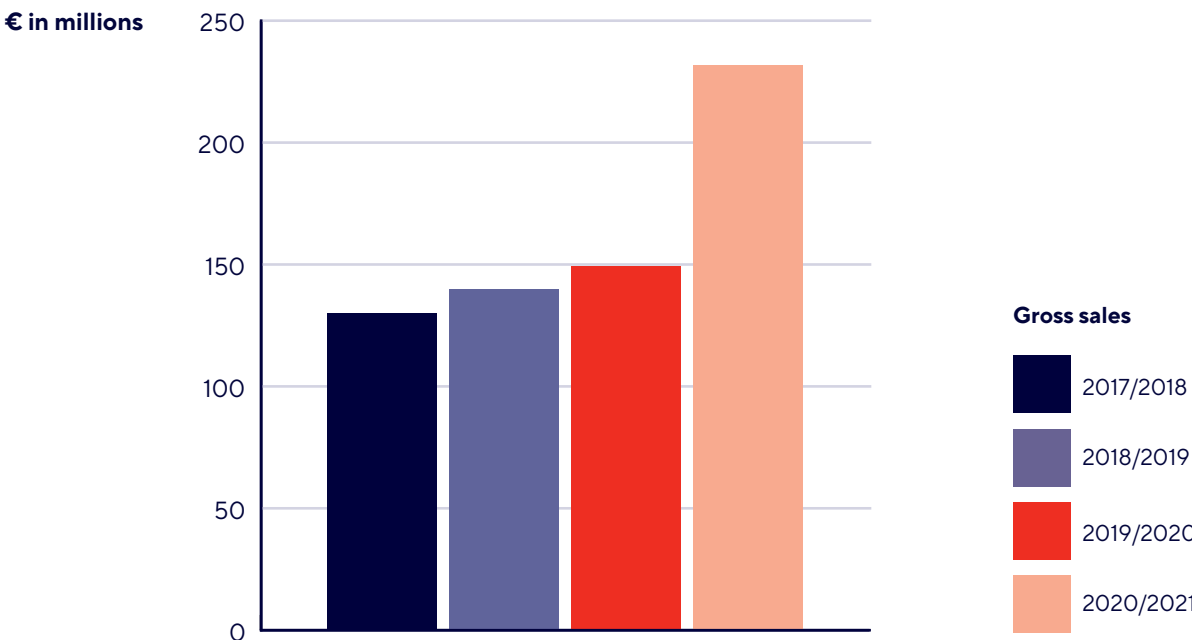
Trust was founded in 1983 and has grown into the leading value-for-money brand for digital lifestyle accessories. A global company with local sales to help meet customer needs and expectations while providing an outstanding service support. Trust products are available from local shops to larger electro stores, hypermarkets and online to serve customers in over fifty countries.



Turnover / growth

The shift to working from home enabled us to grow faster than ever before. Market growth peaked in 2020.

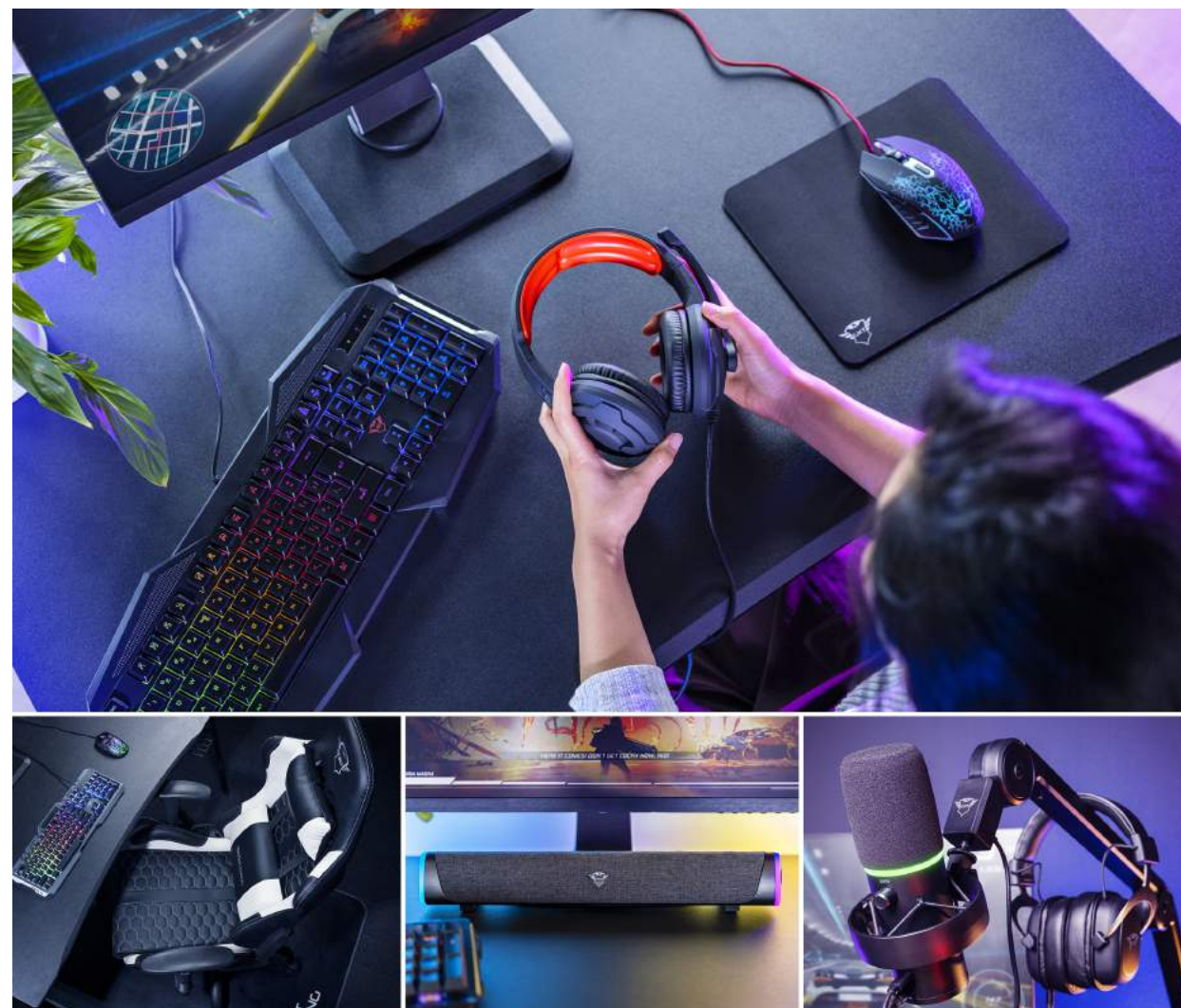
Growth sales numbers



Our products

Our broad assortment contains over 800 accessories for PC & laptop, mobile, gaming, and business in the following categories:

- Home & Office – Offering everything our customers need for improved home and office convenience, from wireless mice and keyboards to webcams.
- Video conferencing – Facilitating hybrid working with products such as plug-and-play conference cameras and extended microphones.
- Gaming – serving all competitive casual gamers, with products including headsets, mice, keyboards, and furniture.
- Mobile – Helping customers stay connected with a complete on-the-go range, including laptop bags and fast-charging power banks.
- Smart home solutions – Providing smart home solutions with the KlikAan/KlikUit division, which enables consumers to control their homes remotely – from controlling temperature and smart WIFI lighting to opening curtains – with a single app.



Home & Office / €97m
PC/laptop users seeking high-quality products at a low-medium price range.



Gaming / €115m
Beginner-to-intermediate gamers, streamers and content creators.



Mobile / €12m
Mobile users who want to stay connected.



Smart Home / €9m
Homeowners making their houses more comfortable and secure.

Company structure

Trust International B.V. ("Trust") is a private limited liability company founded under Dutch law in 1983. Shares of the company are owned by Egeria (an international private equity investor) and Trust management.

Egeria focuses on investing in companies with strong market positions, healthy growth potential, and sustainable business models. Egeria stimulates sustainable value creation rather than short-term benefits.

Egeria believes that the creation of value goes beyond financial results. In 2017, the Dutch Private Equity and Venture Capital Association (NVP) named Egeria the winner of the NVP ESG Award, which is given to the private equity or venture capital firm with the best ESG policy. www.egeriagroup.com/news

With the arrival of Egeria as a shareholder, a new phase is dawning for Trust. We are heavily investing in new top and middle management and in competencies throughout the organisation by the development and selection of new staff.

Additionally, we are focusing on geographic expansion, the transition to online retail, overall company professionalisation, and integrating ESG into the core of our strategy.

Governance model

Trust has a two-tier governance model, consisting of a Supervisory Board and an Executive Board. The Executive Board consists of the CEO and CFO (statutory directors) and is supported by the Chief Commercial Officer and the Head of Products. Together, they form the Trust Leadership Team.

The Trust Leadership Team (LT) consists of:

- Rogier Volmer, CEO
- Allard Boer, CFO
- Dorothee de Backer, Head of Products
- Martijn Lutgerink, CCO

**Clever changes
can make a green difference**



The Trust supply chain

Trust is actively involved across the value chain, and leverages the design expertise of the market, as well as consumer input and production scale of manufacturing partners in Asia.

The Trust product management team develops a product programme together with R&D, category management, sales, and marketing. The products are sourced within a network of established manufacturing partners and, occasionally, a new supplier.

Manufacturing partners directly source raw materials such as plastics, metals, components, and packaging based on Trust sustainability requirements and in line with REACH & ROHS compliance standards. Most use injection moulding, forming, PCB mounting, and assembly machines to produce products themselves.

Quality control and Code-of-Conduct audits are locally executed and managed by the Trust Shenzhen China office.

Supply forecast is generated bottom-up and based on sell-through, stock-level, and product pipeline. Purchasing orders are processed by our headquarters in Dordrecht in the Netherlands.

Operations such as transportation and warehousing are outsourced to a third-party logistic service provider to effectively serve our business partners. Branding and marketing are executed by Trust International and its country subsidiaries.

Trust supports its resellers with (marketing) materials and content to build the Trust brand. Sales via online and offline channel partners occur both Business-to-Consumer (B2C) and Business-to-Business (B2B). Trust is strongly focused on reseller success (sell-out) and supports category management, marketing, and promotion activities to meet demand planning.



Embracing ESG in the organisation

3. Embracing ESG in the organisation

“DO WHAT YOU CAN, WITH WHAT YOU HAVE, WHERE YOU ARE.” - PRESIDENT ROOSEVELT.

Worsening climate change and the growing amount of e-waste are unacceptable. Trust is cooperating with partners in the value chain to reduce waste and CO2 emissions as we shift from a linear economy with depleting resources toward a circular economy, making use of post-consumer recycled and responsibly sourced materials.

We are dedicated to offering sustainably and fairly produced digital accessories. We work closely with multiple stakeholders to prove this is possible, has a limited effect on consumer price, and offers a significant improvement to the global environment. Affordable prices are important to us, as they give more consumers access to more sustainable options.

One of the four pillars of our corporate strategy

In 2021, Trust revised its ambitious growth strategy ‘2021-2025’.

ESG has been embedded as one of the four main pillars in the overall company strategy, as a fundamental enabler of growth.

Integral part of everyday business

ESG is becoming an integral part of everyday business. We aim to utilise skills, resources, and management capabilities to lead social and environmental progress. To bring employees on our journey, ESG is a fixed topic in every newsletter and every global management and employee meeting. The Leadership Team launches an internal ESG blog. We have also incorporated ESG into our purpose, vision, and mission.

Our Purpose

Making fair digital accessories the new norm. Fair for people. Fair for the planet. Fair prices.

Our Vision

The choices we make every day truly matter. To be a driver for positive change, our products must be fairly produced and available to everyone.

Our Mission

We are dedicated to offering fair and affordable digital accessories to everyone who wants to live-work-play in a clever and joyful way.

Our Values

We are:

Empowering
Entrepreneurial
Fair
Helpful

Trust’s ‘Green Team’

In line with our sustainability efforts, we have set up a global network of ESG ambassadors within our company, known as the Trust ‘Green Team’! This international, multidisciplinary team was established to facilitate the exchange of best practices for sustainability, as well as to generate engagement with ESG initiatives throughout the organisation.

“The small things we can do each day matter a lot. I want to know what we can do to make the world better.”



RADEK CEJNA
Key Account Manager,
Czech Republic & Slovakia

Materiality assessment

The choices we make each day truly matter. In October 2021 we conducted a Materiality assessment with our stakeholders. Its analysis helps us ensure that we are focusing on the areas in which we can have the most meaningful impact, as well as the areas of greatest interest to stakeholders, as we must work together to reach our common goals.

To define the ESG issues of concern, we used several sources:

- The existing materiality framework from The Impact Institute, which has been compiled by independent third parties, following multi-stakeholder interview and engagement exercises. We made several adaptations to the framework to make it sector-specific.
- The standards compiled by the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI).
- Sustainability Reports of peer companies, to identify emerging trends, stakeholder expectations, and material issues identified in our sector or comparable sectors.

Based on the GRI guidelines, we analysed two dimensions:

- Dimension X: Potential for Sustainability Impact: Areas in which we have a meaningful and significant economic, environmental, and social impact.
- Dimension Y: Stakeholder Importance: Aspects of our performance that are important to stakeholders and could influence their assessment of our performance or decision-making.

We have approached five broad stakeholder groups with views and perspectives relevant to our activities:

- Customers
- Consumers and the public
- Employees
- Shareholders/investors
- Suppliers and business partners

Results

The topics with the highest priority for stakeholders and the biggest estimated impact on our business or on society appear in the matrix on the next page. All topics shown in the top right corner of the chart are considered material and high priority.

We will tailor our activities based on the results of the materiality assessment and the impact measurement (p.26-27). We will address those issues identified as being most material to our business.

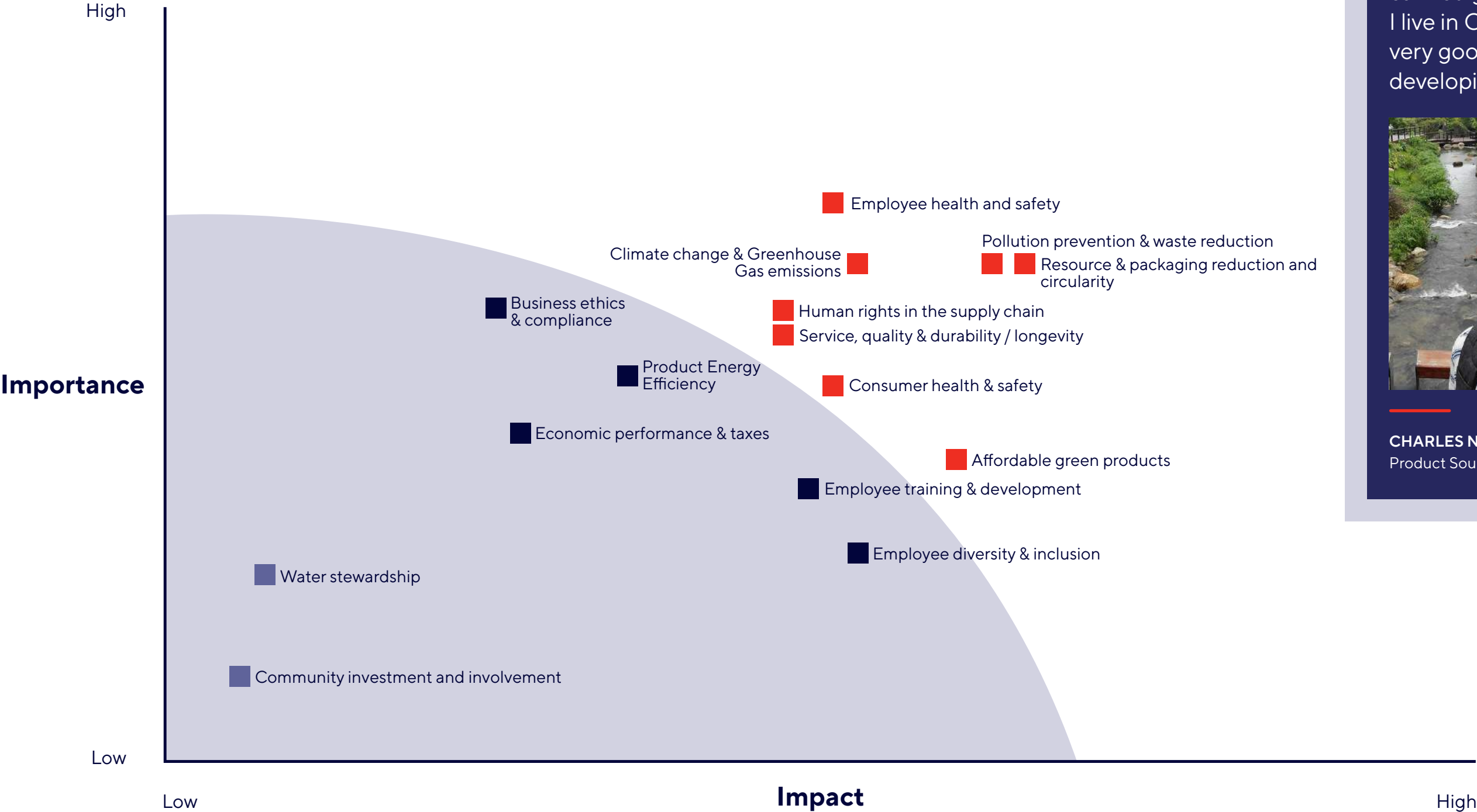
“Now that I have become a mother, I gained some perspective on the importance of sustainability and how we leave the world behind.”



NAOMI DE JONGE
Marketing Manager, Benelux



Materiality Assessment



“This is a topic that we cannot ignore anymore. I live in China and it’s very good to see how it is developing towards ESG.”



CHARLES NJO
Product Sourcer, China



Impact measurement

What we did in 2020-2021

Measuring impact gives Trust quantitative insights into its impact on society, ways to improve, and a framework to prepare for new regulations and increase expectations of stakeholders, such as customers and investors.

We want to understand the impact of our products and activities across our global and complex value chain and multitude of stakeholders. To do so, there is a need to understand what and where impacts occur, as well as what drives them.

In 2021, we started a process of measuring the impact, both positive and negative, that Trust – as well as its value chain operations – has on society.

An Amsterdam-based company called Impact Institute will help us understand our societal impact and will support us in building a basis from which to steer value of impact measurement and valuation in our specific business context.

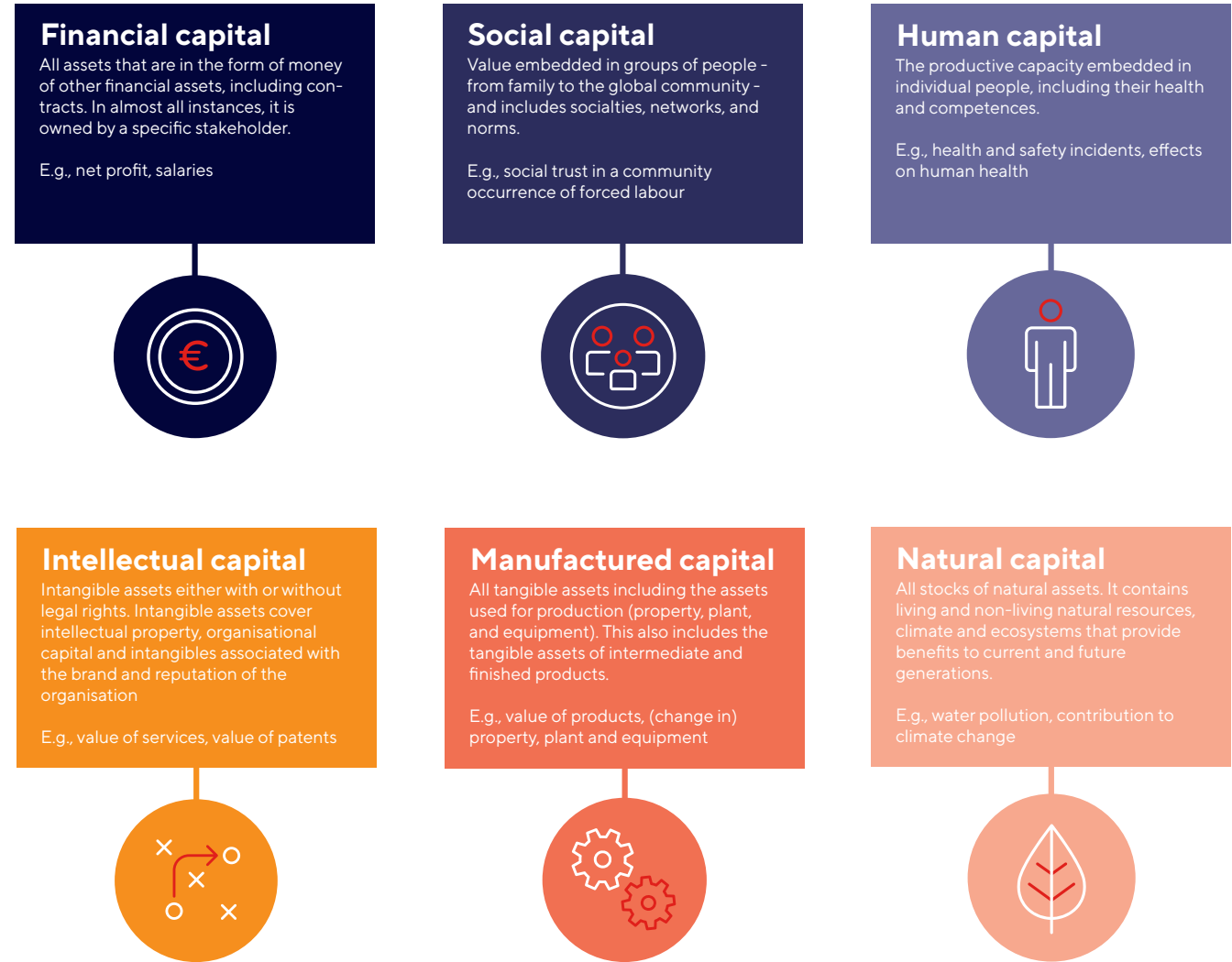
By setting up an impact hotspot, we gained insight into the broad effects of our activities. Combined with an impact framework and data inventory, this will help us identify our organisation's key impacts and priorities. It will also provide a foundation for the wider adoption of impact measurement and valuation.

Hotspot analysis

A qualitative hotspot provides an overview of the most important impacts. The results show the impact across stakeholders, as well as relative size and type of impact. This allows us to assess the full scope of our activities and see where current initiatives are targeted.

The Impact institute prepared this workshop to build an impact hotspot outlining the most important impacts of our activities per capital and stakeholder. The hotspot is qualitative and builds on expert input from both Trust and Impact Institute. The impact hotspot will be the first step toward integrated reporting.

The Impact capitals



“I think we need to act right now; there’s no time to lose. I’m working on impact reporting, because it’s important for companies to make visible where they are in terms of their impact – not only on the environment, but also social and governmental aspects. This will enable them to make plans to improve!”

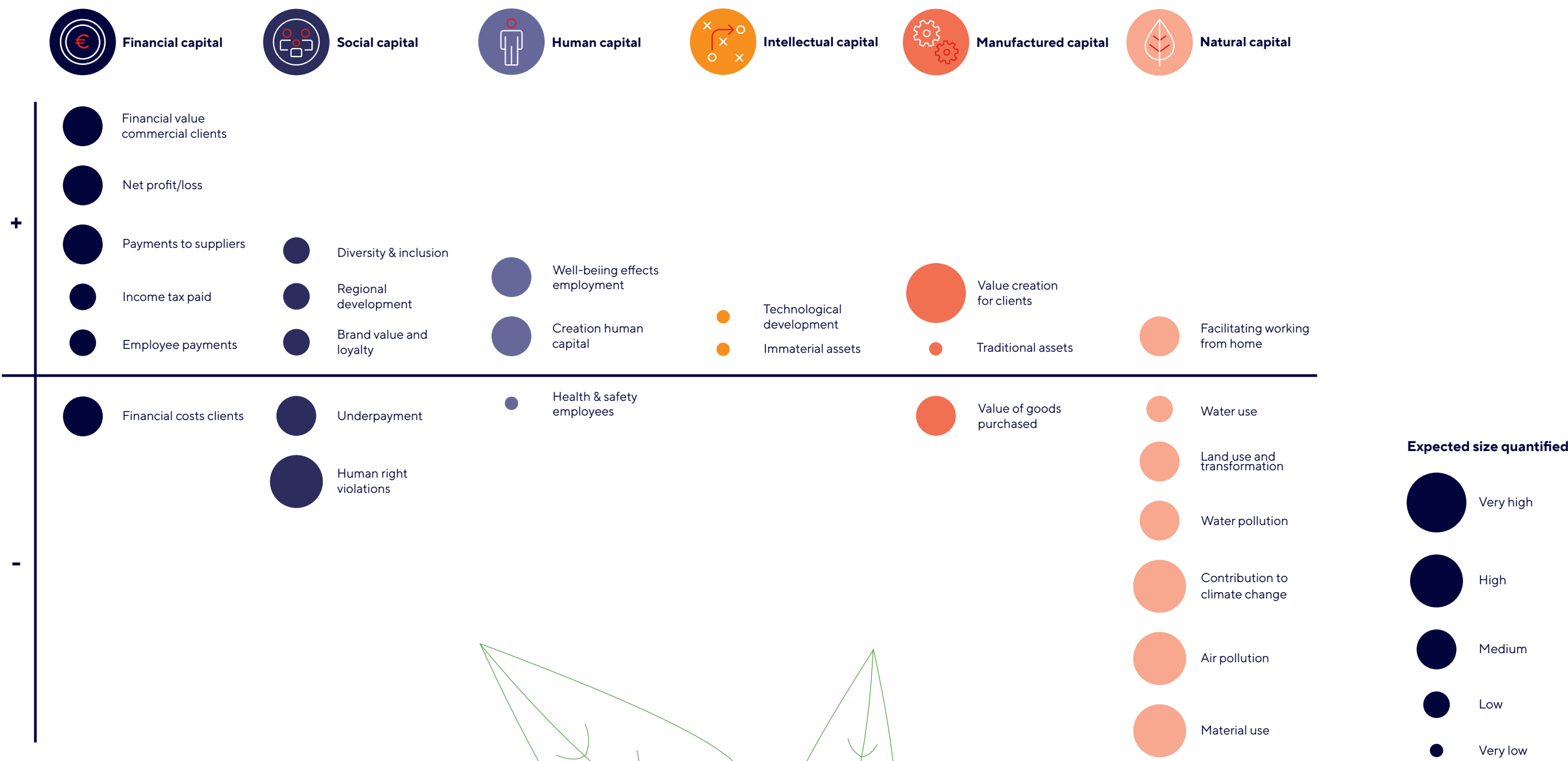


MAYKE PASHOUWER
Business Finance Manager

This score is translated to the size of a circle-shaped impact, with a larger circle representing an impact with larger relevance.

Trust’s material impact primarily relates to natural and financial capital.

Impact Hotspot



SDG mapping

To get an understanding which impacts have a positive or negative contribution to which Social Development Goals (SDG), we asked the Impact Institute to do a SDG mapping.

The SDG mapping provides an overview of Trust’s most important impacts and how these relate to the different SDGs. The results show both the positive and negative impact across the 17 SDGs. This allows for a comprehensible overview of the positive and negative impacts of Trust’s own operations and activities in the value chain.

Trust’s main contribution is to SDG 8, SDG 9 and SDG 12.

SDG 8: Decent Work and Economic Growth

Trust’s operations have a positive contribution to SDG 8 through the creation of jobs in our own operations

and in the value chain. Furthermore, the products manufactured also contribute to higher levels of economic productivity and technological upgrading. The negative contribution to SDG 8 is mainly attributed to underpayment and human rights violations deeper in the value chain.

SDG 9: Industry, Innovation and Infrastructure

Trust has a positive contribution to SDG 9 by increasing manufacturing employment, contributing to technological development and promoting the upgrade of technological capabilities.

SDG 12: Responsible Consumption and Production

The negative contribution to SDG 12 is a result of the material footprint of our operations, as well as the management of chemicals and waste throughout the production process. This results in the depletion of materials and the pollution of water, air and soil.

Sharpening our goals

Based on the results of the SDG mapping and the Stakeholder Analysis we will sharpen our goals and actions for 2021-2022.

Our plans for 2021-2022

Integrated reporting

We want to move toward an ‘Integrated Report’ focused on our social impact. The integrated report should provide insight into themes that have a substantial impact on Trust’s ability to create value in the short-, medium-, and long-term. This current report shows our first step in integrated reporting.

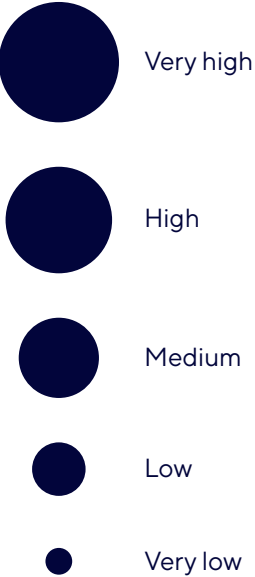
“Environmental protection becomes more and more important nowadays. I want to do my best and learn how I can contribute and learn new ways to improve.”



JOICE HE
Product Sourcer, China



Expected size quantified



Transparency & communication

“I’m a big Marvel fan, and the Spider-Man mantra gives me a big personal motivation: ‘With great power comes great responsibility’. It sounds like a big quote, but it basically means that anyone who can do something should do something. I believe that, as a bigger company, we should make a difference.”



SIMONE VERMEER
PR & Events Coordinator

In 2021 we launched the ‘Clevergreen’ website, with the aim to engage stakeholders on our sustainability journey. It all starts with awareness. This website is just the beginning. After all, sustainability is about attitude and continuous efforts. By the end of 2021, we will launch a more elaborate Sustainability website.

Eco-rating system

To enable customers to make more sustainable choices, we are introducing an eco-rating system for packaging and products. For instance, a rating will be given based on the use of FSC-certified cartons or volume-optimised packaging free from plastics, foam, PVC, and polystyrene. The highest rating will apply to packaging that is the most environmentally friendly, with part of the product itself made from recycled materials. This will provide consumers with a fuller picture of our products, enabling them to decide what is most important to them, then make an informed purchasing decision.

Product with >50% recycled materials				✓
FSC-certified or unprinted carton			✓	✓
Plastic-free packaging *		✓	✓	✓
Polystyrene-free inner buffer	✓	✓	✓	✓
Foam-free inner buffer	✓	✓	✓	✓
Black plastic-free package	✓	✓	✓	✓
PVC-free package	✓	✓	✓	✓
Volume optimized package	✓	✓	✓	✓

* except hanger and protective bag

	2016	2018	2021	2022
Reduced size packaging		✓	✓	✓
Plastic-free packaging			✓	✓
FSC-certified carton				✓
Recycled plastic product				✓

Environment: goals and activities

4. Environment: goals and activities

OUR GOALS BASED ON SOCIAL DEVELOPMENT GOALS

Trust is committed to playing a part in achieving the UN 17 Sustainable Development Goals (SDGs). To maximise our impact, we have set priorities. We have selected three SDG impact goals and seven SDG improvement goals on which we can make the largest immediate impact. These SDGs are in line with characteristics of the business, our corporate strategy, material sustainability issues, and stakeholders’ expectations.

We can make by far the most positive impact by improving the sustainability of our products and packaging. This is in line with two of our impact goals:

- SDG12: Circular by 2040
- SDG13: Climate neutral by 2030

In this chapter we will show how we are working on these goals – and how we make progress every day.



Impact goals	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION				
Improvement goals	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	15 LIFE ON LAND	17 PARTNERSHIPS FOR THE GOALS
Compliance goals	1 NO POVERTY	2 ZERO HUNGER	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	11 SUSTAINABLE CITIES AND COMMUNITIES	14 LIFE BELOW WATER	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Circular in 2040

Our goal to become circular by 2040 is based on SDG12 – Responsible consumption and production.

The ~50 million Mt of e-waste will double by 2060 if we continue with the linear process of ‘Take-Make-Dispose’. The consumer electronics industry’s linear economy must become less dependent on declining resources. Only by recycling these resources can we grow responsibly. We believe in a zero-waste and circular consumer electronics industry, so we have the ambition to design products that are both recyclable and made from recycled material.

Our commitment

The circular economy is a better alternative to the linear ‘take-make-dispose’ economy. If we design products from recycled materials – and which are also easy to recycle at end-of-life – we create a circular process, reducing our footprint step-by-step. To this end, resources are not consumed and discarded, destroying their value. Rather, their value is retained by reusing, repairing, remanufacturing, or recycling.

We are working together to test, learn about, and transform our joint processes. Only by engaging with all partners in our value chain can we achieve our long-term social and environmental ambitions.



Remove where we can

We focused on clever changes that can make a difference and in 2020-2021, hit some of our first milestones:

What we did in 2020-2021

- We have switched to online manuals for most products, removing paper manuals from packaging.
- We removed the LD-PE protection bags from most of the packaging.

“At Trust, we strongly believe in the need for a circular economy, in which discarded products are collected and recycled into raw materials to produce new products, minimising their environmental impact. We have the ambition to become fully circular in 2040. Our efforts are focused on:

- Removing where we can
- Reducing where we cannot
- Recycling what is left”



ARJAN REUIJL
Product Marketing Manager

- We removed the plastic inner tray.



Old



New



- We removed all black plastic and PVC from packaging. Black plastic is difficult for waste separation machines to detect.



Old



New





Reduce where we can't remove

- We removed shipping cartons and buffer materials. Many of our products are SIOC-certified. SIOC ('ships in own container') is a form of product packaging in which an ordered product can be shipped to the consumer in its original packaging, without additional packaging such as an over box.
- We removed all PVC from our packaging. These efforts resulted in an **average plastic reduction per packaging of over 37% percent** in FY 2020-2021. We are constantly looking for recyclable alternatives to traditional packaging methods.

We reduced the packaging size. This and the optimisation of pallets resulted not only in less packaging materials, but also in a reduction of transport emissions. This is because smaller packaging means more items can be shipped per container, resulting in less overall transport.

SIOC CERTIFIED

Strong package, no shipping carton and buffer materials needed

VOLUME: 84 LITER

VOLUME: 27 LITER

VOLUME REDUCTION

SAVES PAPER



Old



New



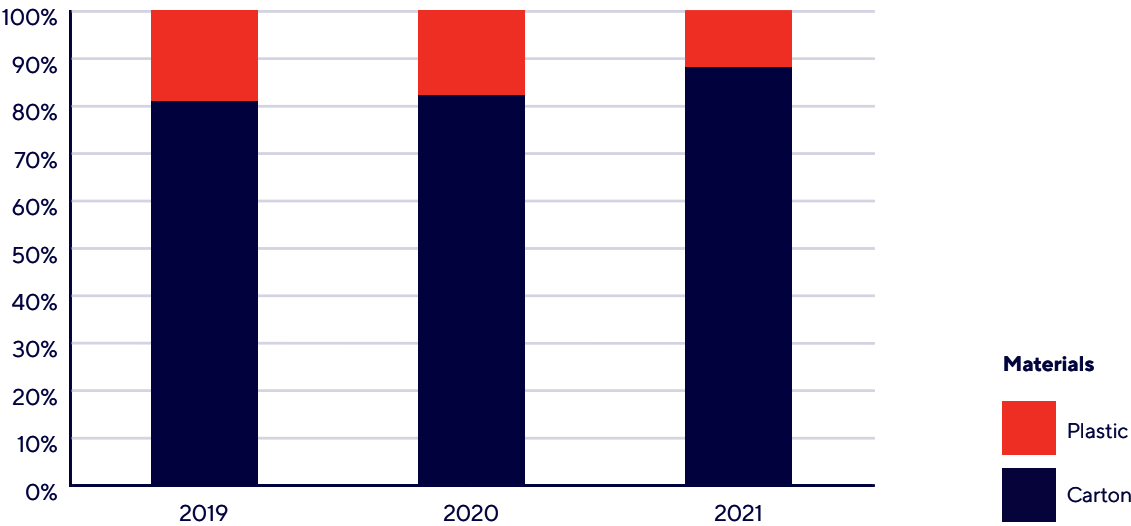
Old



New

Recycle what is left

Carton-to-plastic ratio in total package waste fell from 19% to 12%



- We reduced the size of the individual products in our smarthome starter kit.

Old



New



Recycling is the most viable approach to reducing solid waste streams and CO2 emissions when compared to virgin materials.

Using sustainable materials for products will have a large impact on their carbon footprints. We want to make sustainable purchases accessible by offering a sustainable alternative in every product category.

For each product category, we investigated opportunities for improvement. Because plastics make up the biggest part of the our products' materials, we focused there first.

Recycled plastics

The largest part of our products consists of plastics. To stimulate circularity and reduce waste and GhG emissions, we strive to replace the virgin plastics in products with Post-Consumer Recycled (PCR) plastics.

To guarantee the true and sustainable origin of recycled plastics, we are working with SCS Global Services to receive the Recycled Content Certification.



“The world urgently needs better solutions to create the products that we use and love in more sustainable ways. We know that plastic is a major source of carbon emissions, which cause climate change. By switching to recycled plastic, Trust is taking a giant step forward in reducing its carbon footprint.”



ARJAN STEENBERGEN
Research Manager

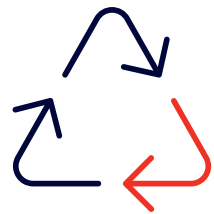


PCR plastic

Post Consumer Recycled (PCR) plastic is created from consumer waste such as used and cleaned PET bottles. Recycled plastic offers substantial savings in energy and water consumption and CO2 emissions.

Products made from PCR plastic will be certified by an independent third party to ensure that our environmental claims are valid.

Our first PCR plastic product, the THIAN Wireless Gaming Headset, will be introduced in Q1 2022.



Global Recycled Standard (GRS)

Trust received its GRS certificate in June 2021. GRS is used for fabric materials and is a well-known certification in the fashion industry. When a product receives the GRS label, you can be sure it is indeed created from recycled materials. When a fabric supplier is GRS-certified, there is a transaction certificate (TC) for each shipment.

For laptop bags, Trust has selected RPET (recycled PET or polyester) as a more sustainable alternative. The first products with this material are already available for purchase.

In June 2021, Trust announced the first of many upcoming products made from recycled materials: the Atlanta Laptop Bag ECO – a stylish, convenient, and eco-friendly bag made from 18 recycled PET bottles. The origin of the materials used is verified according to the GRS.



Recycling in packaging

- We replaced plastic hangers with carton models.
- We replaced foam (EPA,EVA) with moulded pulp buffers.
- All our packaging is made of carton containing 60-80% recycled materials.



FSC

In September 2021, our efforts were rewarded with the official Forest Stewardship Council® (FSC®) Chain of Custody certificate from SCS Global Services.

The FSC certificate guarantees that the wooden and carton parts of certified products and packaging originate from well-managed forests, company-controlled sources, or recycled materials.

By using more sustainable cartons in our packaging, we are actively contributing to conserving forests worldwide. We are changing packaging cartons to FSC-certified materials step by step. Together with partners, we can reduce the impact of products and packaging, create a more sustainable industry, and work toward a circular economy.

With this certification, we can guarantee that our carton packaging is made of wood from sustainably managed forests and/or recycled materials. An independent certifier annually checks the FSC packaging that has been sold by Trust and whether it was purchased as FSC-certified packaging.

In addition to more sustainable packaging, we are also looking into the possibilities of using FSC-certified materials in products.

In 2021 we launched the first packaging made from FSC-certified carton. The first of many!



Our plans for 2021-2022

In 2021-2022 Trust will begin official 'Recycled Content Certification' for the use of PCR plastics by SCS Global Services. We will also introduce products from recycled materials in most product categories.

The first products made using PCR plastic are now in development and will be introduced in 2022. One of them is a fully sustainable Smart Bridge. This is a smart hub - the missing link between smart devices without WiFi chips and a home network. It will be manufactured in the Netherlands with 100% PCR plastic and FSC packaging.

A steady flow of new and updated products with PCR materials will follow.

After the market introduction of PCR plastics, Trust will investigate sustainable alternatives for other materials that are used in our products to further reduce our carbon footprint.

In 2021-2022, we will continue reducing packaging volume and removing plastics. Plastic hangers will be replaced by carton models, and the use of FSC-certified cartons will be standard for newly introduced items. We will also replace PS and EPE foam buffers with paper pulp trays, further reducing the environmental impact of our packaging.

We expect the first product with FSC certification to arrive in 2022.

"I am working on our compliance on all regulations and ensuring we get the right certifications, so we can show stakeholders and customers what we are working on."



ANDREAS WIEG
Compliance Manager

Climate neutral in 2030

Our goal to be fully climate neutral in 2030 is based on SDG 13 - Climate Action.

The climate crisis is without a doubt one of the greatest challenges the world faces. Confronting this will require strategic urgency, responding to immediate needs while investing in innovative solutions to help scale for impact in the future.

Our commitment

As Trust, we need to take responsibility, because business as usual is no longer an option.

Trust aims to be fully climate neutral in 2030. To get there, we are taking a comprehensive approach – our responsibility extends beyond our direct operations, to the entire life cycle of the products.

Most of Trust's impact on the environment is indirect, through the products we sell to customers from manufacturing partners and suppliers.

We are investigating life cycle analyses (LCA) and identifying the elements on which we can improve to reduce the CO2 footprint of our products (sourcing, production, product-in-use, and end-of-life), packaging, in- and outbound operations, offices, and business travel. When improvements are implemented, we must compensate remaining carbon emissions to net zero.



What we did in 2020-2021

In 2020-2021 we made a great deal of progress in preparing for the manufacturing of products with recycled materials, and working to reduce the amount of energy these products use.

Material passport

The material passport file contains information about the type and weight of materials used in products and packaging. It was created as an improvement plan for Trust's entire product assortment (supporting Life Cycle Analysis projects) and to better inform customers about the properties of our products.

Life Cycle Analysis

With a Life Cycle Analysis (LCA), the environmental impact of our products and packaging is calculated over the entire life cycle. The information provided by an LCA provides clear and unfiltered insights into where to start reducing, replacing, or removing non-sustainable materials. This helps us reach our sustainable targets more quickly. This environmental impact is measured in categories such as global warming potential, ozone depletion, eco- or human toxicological effects, avoidance of burden shifting, and land- and water-use change.

This analysis concerns the entire life cycle of a product, including the production method, transportation, and the effects during the use and waste processing of the product.

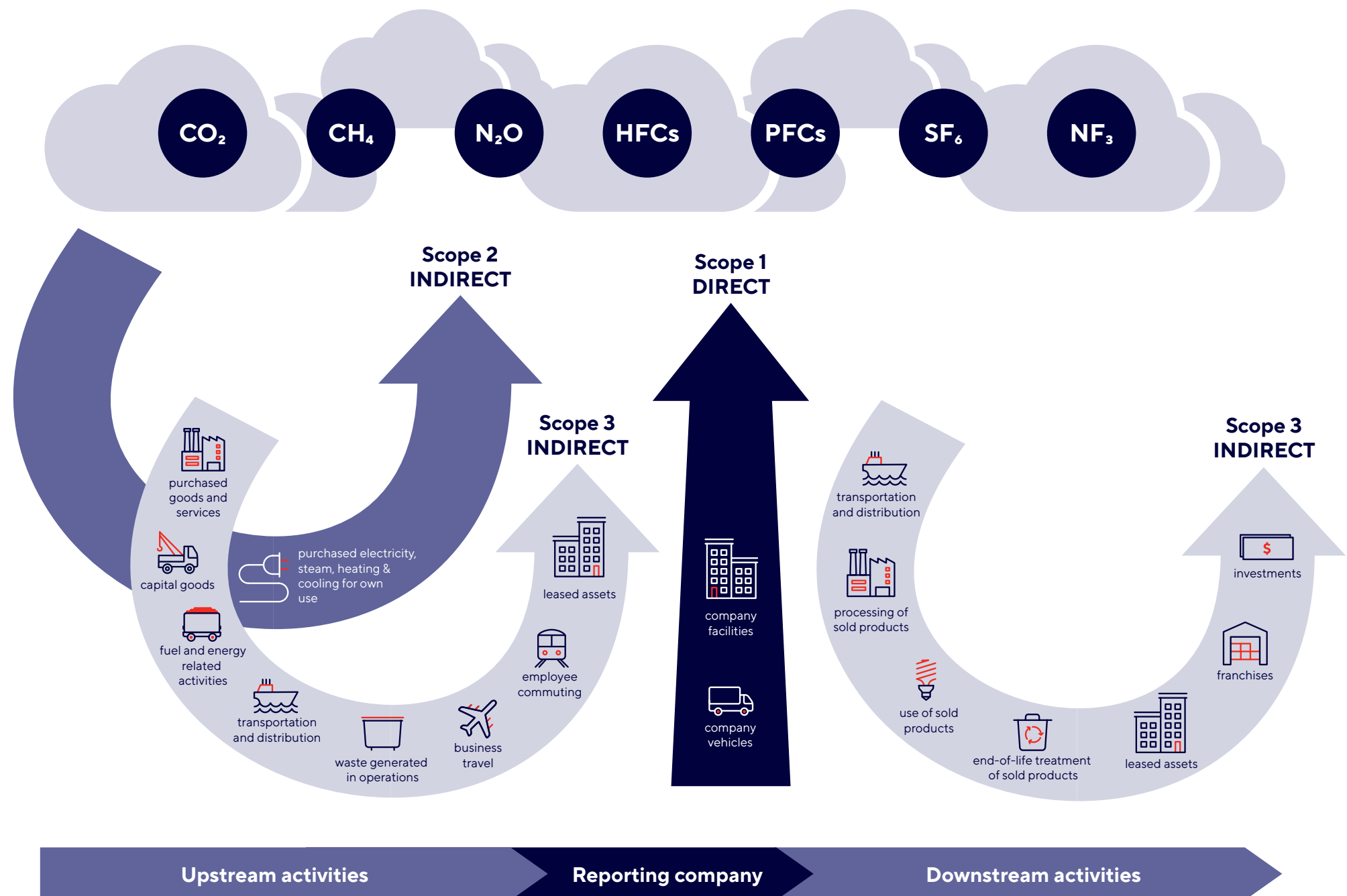
Scope 1, 2 & 3

We are identifying our emissions in the three scopes, as defined by the GHG Protocol:

- Scope 1 covers direct emissions from owned or controlled sources, such as company vehicles.

- Scope 2 covers indirect emissions from the generation of purchased electricity, heating, and cooling consumed by our offices.

- Scope 3 includes all other indirect emissions. The biggest challenge and impact potential lie in the reduction of our footprint in Scope 3 – our products.



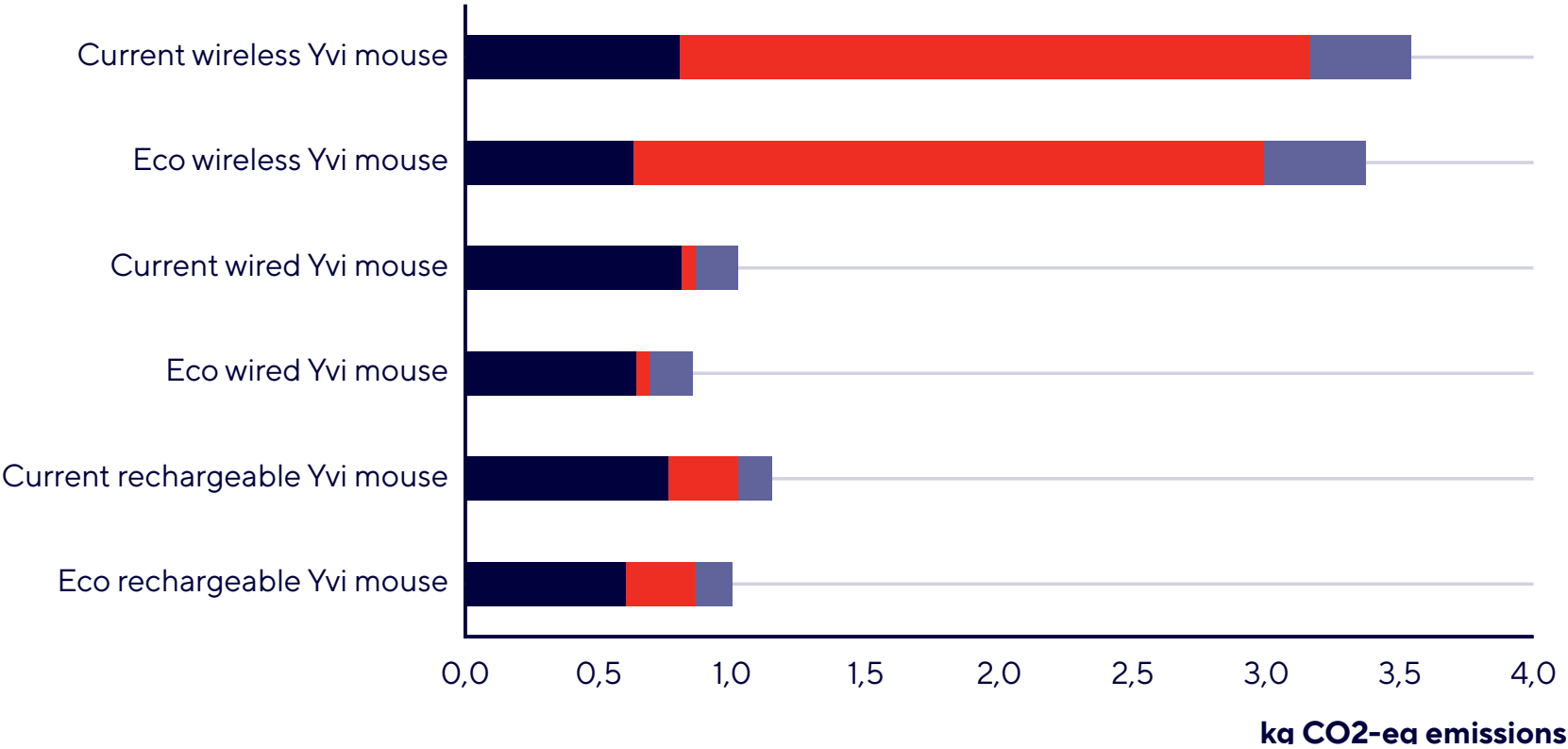
The following norms are used for conducting LCAs: ISO 14040 and ISO 14044. Additionally, EN 50693 is used. This document defines product category rules for electronic and electrical products and systems (EEPS). It specifies the process and requirements for how to conduct life cycle analyses in the context of environmental declarations.

In 2020-2021, we selected Hedgehog Company to help us identify the impact of six potential products: a keyboard, headset, three mice, and a conferencing camera:

Yvi wireless mouse



Preliminary results for the Yvi Mouse



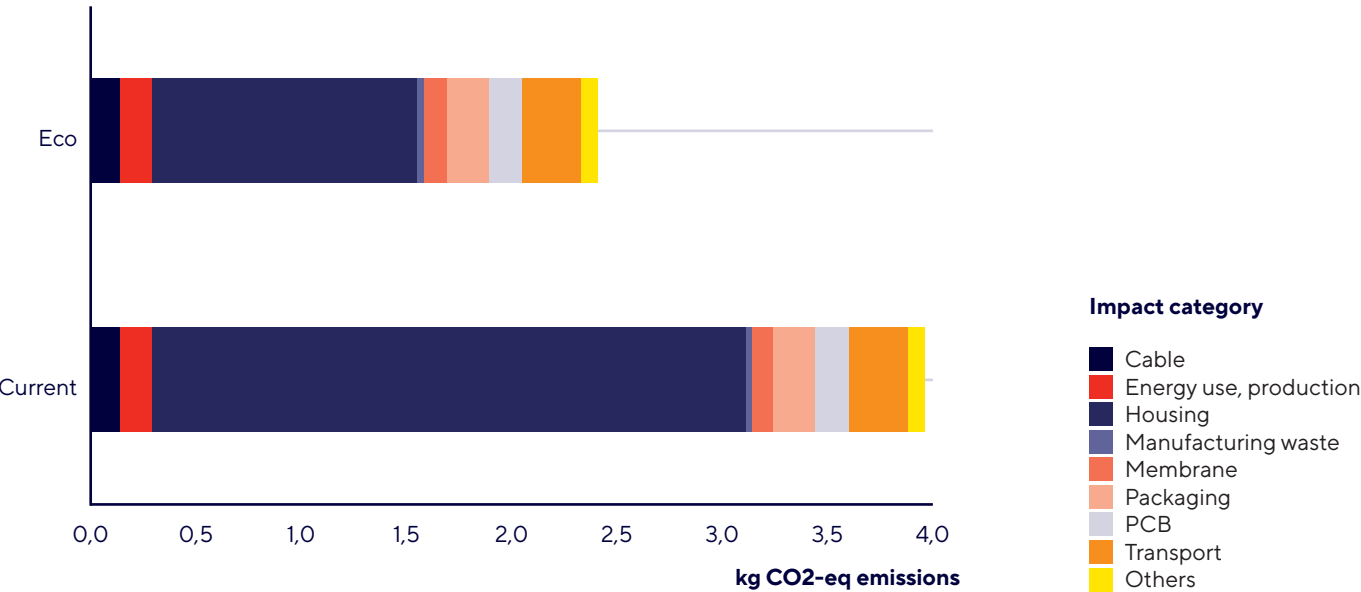
Lifecycle Yvi mouse

- Manufacturing and distribution
- Use
- End-of-life

The wired and rechargeable mouse have a significant lower impact than the wireless version. The batteries needed in the use phase of this rechargeable mouse have the biggest impact on the CO2 emissions. This is also the result of our choice to calculate the impact of the full lifespan of six years, instead of the two year warranty period often used.

Preliminary results: hotspot analysis

- Production:
- The Production phase has the largest impact on the total footprint for USB-powered products. By far, the largest overall impact is from Plastic and PCB.
 - Changing from virgin to Post-Consumer Recycled (PCR) plastic has considerable impact on footprint.
 - Impact from packaging and shipping is relatively small (for small products).
- Use:
- The Use phase has the biggest impact on the total footprint for non-USB powered products.
 - AC-powered products have a large footprint, especially when not optimised.



- End of life:
- ECO packaging contributes to lower end-of-life impact.

Product durability

By extending the useful life of product, the negative environmental impacts created in the manufacture and disposal of that product are spread out over time, helping to reduce the overall impact.

- We have installed a specialised quality team to improve the quality and durability of our products. Several steps were taken:
- All products are tested by our team in the originating country before shipment. We only allow shipment when the quality passes our standards.
 - We have analysed all products in the market that:
 - Have low consumer and/or professional ratings and reviews
 - Have high return rates
 - Are the focus of a high number of calls to the customer care call centre

When we cannot fix the issues and/or meet our customer expectations, we will discontinue the product. We have already done so with many products that received consistently low customer (consumer) ratings and reviews.

- We are improving processes with manufacturing partners. We have discontinued production with manufacturing partners and component suppliers that cannot meet our quality requirements. We will continue to work on quality improvement in collaboration with several quality manufacturing partners.
- When developing new products, we check thoroughly for potential quality issues in the design phase, which we address before entering mass production.

- Results:
- ± 30% fewer defects (July 2019 – July 2021)
 - Average ratings score for Trust products increased from 3,97 in January 2020 to 4,24 in September 2021.

Energy

Battery type and energy efficiency are key factors in the carbon footprint of products. Several steps have been taken to improve in these areas.

Battery types

Using rechargeable batteries instead of disposable batteries offers a significant improvement in carbon footprint by reducing material use and waste, as shown by Life Cycle Analysis.

Trust chooses to use rechargeable batteries over disposable batteries, when possible.

Energy efficiency

AC-powered products have especially strong potential for a large carbon footprint.

Trust has been working toward improving the energy efficiency of our range of laptop chargers. Improving energy efficiency leads to reduced average power use. In practical use, this will result in up to 50% more efficiency. The theoretical savings are calculated at 1200 tonnes of CO2 per year (based on a calculation model using FY2021 sales quantities, an average six-year lifespan, and assumed usage scenarios for business and home use).

For our Smarthome starter kit, we reduced the power used in standby mode.

Office

To take control of our impact on non-product-related emissions (Scope 1 & 2), we partner with Plan A. This platform gives us the opportunity to measure and monitor emissions such as electricity, heating, commuting, business travels, office supplies, vehicle fleets, servers, and hosting.

We visualise emissions in various company areas on our dashboard. This provides us with yearly overviews, which are necessary to develop an understanding of where to cut down on energy consumption or create different solutions. This also encourages us to discuss emissions with partners such as leasing companies and IT. In this way, it encourages general awareness, which may eventually lead to the largest impact. In 2020,

- we initiated a project to improve the sustainability of our offices by creating more employee awareness of contributing to a more sustainable environment. Under this project, we:
- Replaced the single-use plastic plates and cutlery in the office restaurant
 - Minimised food waste in the office restaurant
 - Recycle all coffee cups
 - Replaced all office lighting with LED lights
 - Increased the number of plants in the office
 - Stimulated the reduction of printing. To do so, we introduced an extra process step to confirm the selected prints on the machine, as well as introduced a system for digital invoices. This, in combination with remote work during COVID-19, resulted in a significant printing reduction of 36% in 2020.

Emission cuts from business travel

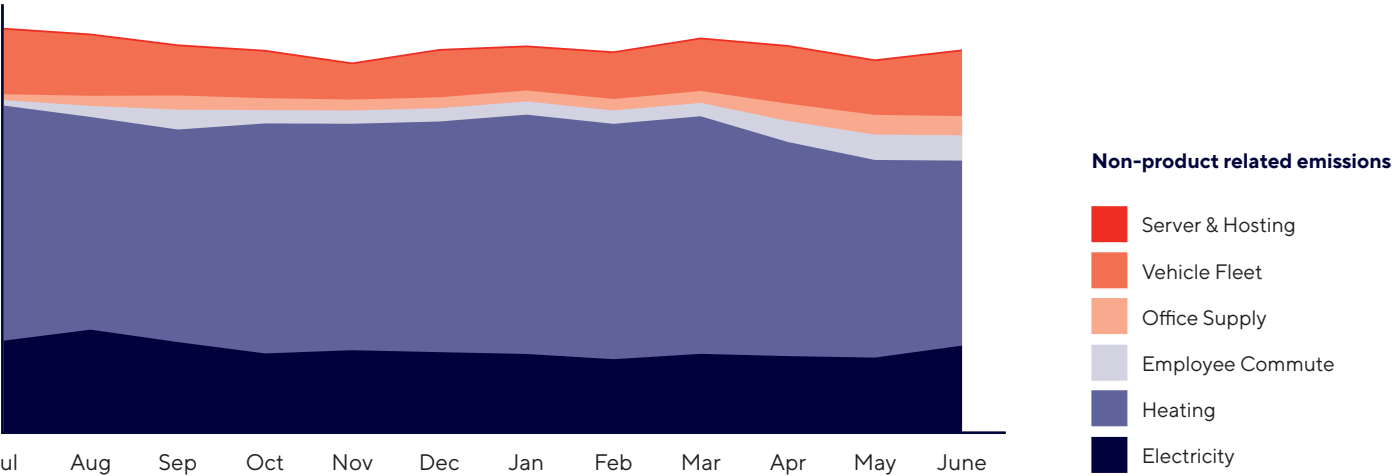
To reduce carbon emissions from employee commute and customer visit transport, several countries, including HQ (the Netherlands), invested in hybrid and fully electric cars and on-site charging infrastructure. We encourage the use of electric vehicles with favourable lease budgets, and have eliminated the diesel engine option in our lease fleet.

However, the largest impact on carbon emissions from business travel will come from the COVID-19 crisis-induced switch to working from home. We expect a substantial part of this reduction to be permanent – by the end of 2021, we estimate that 80% of the workforce will work from home several days each week.

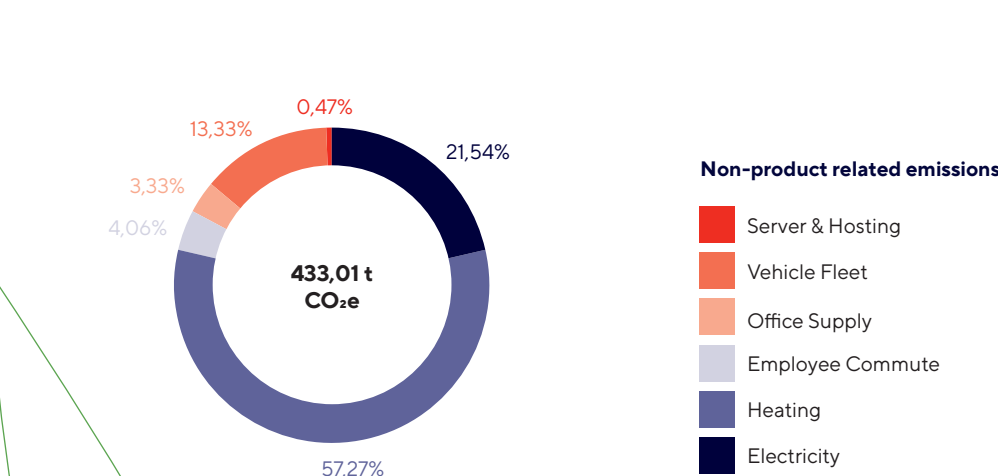
The pandemic has shown that many business trips can be replaced by online meetings.

We aim to reduce business travel emissions by 30% per employee over the next three years (compared to pre-COVID) and we compensate for the CO2 emissions of our flights where possible. Short distances will in most cases be made by train.

Emissions per month in 2020-2021



Emissions per category in 2020-2021



“By creating a working environment full of sustainable measures, we can engage employees in our sustainable ambitions. I am convinced that this will result in more consciousness in their own environment.”



TRUDY MENSEN
Executive assistant / Travel Manager

Our plans for 2021-2022

LCA

After the initial six products, we will increase the scope of the LCA measurements.

We are planning on increasing the scope with a detailed LCA of a product in every major product group. This enables us to calculate the carbon footprint of the total assortment.

Using the results of the first analyses, we will determine the focus areas for improvement. This will be the basis for an improvement plan to minimise the carbon footprint of our products. The footprint that is left will be compensated to reach carbon neutrality.

Eco-design

To ensure that future Trust products have minimal ecological impact, we will implement an eco-design approach to new product development. This approach will include “Design for Sustainability”, “Design for Manufacturing”, “Design for Recyclability” and other industry best practices.

Energy efficiency

In cooperation with energy distributor Enexis, we are developing an affordable smarthome solution that makes it easier to reduce standby consumption effectively.

Office

To engage employees in our sustainability journey, we have plans to implement several green initiatives in our offices:

- Minimising product waste by giving to charity
- Organising ‘plastic pickup’ lunch breaks
- Organising beach clean-up days as team-building activities
- Introducing a bike lease plan
- All company cars electric or hybrid
- Reducing office energy consumption
- Reducing printing paper and introducing recycled FSC paper
- Improving office waste separation
- Calculating and neutralising our carbon footprint.

“If we don’t start to go online with greener products, we are going to start losing consumers.”



SOFIA DALESIO
Marketing Manager, France

Cooperation in the value chain

E-waste and climate change issues can only be solved if the consumer electronics value chain and its stakeholders work together. Cooperation in the value chain is needed to reduce resource usage and CO2 emissions, and shift toward a zero-waste circular economy.

Suppliers

The R&D and purchasing department continued its engagement with suppliers to enhance sustainability awareness and control upstream in the value chain. In 2020-2021 we made good progress in preparing for the manufacturing of products with recycled materials and working to reduce the amount of energy these devices use.

We set up a comprehensive education program for suppliers to explain our goals, show the need and benefits of change, and provide instructions on how to get started.

This has kickstarted the sustainability improvements of our assortment, for which the results will become visible in 2022.

Customers

Trust actively works with customers to ensure that we align our sustainability goals and activities and work together on creative and innovative solutions to reach the common goal of circularity and carbon neutrality.

Industry

When possible, Trust will work with other companies to enable industry-wide progress in sustainability. By sharing knowledge and creating standards and guidelines, we can achieve progress much more quickly. Clear standards and agreements are needed in definitions, communication, certification, and life cycle analyses to ensure quick and real progress and high reliability of eco claims.



People & society: goals and activities

5. People & society

GOALS AND ACTIVITIES

The UN's Sustainable Development Goals have highlighted the crucial value of quality education, decent work, and economic growth for all. To support these goals, we do our utmost to create an environment in which employees of all ages and backgrounds feel safe and can thrive. We protect their physical health and well-being, and encourage their professional and individual growth. Our responsibility goes beyond our own workforce. We are committed to ensure decent working conditions at our manufacturing partners.



Leadership & employee development

What we did in 2020-2021

New management structure/meetings + leadership programme

We started a new management structure and communication on three levels: Leadership Team, Extended Leadership Team and Trust Management Club. With this, we aim to provide clarity and transparency within our management. By starting a leadership programme, we develop every manager in the areas he or she wants or needs to develop. Personal coaching is part of this programme.

Reintroduction of evaluation cycle (appraisal)

Formal assessment was not always done in the past. This has been reintroduced, with the emphatic aim of having regular conversations between employee and manager about performance, as well as how personal matters that can influence work. Setting goals and following up on them is of course part of the cycle, in which everyone is challenged to think about strategy and what they can contribute from their own role.

Communication & culture

Changing culture/ organisation values

In the past few years, the culture within Trust has changed from an owner-dominated and top-down culture to a culture of trust, community, personal responsibility, and initiative. The four organisational values clearly indicate what we stand for: entrepreneurial, empowering, fair, and helpful.

Internal newsletters

In addition to more formal communication from management, we have started an internal newsletter by and for employees. In addition, we introduced a special newsletter regarding working from home in connection to the pandemic.

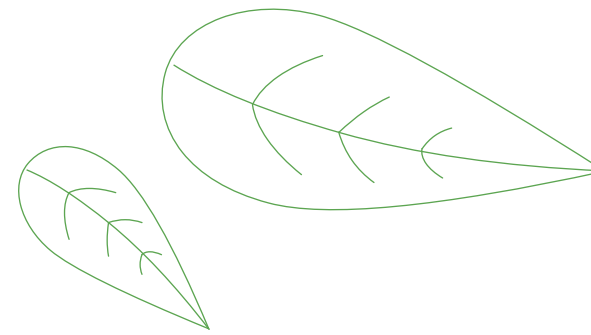
Attention for social interaction (events online and offline)

In 2020-2021, we organised many online social events. From small social moments to larger gatherings, online and offline. This could include an online Christmas party instead of a usual physical celebration, but also completely new events such as a spontaneous in-person BBQ, online coffee with a random colleague, fitness boot camp, gaming, or cooking with colleagues from around the world.

All-employee meeting

We introduced a quarterly online all-employee meeting, during which we will share all plans and results. This contributes to transparency and engagement.





“Throughout 2020-2021, COVID-19 has had a profound impact on people’s lives and caused major disruption to the global economy. A COVID taskforce was set up to ensure the safety and well-being of employees and to mitigate the negative impact of the outbreak.”



WOUTER DOLLE
HR Director

Health & safety

Trust is committed to providing a safe and healthy working environment for its employees.

Working from home

As health and safety always come first, our employees quickly switched to remote working at the start of the pandemic. We made sure all employees were able to work remotely, with all the necessary tools, technology, and budget to create a suitable home-working environment. For those unable to work from home due to personal circumstances, we provided a safe workplace at the offices.

We are currently working toward a new and permanent situation in which employees work on average 50% from home and 50% in the office.

Lifeguard programme

We started the ‘lifeguard programme’ for all employees. The central theme of this programme is delivering a good performance in challenging times. It focuses on how you can manage your energy and influence your own well-being. Training with personal coaching is also part of the programme.

Healthy workplace

- We offer all employees a medical examination for preventing sickness.
- Information on setting up a healthy workplace is being provided and prevention officers are available to help.



Ethics & compliance

We want to show integrity in everything we do. We help employees and suppliers understand our ethical commitments and encourage positive behaviour. With this in mind, we have created a Code of Conduct for employees, as well as one for suppliers.

Employee Code of Conduct

Trust has an employee Code of Conduct focusing on prevention or minimisation of psychosocial work strain, including sexual harassment, intimidation, discrimination, and aggression. If anyone should be confronted with unwanted behaviour, they can at any time file a complaint with their internal or external confidant.

Supplier Code of Conduct

Our Supplier Code of Conduct is shared with all suppliers as part of the supplier onboarding and training. It is embedded as a contractual condition of doing business. It outlines environmental-, labour-, and governance-related requirements with which suppliers must comply. We develop suppliers with training and capability-building initiatives, as well as audit them for

compliance. Compliance with our Code of Conduct and quality control measures is mandatory. Non-compliance may result in the termination of our business relationship.

In fiscal year 2020-2021 we carried out 45 audits, both before and during (no fewer than once every three years) business relations:

- Five potential suppliers didn't pass our audit; therefore, we will no longer do business with them.
- Four ongoing suppliers did not pass the audit. We will phase out contracts with these parties.

Compliance

The compliance department identifies and manages regulatory risks on an ongoing basis, based on a yearly compliance cycle.

During 2021 Trust implemented an Antitrust policy and trained personnel on the topic. A Know Your Customer (KYC) policy and tooling was implemented in 2021 to monitor our relations on sanctions legislation, money laundering and negative reputation.

Equality & diversity

To us, equality means ensuring that every individual has an equal opportunity to be successful in the company and can make the most of the talent he or she has. The basis is that we treat everyone equally in equal situations, but we also dare to deviate from this to create equal opportunities.

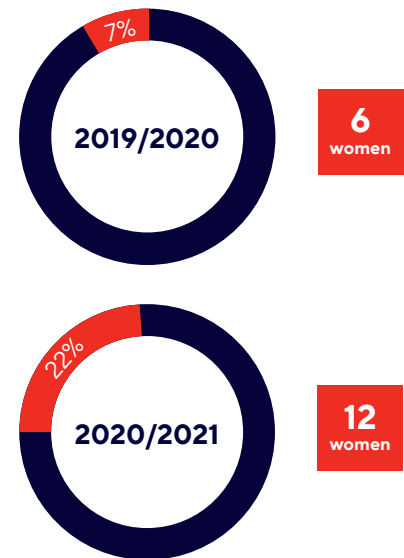
Trust is committed to equality, diversity, and inclusion for employees, customers, and suppliers in every area of our work. We believe that diverse teams and organisations are more resilient, creative, and efficient.

The consumer electronics industry has been dominated by male management. So has Trust.

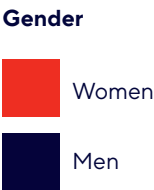
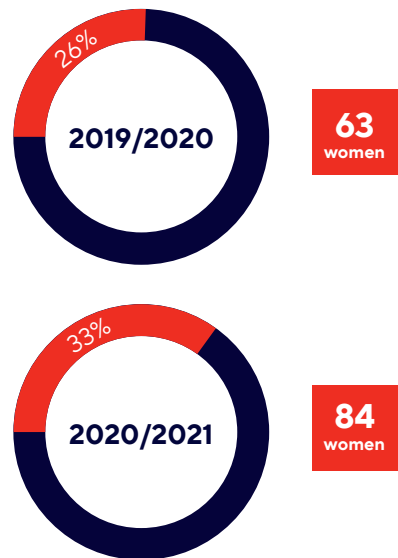
In 2020-2021 we hired more women, especially for management positions. This resulted in a 15% increase of women on the Trust Managers Club.

We strive to create teams with people from various backgrounds, reflecting society and the labour market.

Trust Managers Club



Total workforce



Giving back

Giving back is important to Trust. Many people enjoy the benefit of giving, making connections, and the satisfaction of making the world a better place.

Trust finds it important that all employees are offered an opportunity to carry out voluntary work. Consequently, Trust employees are given one paid day a year as a 'voluntary work leave-day' to carry out voluntary work for approved charities or non-profit organisations.

We allow employees and customers to select charities to receive our company's donations.

What we did in 2020-2021

Last December, instead of a Christmas box, we gave our employees the possibility to give back. Because the year had been very successful for Trust, we wanted to give part of this to charity. Our employees could each select one of several organisations that help the communities of which we are a part: Plastic Soup Foundation, Voedselbank Dordrecht, Stichting het Vergeten Kind, Linda Foundation, Oranjefonds, and KWF.

In 2021 Trust took part in the Harbour Run in Rotterdam for the second time.

Twenty sporty Trust colleagues helped each other over the very difficult course including enormous obstacles. Part of the proceeds of the Harbor Run will go to 'Friends of the Sophia Foundation',

which ensures that Trust is happy to pay the registration fee for all Trust participants.

Our plans for 2021-2022

- A leadership plan is being developed; we have allocated budget for training and development.
- We aim to organise an all-employee event during which we can physically meet, connect, and work on involvement with the organisation. This will also have a large positive impact on the 'S' of ESG.
- To encourage and/or protect third parties and employees in speaking up when they encounter behaviour in the workplace that is unethical, illegal, or goes against our Code of Conduct, we are working on a whistleblowing policy.
- We will introduce a job classification system and salary system for the Netherlands.
- Another 33 supplier audits will be completed, with assessments on environmental-, labour-, and governance-related requirements.
- At the end of 2021 we introduce an internal Clevergreen blog in which our Leadership Team Takes employees along on our ESG journey and provides them with insight into developments that affect us.
- We will continue to focus on diversity in a broader sense – and therefore also on the male-female ratio. We will continue recruiting and empowering women for leading roles.
- Early October 2021, the 30th Roparun took

place. It is a relay run of more than 300 kilometres in which teams of people participate to raise money for people with cancer. Trust contributed at no benefit to this by the development and donation of a unique 'limited edition' Trust Roparun Powerbank for all who donated more than €20 to Roparun.

Trust and the Roparun team – the Goeree Overflakkee Runners – joined forces to sell this powerbank, which resulted in a €1,000+ donation for charity.



About this report

AMBITION

Our ambition is to initiate and further intensify the dialogue with retailers, consumers, manufacturing partners, employees, and other stakeholders on how Trust can play its part. This report aims to facilitate this dialogue by clearly stating our ambitions, actions, progress, and challenges.

Any questions or suggestions that might arise from reading this report can be shared with:

sustainability@trust.com

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