



# 2021

## SUSTAINABILITY REPORT

*Our journey to 'GROWING TOGETHER'*

# ABOUT THIS SUSTAINABILITY **REPORT**

We are proud to present the premier Sustainability Report for Royal Peterson Control Union Group B.V. (RPCU). In this Sustainability Report for 2021, we are, for the first time providing comprehensive information on our environmental and social performance. We also give insights into how RPCU integrates sustainability into our corporate activities.

The publication of our 2021 Sustainability Report is an important milestone in our organization, especially as we are being intentional about including sustainability management in our organizational strategy. In this report, we disclose where we currently stand and the goals we aspire to fulfil.

We also provide information under the pillars that make up our overarching sustainability strategy. These pillars are: our environment, our people & society, and corporate governance. This report has been compiled in close collaboration with all responsible business units and central functional

teams within the RPCU group. By compiling content related to our most important issues in accordance with a standard framework, we have created a clear structure in the chapters of this report.

This report was created in accordance with the Global Reporting Initiative (GRI) standards and reports on all activities within the different business entities in the group, regardless of their geographical location. The reporting period is from 1st January to 31st December 2021. In our first report, we have also included content from previous years to provide information on particular developments. Henceforth, this report will be published once a year, reporting on our goals and achievements from the previous year.

*For inquiries based on this report, please contact:  
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JOHAN **MARIS**

*CEO,  
Royal Peterson and Control Union Group*

## STATEMENT FROM THE **CEO**

We are pleased to share with you our first sustainability report.

Taking care of our people, our clients and the communities we operate in is part of our DNA. Each day we actively consult with thousands of clients who share our ambitions to support a more sustainable world. It is for these reasons that in preparing this report we had no difficulty finding many good practices that were initiated by our people, often in cooperation with external NGOs, in the countries where we operate. This report provides an overview of the many initiatives that we have started.

We also realise that we must set global targets for ourselves and to be accountable for those, while also supporting the local initiatives that our colleagues have developed.

We have agreed on our global priorities and established a team to develop the policies that will help us reduce our carbon footprint by stimulating energy-saving investments, as well as working together, at scale, on carbon offsetting projects.

In the coming years, you will see our sustainable report moving from a reporting format to an accountable format, where we will give you an annual update on where we stand with regards to our targets. We realise that we all play a role in our shared global future and as Royal Peterson and Control Union and we are eager to create a better world for the next generation.

Thanks

**Johan Maris**  
CEO, Royal Peterson and Control Union



## OUR VISION

We take pride in our customer focus, making our partners' purpose our business. We work with integrity, committed to safety and transparency, offering long-term sustainable and innovative solutions.

## OUR MISSION

'We build a better tomorrow with our partners. Together we take the next step towards a more sustainable, more efficient and safer world.'

## OUR VALUES



**INTEGRITY:** We are a family company, with trust as our biggest value, so we act and swear by honesty, making responsible and respectful decisions.



**ENTREPRENEURSHIP:** Every step we and our partners take, is a step forward. To help them overcome their ongoing challenges.



**SAFETY:** We are committed to keeping ourselves, our colleagues, our partners, and communities safe.



**LONG-TERM VIEW:** We think long-term and keep an adaptive mindset, focused on growing sustainably and assisting our partners on their way towards a sustainable future.



**CUSTOMER FOCUS:** Our customers are the reason for our existence. Their success is our success, delivering the highest level of service quality and experience is our focus.



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CORPORATE GOVERNANCE

4

OUR PEOPLE  
& SOCIETY

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OUR ENVIRONMENT

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OUR APPROACH TO  
SUSTAINABILITY

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RPCU AT A GLANCE

01

## RPCU AT A **GLANCE**



WHO WE ARE

OUR BUSINESSES

KEY MARKETS

CORPORATE STRUCTURE



*In 2020, Peterson and Control Union celebrated 100 years of successfully being in business and making a difference in the world.*

*We were awarded Royal Designation from Dutch Monarch, King Willem-Alexander, to mark this achievement, and have since been known as Royal Peterson Control Union Group B.V.*

## WHO WE ARE

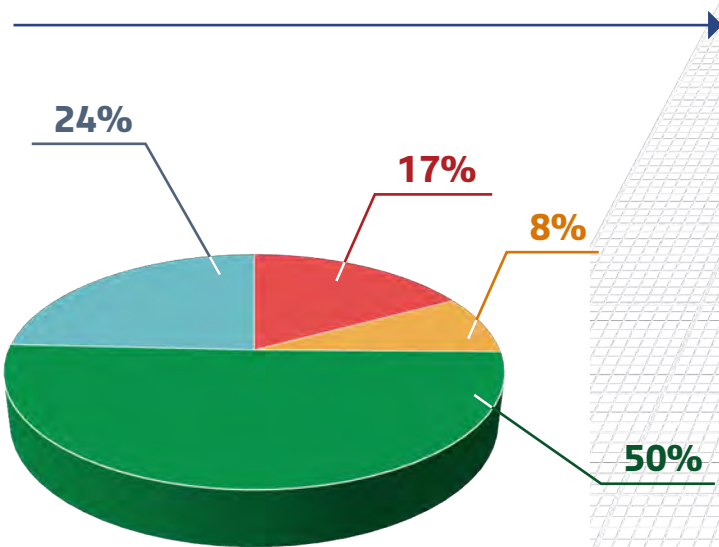
We are a family-owned, limited liability company established in 1920. Royal Peterson Control Union Group B.V. (RPCU) was initially set up as an inspection company for grain that was traded and transported on the rivers and canals of the Netherlands. Headquartered in Rotterdam, Netherlands, RPCU has since grown to become a global expert for risk management and logistics solutions. With a presence in more than 70 countries, over 5000 employees, and an international network of offices, operations and laboratories, we are well equipped to offer our customers a full range of services.

RPCU is a service provider operating in the global TIC (Testing, Inspection, Certification) market. The services we offer include logistics, inspections, certifications, advisory services and collateral management. We are a trusted partner for setting targets and providing assistance with the development and implementation of sustainability principles throughout the entire supply chain. We continue to provide custom-made integrated solutions and support for private companies, public bodies, industry, and consumer goods.

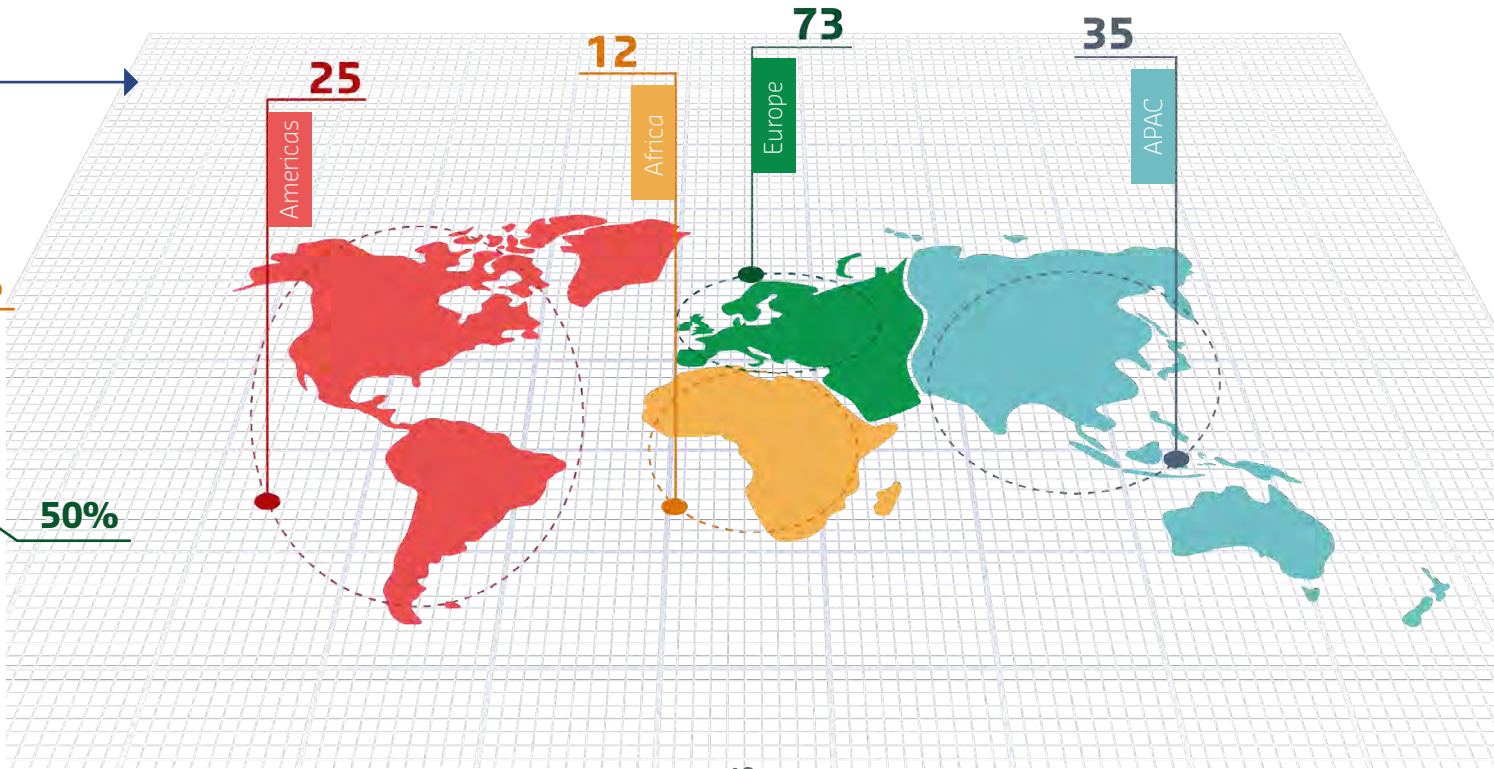
RPCU is committed to using innovative thinking – supported by our core values – to respond to increasing requirements for sustainable business and to add value to our clients’ activities. As a forward-thinking organization with a deep understanding of the critical nature of the industries that our clients operate in, we are committed to providing top-quality service using state-of-the-art technology, expert techniques and well-trained personnel suitable to the evolving needs of our customers.

Royal designation is a distinction that can be granted to companies to symbolise the respect, appreciation and trust towards the recipient. The history and current activities of Peterson and Control Union, specifically in relation to social, financial, fiscal, managerial and ethical behaviours, were verified as part of the process of awarding Royal designation. This is a testament to the integrity with which we have carried out our activities over the years.

NUMBER OF  
OPERATIONAL OFFICES



OPERATIONS AS PER  
VARIOUS REGIONS



COMPANY  
FOUNDED IN  
**1920**

COUNTRIES WITH  
ACTIVE PRESENCE  
**>70**

NUMBER OF  
EMPLOYEES  
**>5,000**

NUMBER OF  
OPERATIONAL OFFICES  
**145**

NUMBER OF  
ACCREDITED OFFICES  
**128**

# OUR **BUSINESSES**

Operating in more than 70 countries, Royal Peterson and Control Union offers the complete range of tailored activities and services to suit the supply and value chain requirements of our customers across a broad cross section of industries. Here is a brief overview:



## ACADEMY

*Providing standard and customized training courses within the context of relevant sustainability topics, both online and in person.*



## CERTIFICATIONS

*Conducting audits (online and on-site) on industry related sustainability topics and issuing a certificate upon proven suitability.*



## COLLATERAL SERVICES

*Monitoring of (bulk) products and storage according to fixed protocols in the field of quantities (inbound and outbound), quality, temperature, etc. upon customer request.*



## COMMODITY INSPECTIONS

*Assessing and monitoring (bulk) products and storage according to established protocols in terms of quantities, quality, temperature, etc., upon customer request.*



## COMMODITY LOGISTICS

*Organizing, supervising and carrying out logistics of (bulk) goods.*



## ENERGY LOGISTICS

*Organizing and supervising logistics of (bulk) goods in the energy sector.*



## INDUSTRIAL INSPECTIONS

*The objective and impartial assessment and testing of technical installations and components in accordance with set protocols, on location and on our own test locations.*



## LABORATORIES

*Analyzing products using chemical, microbiological, PCR and DNA techniques.*



## PROJECTS & SOLUTIONS

*Developing, implementing and executing sustainability-related programmes such as ESG strategy and reporting, GHG accounting, and carbon / water / plastic foot printing.*



## PROCUREMENT

*Procurement services; Case studies; Warehouse services; Data analysis; Supply chain optimization, specialized in the Energy sector.*



## PEST MANAGEMENT (ECO2)

*Execution of treatments for agriculture products on site and in own pest control installations / locations.*



## RECRUITMENT

*Recruitment and selection of employees for the oil and gas, decommissioning, renewables sector.*



## KEY MARKETS

Our teams possess in-depth knowledge and experience that cover all aspects of the supply chain in many industries. While we employ a market outlook that is global to reinforce association with our international client base, our service delivery is local.



# CORPORATE **STRUCTURE**

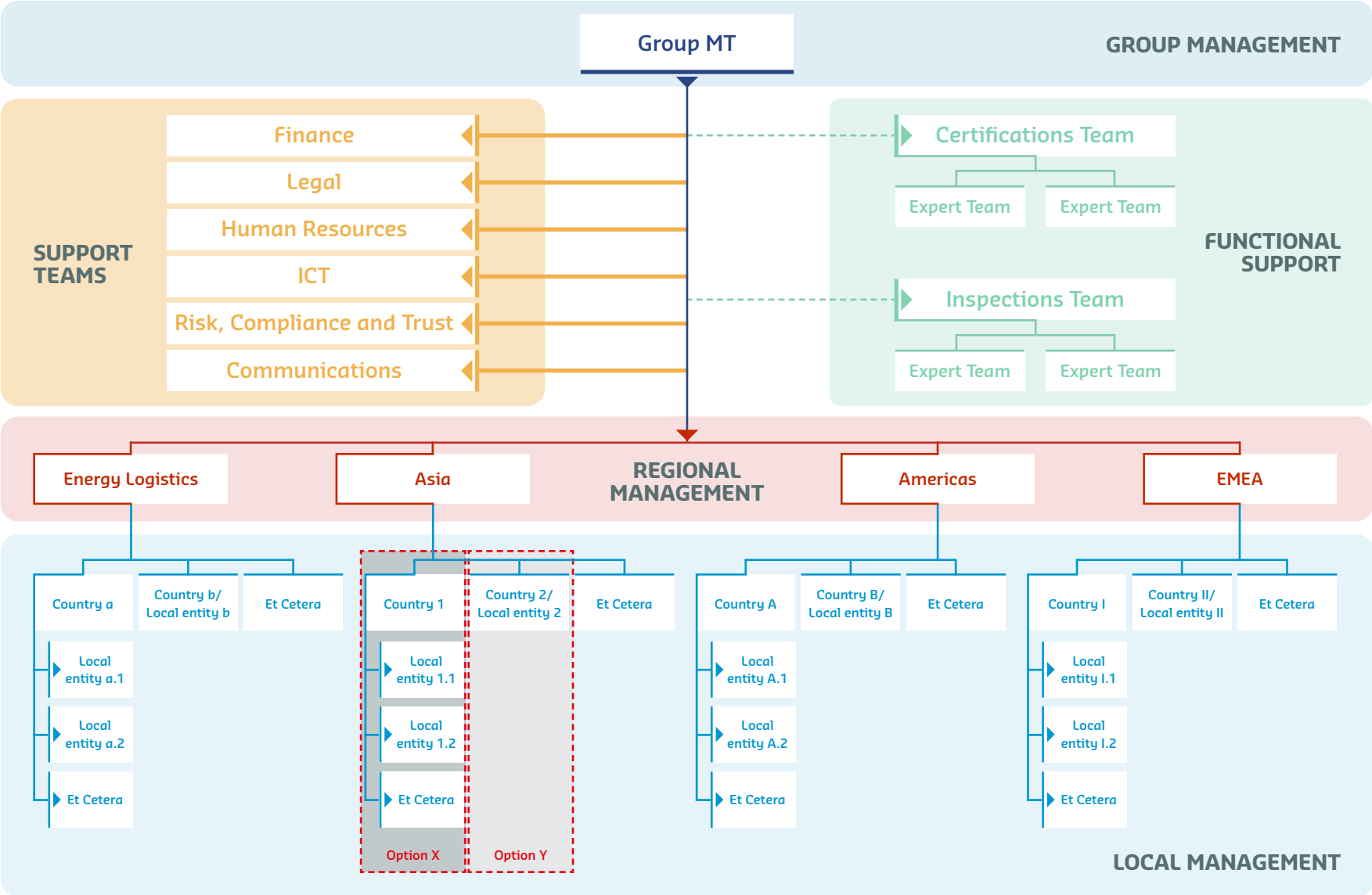
RPCU is a decentralized organization. Within the framework of the RPCU Management System, individual companies in the group are responsible and accountable for their business performance and entrepreneurship. Multiple management teams are operational within RPCU and are described in detail in the organizational quality manual.

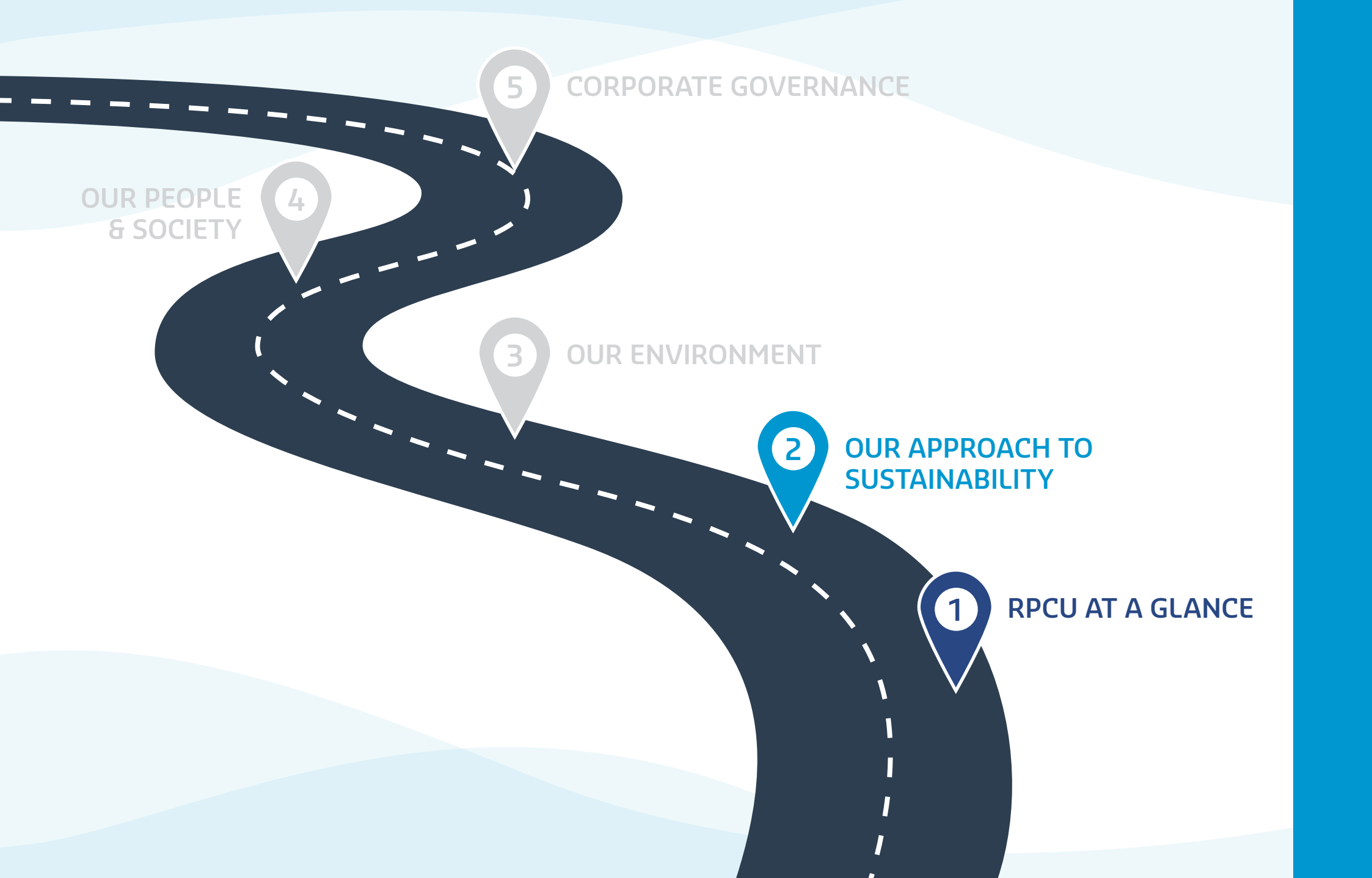
There are several teams active for clusters of services and/or subjects. These are RPCU functional teams and they align on the current needs and cooperate on marketing, service development, staff requirements, operational aspects and internal coordination.

In countries where multiple legal entities exist, country teams are formed. This is depicted in option X. In countries with only one legal entity, the managing director reports directly to the regional management, as depicted in option Y.

In the last few years, we changed our structure from a divisional to regional one. With some divisions growing considerably and others lagging behind, the line management decided that this change will result in more uniform growth across regions.







# 02

## OUR APPROACH TO **SUSTAINABILITY**



DARE TO CARE

SUSTAINABILITY GOVERNANCE

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

ENGAGING OUR STAKEHOLDERS

MATERIALITY ASSESSMENT

*The transition to a sustainable society presents both an urgent challenge and an incredible opportunity for us to work to build a better future for all. As a global organization, we recognize the responsibility we have towards our stakeholders and the larger society to improve upon our sustainability performance. Our resolve at RPCU is to begin this journey with a clear spotlight on our environment, our people and the communities that allow us the opportunity to thrive.*

# DARE TO CARE

The Dare to Care policy is RPCU’s overarching sustainability strategy. In 2021, we identified the need to revamp and expand the policy to identify and address key issues related to environmental, social and governance challenges that are material to RPCU as a group and our stakeholders. Under the 2022 Dare to Care policy, the group is committed to sustainable development in the key areas below:

### PEOPLE

Continuously create an inclusive, safe and supportive work environment for all our people



### CORPORATE GOVERNANCE

Preserve the transparency and integrity of our corporate governance



### ENVIRONMENT

Minimize, as much as possible, the negative environmental impact of our business



### SOCIETY

Play a proactive role in the sustainable development of our society with countless forms of engagement



# KEY ROLE:

identify issues most material to their specific locations, operations, stakeholders, communities and local economies

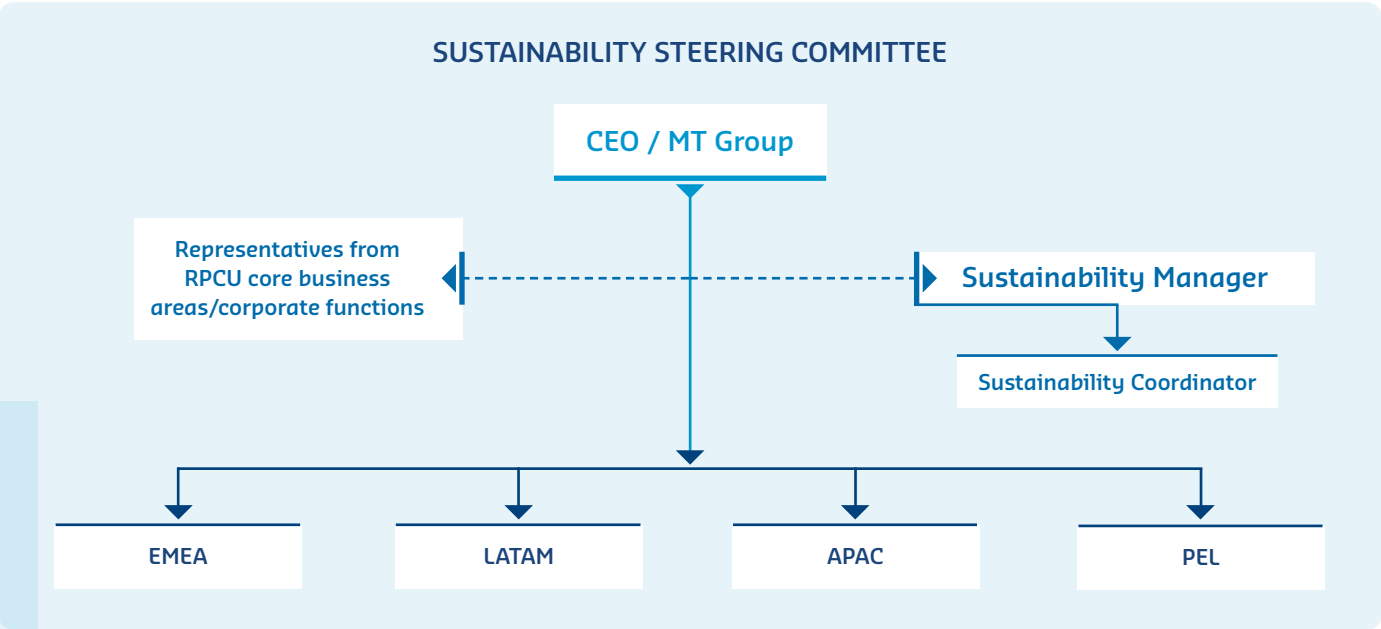
devise KPIs, roadmaps, targets, action plans and initiatives relevant to their local context

actively engage their team members, clients and other stakeholders where relevant in rolling-out their local sustainability initiatives

capture ESG-related data in a consistent, streamlined and verifiable manner for reporting at the group-wide level.

## SUSTAINABILITY GOVERNANCE

Sustainability governance is integrated into the overarching management structure at RPCU. Oversight of RPCU’s ESG strategy and sustainability agenda is led by the newly formed Sustainability Steering Committee, comprising members drawn from each of the group’s core corporate functions (communications, finance, HR, ICT, legal and RCT) and key commercial / business streams (inspection, certification, energy logistics, projects and solutions, etc) – with representation from all regions. The committee’s key role is to progressively embed sustainability into our strategy and operations.



# SUSTAINABLE DEVELOPMENT GOALS (SDGs)

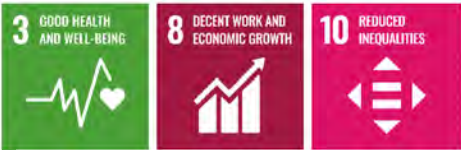
The SDGs, which are made up of 17 goals and 169 targets, call for collaboration of stakeholders, including active roles from private companies in achieving these goals.

RPCU recognizes the importance of all SDGs in promoting prosperity and protecting the planet. In particular – given our current activities and our ambitions – we will channel our efforts towards eight (8) of the SDGs most relevant to our material issues. The selected SDGs, and our corresponding commitments, are outlined below:



**Commitments:**

We are determined to contribute towards climate protection and resource conservation. This means identifying and implementing measures to progressively reduce our environmental / ecological footprint.



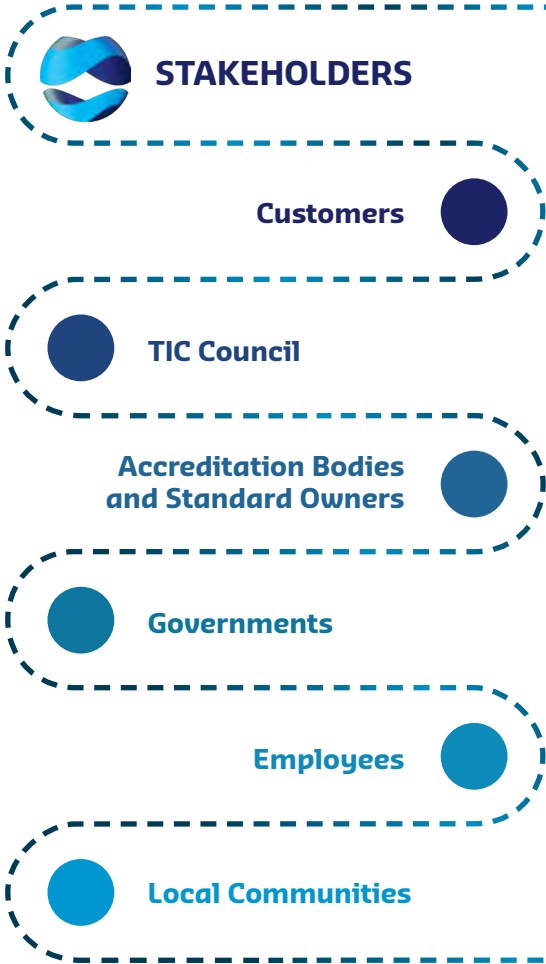
**Commitments:**

We are committed to continuously creating an inclusive, safe and supportive work environment for all our people regardless of their age, gender or gender orientation, sexual orientation, relationship or family status, disability, race, ethnicity, nationality, or religious and political belief. We also recognize and appreciate how instrumental our employees are in the success of our business and strive to continuously invest in their development.



**Commitments:**

We are committed to continuously adapting our services towards the progressive use of technology and knowledge, engaging with new technologies, and developing new and innovative services.



# ENGAGING OUR **STAKEHOLDERS**

At RPCU, we appreciate and value the views and opinions of people and organizations that we work with, work for or that we have an impact on due to our activities. These are our stakeholders. Thus, we are committed to continuously engaging with them and to fully respect their opinions regarding the issues that are important to them.

We find that regular dialogue with our internal and external stakeholder groups keeps us motivated and helps us understand, prioritize and where necessary evolve our business activities. We have identified the following as our key stakeholder groups:

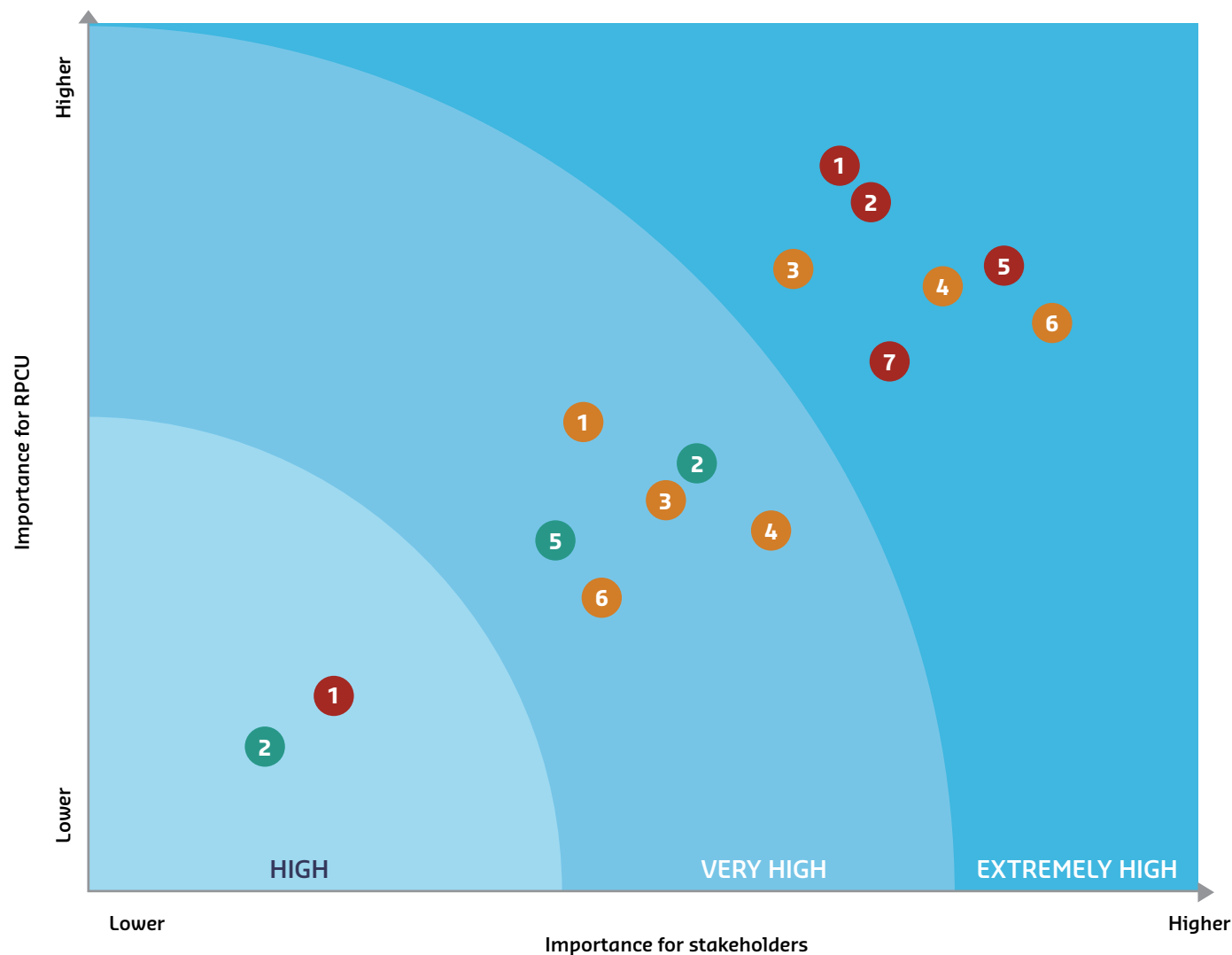
Who	How	What
Customers	Surveys, webinars, meetings, advisory councils, training	Sustainability practices, inform on market changes, update on business activities, feedback for improvement upon our services
TIC Council	Council meetings, committee membership	Compliance requirements, sector updates
Accreditation Bodies and Standard Owners	Annual meetings, electronic media, focus groups	Improvement of standards, clarifying interpretations
Governments	Meetings and engagements, on-going dialogues	Maintaining licenses, sustainability policies and their implementation (e.g. energy transition)
Employees	Surveys, day-to-day interactions, team meetings, group wide events, electronic mail	Organizational initiatives, yearly appraisals, business updates
Local Communities	Membership of regional organizations, sponsorships	Socio-economic relations, CSR

# MATERIALITY **ASSESSMENT**

In 2021, we conducted a materiality assessment to identify the extent to which current views and emerging ESG topics are being addressed by RPCU. The assessment, in the form of a stakeholder survey delivers a broad picture of the opinions of our employees and company executives on a number of ESG topics and their corresponding importance to each of them.

The materiality assessment specifically considered topics that are consistent with areas typically under the umbrella of ESG, corporate responsibility and sustainability as a whole. The assessment further analysed data and information from a variety of internal and external sources to ensure that all potential topics were considered and captured.

We recognize that sustainability topics continue to evolve, and stakeholders have the right to prioritize ESG topics differently than before as they emerge. Moving forward, we fully intend to engage with an even larger pool of stakeholder groups on an annual basis to capture what sustainability topics they prioritize in that moment.



#### EXTREMELY HIGH

- 1 Corporate ethics and good governance
- 2 Good and responsible investment
- 3 Health and safety
- 4 Equality for all
- 5 Cyber security and data protection
- 6 Ensure good labour rights
- 7 Prevent conflict of interest

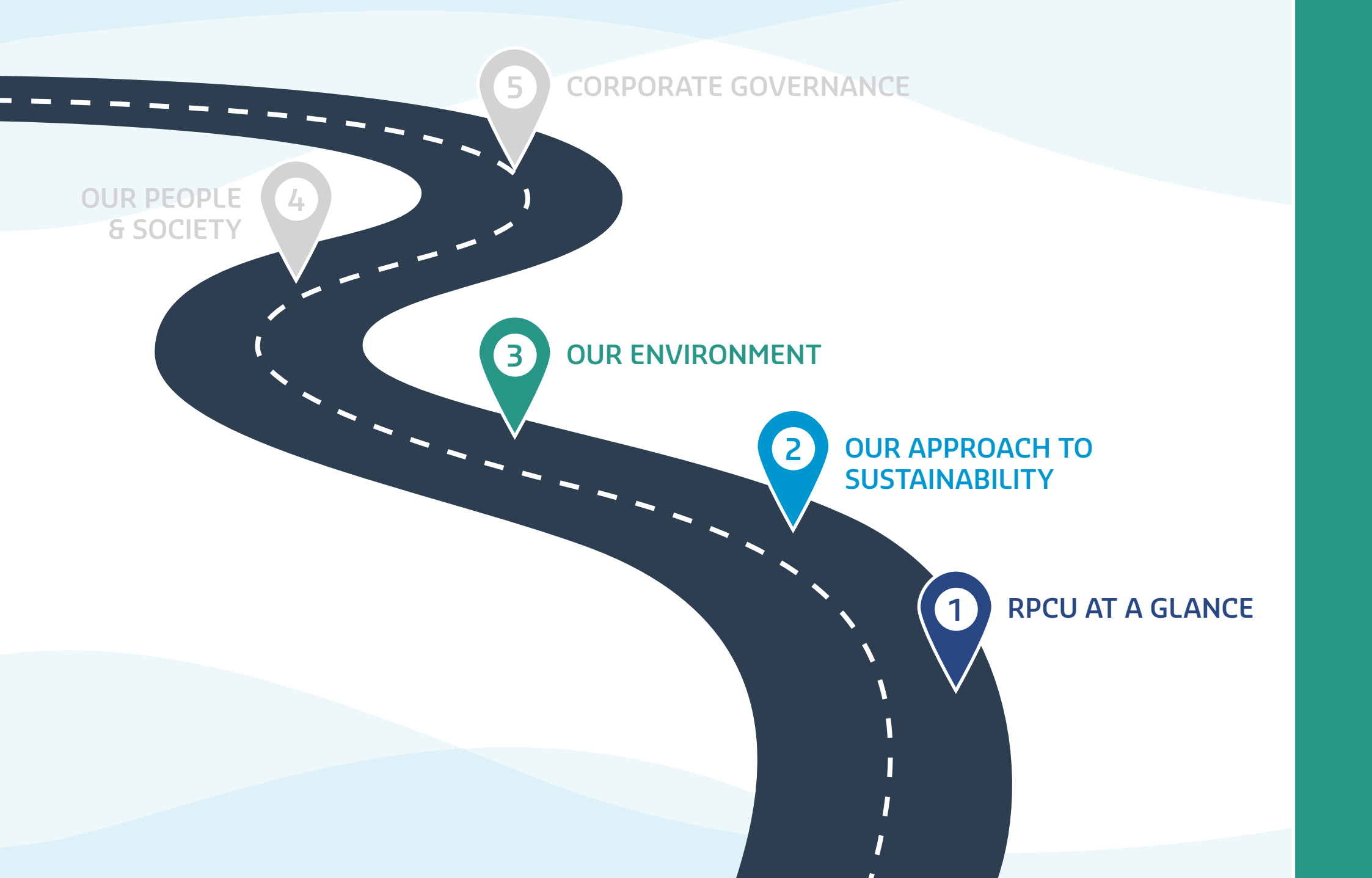
#### VERY HIGH

- 1 Promote innovation
- 2 Responsible use of energy
- 3 Training and skill development
- 4 Promote diversity and inclusion
- 5 Reduce GHG emissions from (direct) operations
- 6 Employee attraction and retention

#### HIGH

- 1 Show and implement accountability
- 2 Promote and protect biodiversity

- Corporate Governance
- Our People & Society
- Our Environment



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RPCU AT A GLANCE

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OUR ENVIRONMENT

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& SOCIETY

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CORPORATE GOVERNANCE

03

## OUR **ENVIRONMENT**



GREENHOUSE GAS (GHG) EMISSIONS

ENERGY EFFICIENCY

BIODIVERSITY PROTECTION

ENCOURAGING RESPONSIBLE USE OF RESOURCES

*RPCU is a service organization. We support our customers to drive progress in the environment and climate as a whole, in line with their corporate commitments. At the same time, we strive to minimize, as much as possible, negative environmental impact of our business. We are still determined to contribute toward climate and resource protection and to conduct our business in an environmentally responsible manner.*

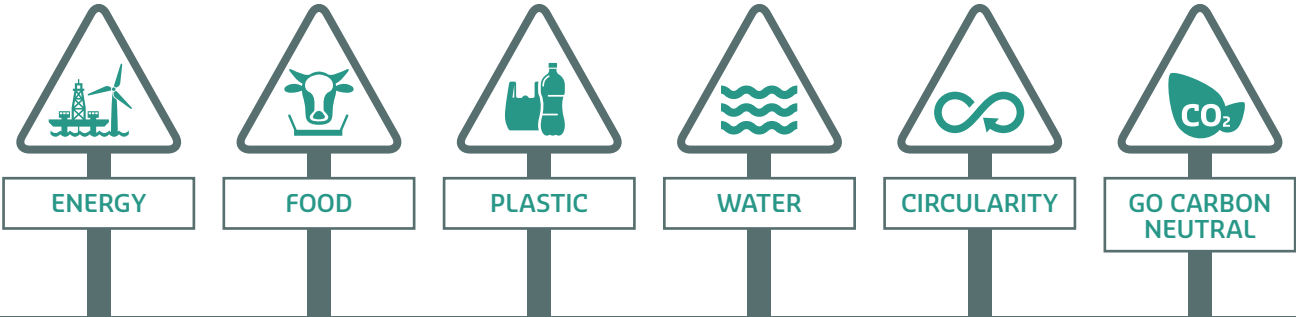
# GREENHOUSE GAS (GHG) EMISSIONS

We recognise that we need to play our part in the transition to a low-carbon economy. To make real change happen, we believe all our people need to take ownership of their carbon footprint and be empowered and inspired to take ambitious actions to reduce it.

## CARBON FOOTPRINT CHALLENGE

We completed a groupwide 40-day footprint challenge. The purpose was to shape our personal focus on sustainability and demonstrate how we commit ourselves to achieve sustainability goals in the same way we support our clients to reach theirs.

The Footprint Challenge covered several themes- energy, food, plastic, water, circularity and “go carbon neutral” – with a new one each week. During the challenge, colleagues were asked to undertake a number of actions corresponding to the theme of the week. They received regular tips, coaching and inspiration along the way. Colleagues worked in teams and attempted to get the best results in terms of making positive impact on the environment. At the end of the footprint challenge, winners were rewarded with sustainable prizes.



THE MOST IMPORTANT REWARD WAS THE IMPACT REGISTERED AT THE END OF THE 40-DAY CHALLENGE:

PARTICIPANTS



REGIONS  
**5**



COUNTRIES  
**34**



TEAMS  
**65**

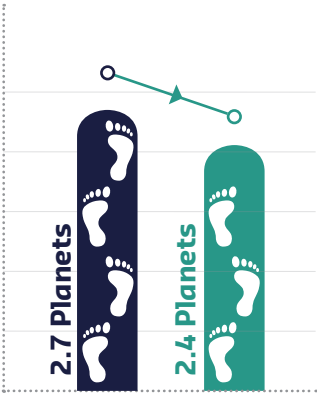


PEOPLE  
**466**

On average, each team achieved a footprint reduction equivalent from 4.63 hectares (2.7 planets) down to 4.11 hectares (2.4 planets).

That is an average reduction of 5,249 m<sup>2</sup> which also translates to an 11% reduction per person.

In total, all participants together achieved a footprint reduction equivalent to the size of 164.8 hectares, or around 230 soccer fields.



AVERAGE FOOTPRINT REDUCTION



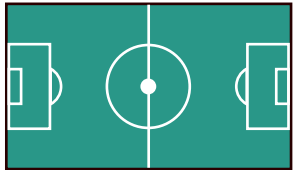
**11%**

OR

**5,249 m<sup>2</sup>**

AVERAGE REDUCTION PER PERSON

**230 soccer fields**



OR

**164.8 hectares**

TOTAL FOOTPRINT REDUCTION

# THE RACE TO ZERO: PETERSON ENERGY LOGISTICS CASE STUDY

Peterson Energy Logistics has defined its aim to reduce operational impact from their scope one<sup>1</sup> and scope two emissions on the environment as 'Goal Zero'. Specific targets have been defined for all 27 sites across seven countries. We aim<sup>2</sup> towards:

- Reduce CO<sub>2</sub> emissions in line with the Paris Climate Agreement
- Achieve carbon neutrality according to the PAS2060 scheme by the end of 2022
- Achieve Net Zero by 2025

So far, six of Peterson Energy Logistics' sites located in Scotland and the Middle East have been verified as carbon neutral under the PAS 2060 accreditation scheme. These include the Edzell facility, Torry Marine Base, Altens, Kintore, Dales Base and Qatar operations. This brings Peterson Energy Logistics closer to its commitment of achieving carbon neutrality across all 27 sites by the end of 2022.<sup>3</sup>

1. Excluding refrigerants

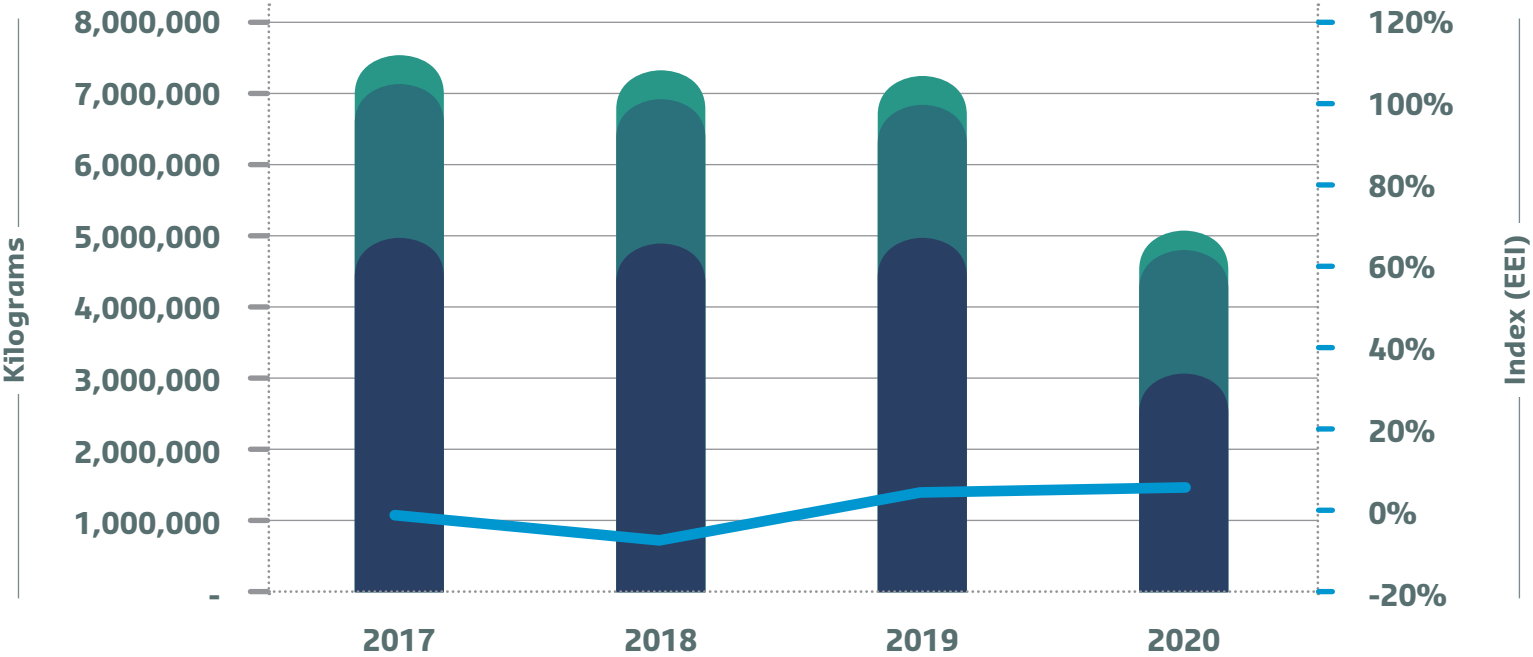
2. Peterson Energy Logistics established 2017 as their baseline year, thus all emission reductions are in comparison to the figures of 2017





3. 2021 data is excluded in this version of report and will be available in 3 quarter of 2022.

4. CO<sub>2</sub>eI is Relative CO<sub>2</sub> efficiency index



# PETERSON ENERGY LOGISTICS - CO<sub>2</sub> eq EMISSIONS (KG) BY SOURCE



	GAS	358,573	412,621	320,661	254,646
	ELECTRIC	2,223,885	2,012,737	2,016,697	1,754,527
	DIESEL	4,967,740	4,914,404	4,952,148	3,067,356
	INDEX (CO <sub>2</sub> eEI) <sup>4</sup>	0%	-5.59%	4.45%	6%

*"I always love to participate in activities related to nature. By participating, I try to share an important message to others that we are here because of our mother earth. I believe everyone should be aware of environmental issues and try to help by making small changes in how they live in balance with nature"*

**- Monika Siddhu, CU India**

### PAWPRINT

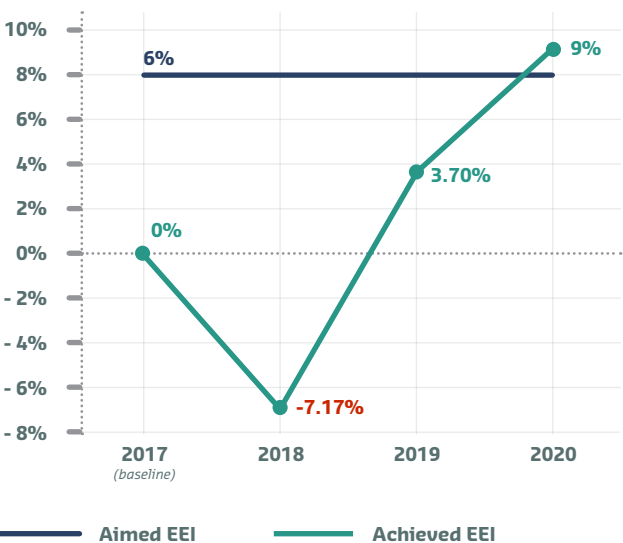
Pawprint is a tool that allows individuals to take control of their carbon footprint by making and tracking a number of lifestyle changes. Last year saw the launch of Pawprint for UK employees of Peterson Energy Logistics. Over 150 employees are already actively using the tool, more than 4,500 actions have been taken, 283 habits have been formed and 64 tonnes of CO2 emissions have been saved. Through this initiative, employees are more aware of the effects their choices in both personal and professional settings have on the environment, and are inclined to make environmentally conscious choices.

### ENERGY EFFICIENCY

Under Goal Zero (zero harm to the environment), Peterson Energy Logistics is working to improve its energy efficiency. Peterson Energy Logistics has committed to reduce the energy (in kWh) used per lift by 6% in 2023 in comparison to the baseline year of 2017. In 2020, Peterson Energy Logistics surpassed its goal and attained a 9% improvement in energy performance and an absolute reduction of 34% in energy consumption compared to 2017<sup>5</sup>.

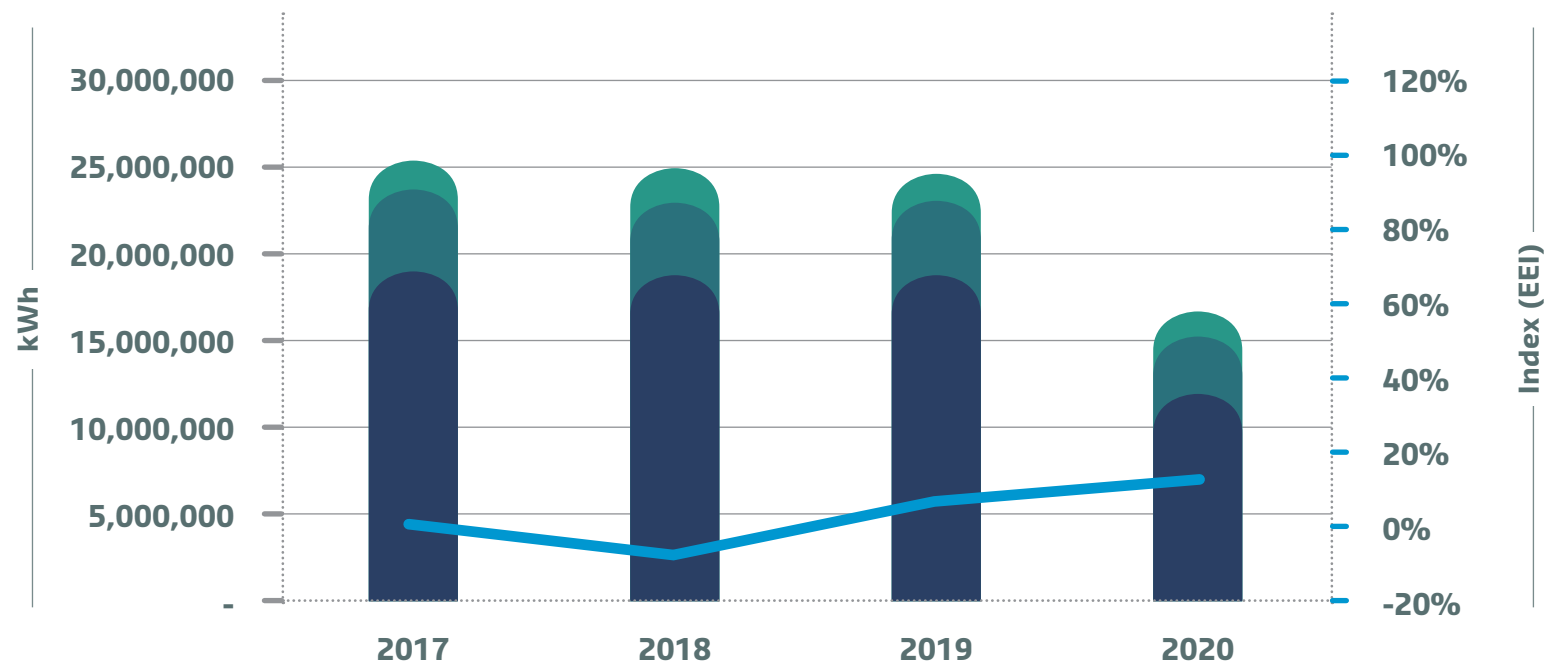
Peterson Energy Logistics is also taking initiatives through an all – electric forklift fleet, environmentally friendly fuels for cranes and trucks and using wind and solar power to operate its facilities. These initiatives are indicative of Peterson Energy Logistics’ commitment to reducing their impact in the environment and its resources through innovative and sustainable solutions.

### GROUP ENERGY EFFICIENCY INDEX (EEI kwh/Lift)



5. We believe that the COVID-19 lockdown in 2020 played a major role in the reduced absolute consumption for 2020 and hence the steep decline in the energy use

# PETERSON ENERGY LOGISTICS - kWh (CONSUMPTION/T) ENERGY EFFICIENCY



	GAS	1,938,516	2,230,709	1,733,554	1,376,667
	ELECTRIC	4,499,424	4,072,224	4,080,235	3,549,806
	DIESEL	18,968,07	18,764,42	18,908,54	11,711,93
	ACTUAL INDEX	0%	-7.17%	3.70%	9%

# BIODIVERSITY PROTECTION

RPCU is committed to protecting the environment and biodiversity. This is illustrated by the initiatives that have been undertaken throughout the group especially in the past year.

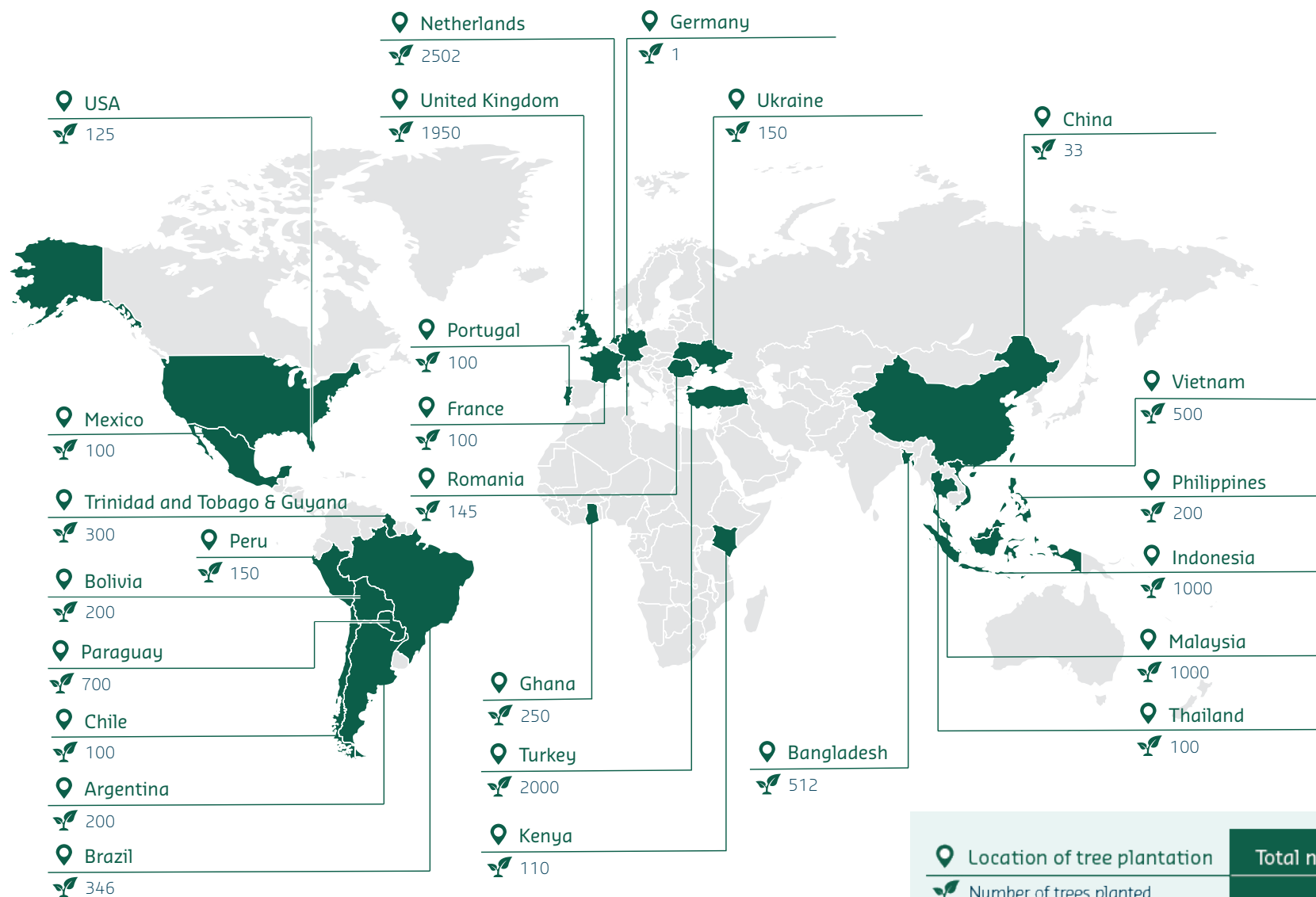
## GLOBAL TREE PLANTING PROJECT

In 2020, RPCU turned 100 years old. As part of the activities to celebrate this milestone, the Peterson and Control Union Tree Planting Initiative was introduced. Our goal is to plant 100,000 trees and we are well on our way to achieving it. So far, 12,874 trees have been planted. Initiatives such as the one we are undertaking affect the environment positively by helping to combat climate change, supporting the creation of a healthier biodiverse ecosystem, and ultimately helping the environment heal itself.

*"It is nice to know that even if it is just a small contribution I make, it becomes a huge contribution when everyone does the same."*

**- Erdal Özer, CU Germany**





Location of tree plantation	Total number of trees planted
Number of trees planted	12.874 trees

## ENCOURAGING RESPONSIBLE USE OF **RESOURCES**



We have a duty of care towards our environment to be judicious with our use of resources. Therefore, we encourage our employees through organization-wide initiatives to utilize innovative means of contributing towards a more circular economy.

### GREEN OFFICE AWARD

The Green office award was instituted to recognize and reward the sustainability initiatives undertaken by offices within RPCU group either internally in their offices or externally in their communities.

## RECYCLING PLAN, *Control Union Norte - Tucuman*

Our colleagues in Norte-Tucuma – after identifying the benefits of recycling on the environment, its resources and also the employment opportunities in Argentina – developed a recycling plan for each type of waste generated in their office. As an added incentive to reduce plastic-generated waste, each employee in the Norte-Tucuman office will be given a reusable bottle from which they can drink their favourite drinks.



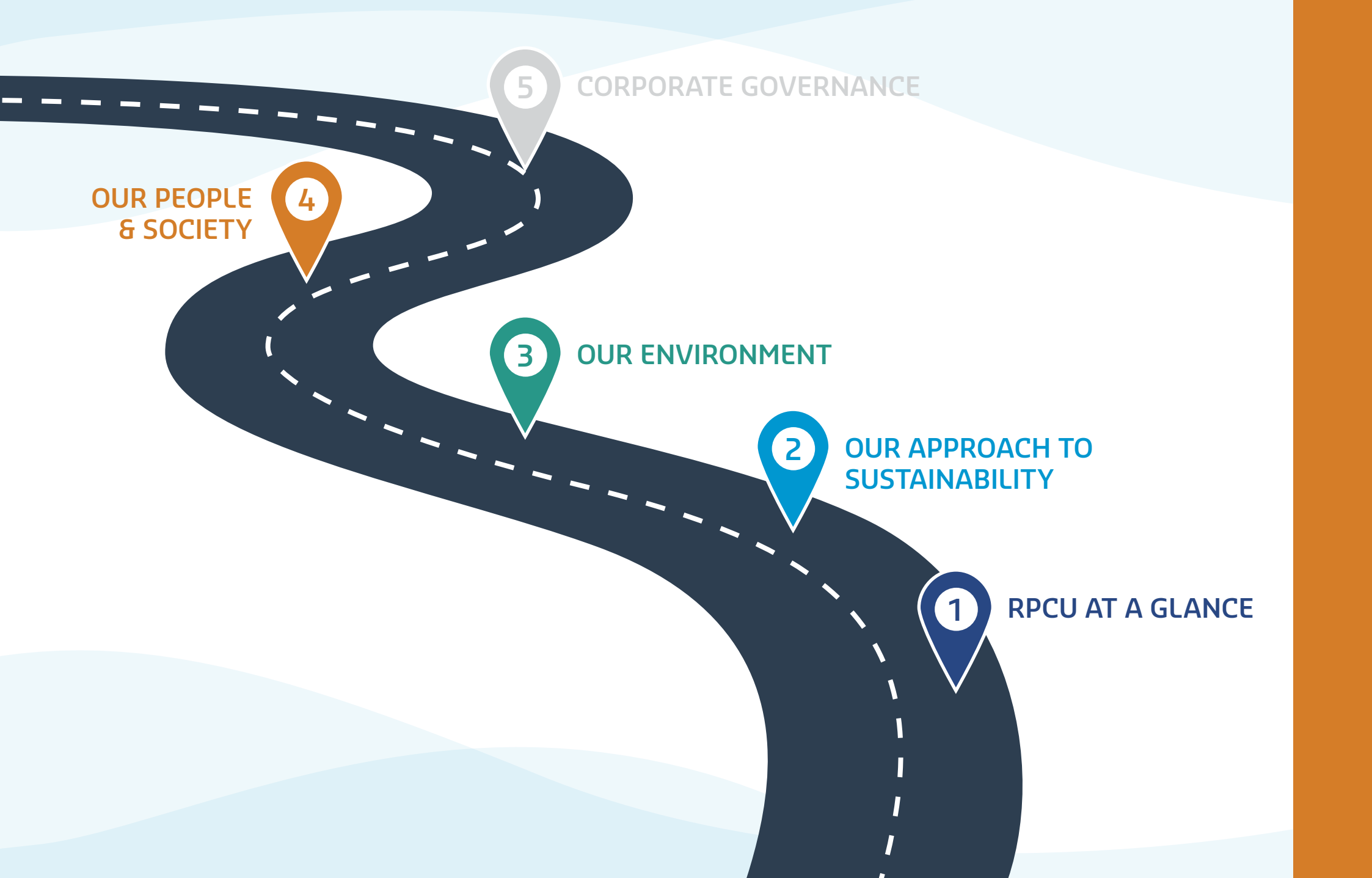
*Prototype of reusable bottle that CU Norte – Tucuman will gift to employees*

## OUR INITIATIVE

### THE SWITCH TO REUSABLE FUMIGATION BAGS, *Vietnam*

In 2021, our Pest Control business in Vietnam (EcO2 Vietnam Co Ltd) made the change from single-use plastic fumigation bags to reusable bags.

In response to the increasing challenge that plastic bags pose to the environment, EcO2 developed a new product for fumigation known as Control Atmosphere Bags (CAB). The controlled atmosphere bag can be used for many years whereas the plastic bags can only be used for 3 to 4 times. In terms of the environmental impact, if for instance a rice processing company chooses CAB for their organic rice instead of normal plastic bags, this can save 0.2kg of plastic per metric ton (MT).



OUR PEOPLE  
& SOCIETY

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CORPORATE GOVERNANCE

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RPCU AT A GLANCE

04

## OUR PEOPLE & **SOCIETY**



A SAFE ENVIRONMENT FOR ALL

PROMOTING INNOVATION

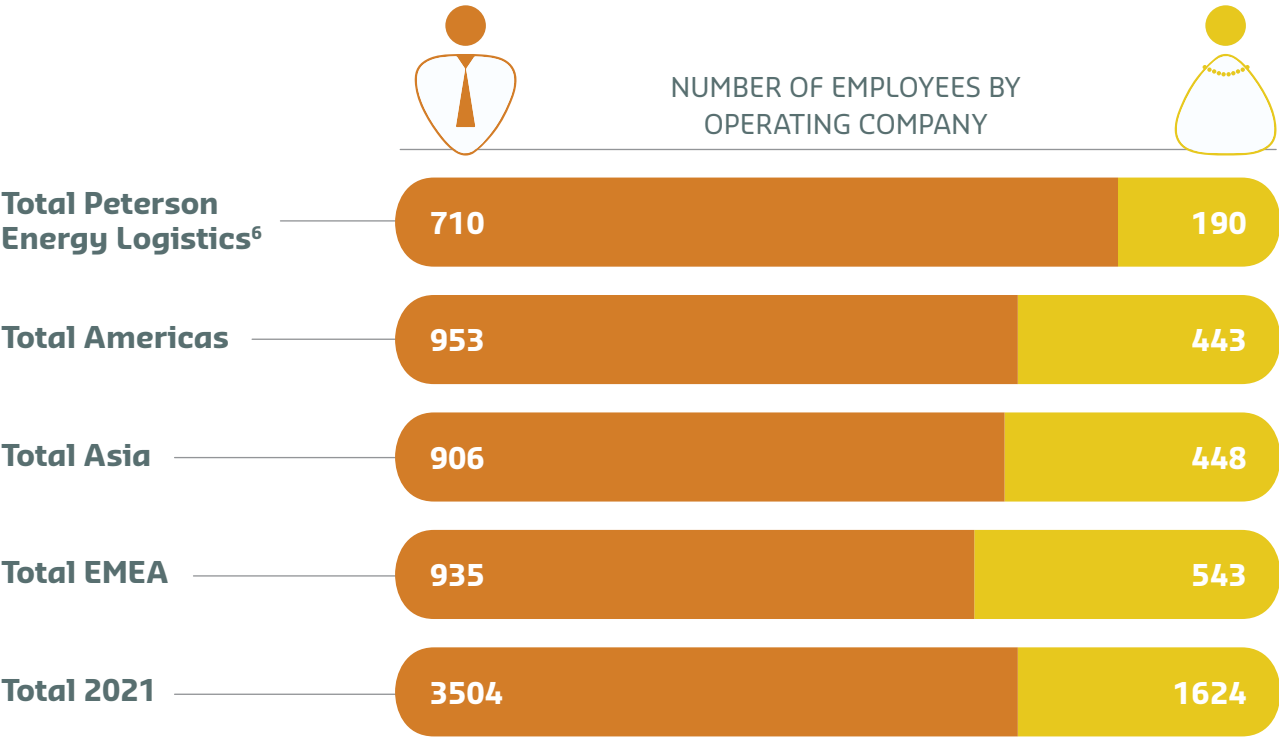
LOCAL COMMUNITIES

At RPCU, we believe that our employees are our most treasured asset. Over 5,000 people work for our company all over the world and each one of them plays a crucial role in RPCU's successful business development. Their expertise, skills and overall drive contribute immensely to the long-term development of the company. Therefore, as an organization we continuously seek ways to empower our people to thrive and achieve their career goals.

6. Covers our sites in Netherlands, the United Kingdom, Trinidad and Qatar

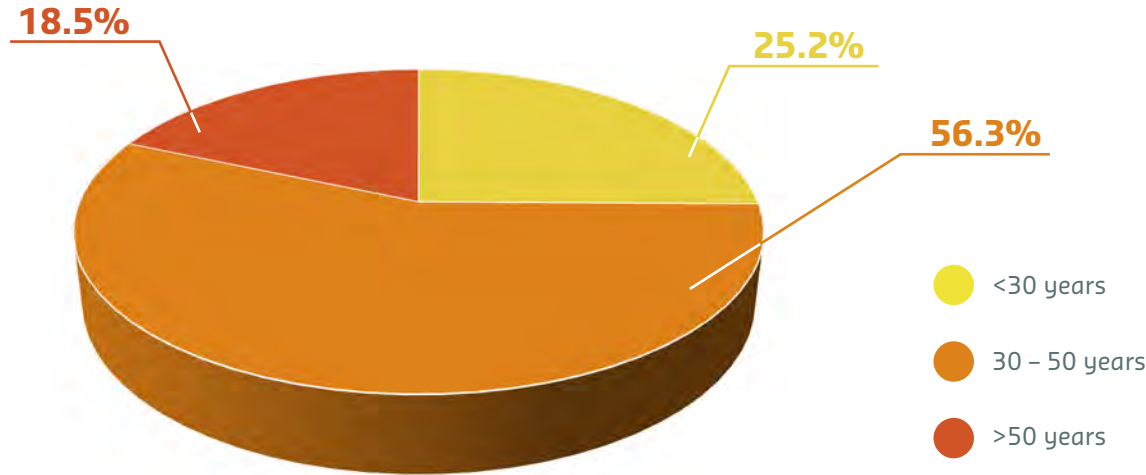
# A SAFE ENVIRONMENT FOR ALL

With 'boots on the ground' in over 70 countries, we are well positioned to attract the best talent locally to drive our business, and that continues to be integral to making us the company we are today.





NUMBER OF EMPLOYEES BY AGE



Although more than half of our employees fall within the 30-50 age group, we still have a healthy level of recruits under the 30 age group, partly due to our global graduate scheme. We also recognise the value of the knowledge and experience our employees in the above 50 age group bring to the business, and the ways in which they support the next generation of employees at RPCU.

*\* Employee data was selected from the RPCU Global HR system*

*\*\* The employee data above is representative of most employees and gives a strong indication of the gender and age distribution according throughout the group*

*As a business we want to ensure that we have the right capabilities to deliver our strategy. Our investment in our Global Graduate Programme (PATTS) supports our long-term goals of the business by introducing trainees who are entrepreneurial, flexible and proactive*

7. More information on AWWN can be found on their [website](#)

### EMPLOYMENT/ RECRUITMENT

Our employment policies and practices are applied in a manner that is objective, fair and informed. This includes our policies relating to recruitment, promotion, reward, working conditions, and performance management. The mandatory RPCU Code of Conduct forbids discrimination on the basis of race, religion, national origin, gender, age or sexual preference.

We ensure that our employees are compensated fairly for their work and in accordance with local legislation. For example, in the Netherlands we work together with different stakeholders for input regarding remuneration for our employees – management, workers council and under advisory of AWWN<sup>7</sup>.

As an organization we understand the value that a global presence brings to the growth of the business. Our local offices around the world help us to understand, communicate and facilitate business with our vast client base through their understanding of local issues and cultures. They add value in guaranteeing that our services are tailored to client needs, which promotes business growth, client retention and ultimately, client satisfaction.

We are committed to continuously promoting and endorsing fair, consistent and thoughtful working practices that are in accordance with our values.

### TALENT ATTRACTION AND RETENTION

As a business we want to ensure that we have the right capabilities to deliver our strategy. We reach out to prospective employees in a variety of ways, depending on location and role, in compliance with local regulations for fair recruitment practices and equal opportunities. We also post vacancies for all our global businesses on our [website](#) thus giving the opportunity to prospective colleagues, regardless of their geographical location, to apply to any of our local offices.

Some of our former trainees detail their experience throughout their traineeship

## GLOBAL GRADUATE PROGRAMME

Our investment in our Global Graduate Programme (PATTS) supports our long-term goals of the business by introducing trainees who are entrepreneurial, flexible and proactive. RPCU offers trainees a unique insight into our established international work environment for a one-year period. The trainees in turn gain invaluable skills throughout the one-year period of their traineeship. After successfully completing the Global Graduate Programme, trainees are offered challenging positions within RPCU where we continue to support their growth within the company. Over the last five (5) years, 57 graduate trainees have participated in our Global Graduate Programme

Daniella Maroma,  
*Netherlands*



“My traineeship experience with Peterson and Control Union was one of a lot of support, learning and fun! With the entrepreneurial spirit of the company, the traineeship gave me an opportunity to learn and explore different paths I could take for my career. I am now more confident in the direction my career is going. I also got a chance to work abroad in Peru which was an unforgettable experience.”

- Daniella Maroma

Sebastiaan Merten,  
*Thailand*



“I thoroughly enjoyed my traineeship at Peterson Control Union and the opportunities it gave me. The flexibility that the traineeship provided enabled me to pursue my interests and expand my knowledge on various topics. Allowing me to work with inspiring colleagues and strengthening my skill set. All this, while also exploring new countries and cultures.”

- Sebastiaan Merten

## SPEAKING OUT

We are committed to creating a supportive working environment for all our people. An environment that allows them to perform at their best and where their views, opinions and talents are respected, harnessed and not discriminated against. We are able to assure this by creating avenues that make our employees feel confident to air their grievances, with their full anonymity guaranteed. One such avenue is through our whistle-blower regulation, which deals with reporting suspected misconduct, irregularity and /or harassment. In the Netherlands, we have both internal and external confidential advisors to whom grievances of all kinds can be communicated to. The manner in which critical issues that are communicated to the advisors are subject to the discretion of the advisor and dependent on the nature of the issues.



*Number of grievances reported in the Netherlands*

8. Formerly known as Peterson Innovation Prize (PIP)

## PROMOTING INNOVATION

Innovation at RPCU is driven by our belief that the strength and knowledge of our operations should be fed with forward-thinking developments, technologies and concepts that other companies within the group are working on. In this way, we are able to effectively address changing market needs and build a future-proof business. Thus as an organization, we ensure that we continuously support the inter-office learning, sharing and collaboration on latest technological advancements in the different markets where we operate within our group.

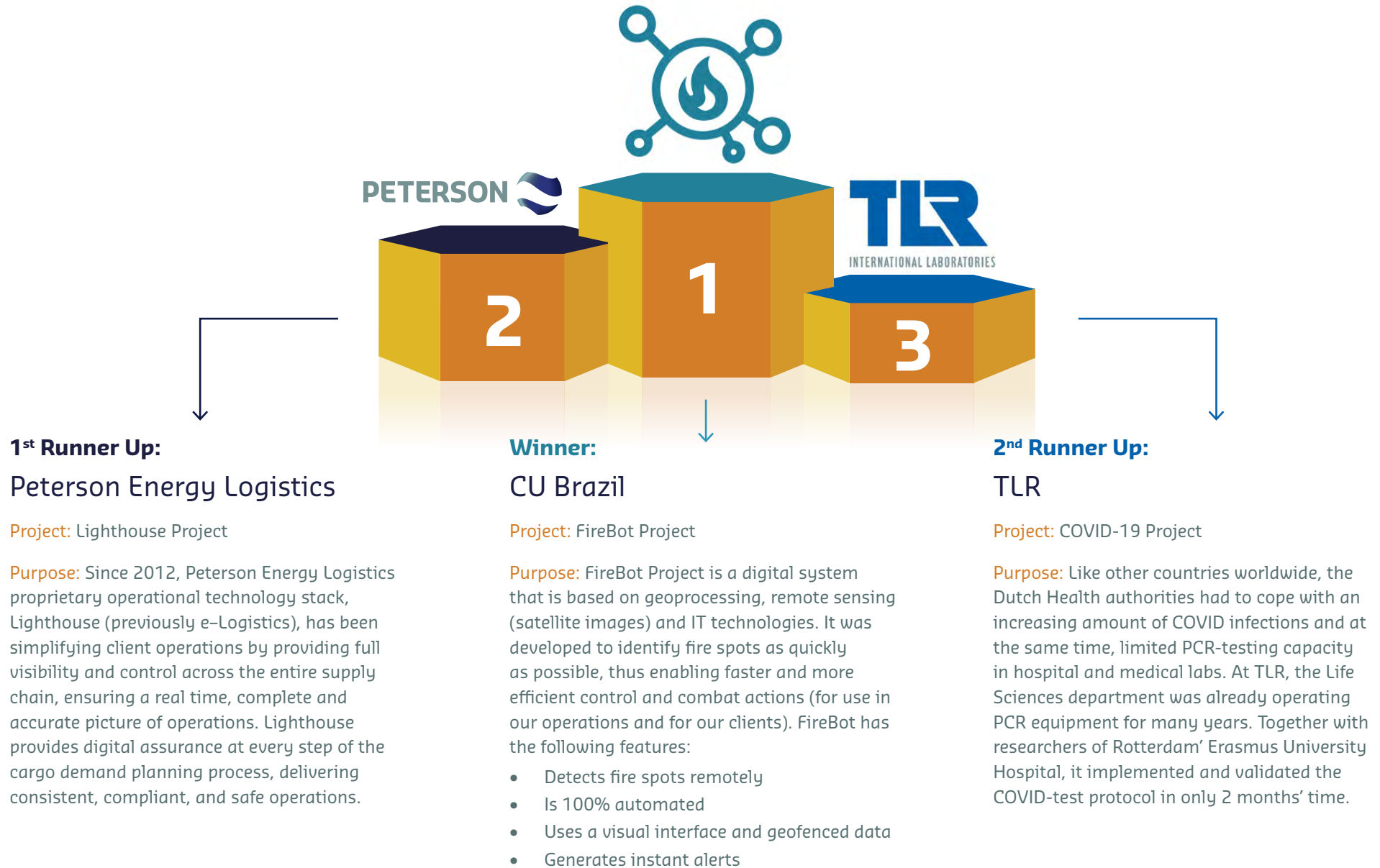
One such way of providing this support is through the formation and existence of the RPCU Innovation Ambassador Group. This group consists of over 60 colleagues around the world who collaborate virtually through meetings and internal showcases to exchange ideas and latest developments across the markets in which we operate.

We also make sure to reward the most innovative offices in the group through the annual Peterson Innovation Award (PIA)<sup>8</sup>.

### PETERSON INNOVATION AWARD

First established in 1987, the goal of the Peterson Innovation Award (PIA) is to celebrate and reward the great innovations within the group. It is also a confirmation of our drive to develop and improve ourselves in order to provide the best services to our clients and the markets we operate in. The PIA award is granted by the Group CEO and the Group Management Team.

Last year, the ICT & Innovation team received a total of 23 entries, each one different from the other and spanning all activities within our group and the regions we operate in. The winner of the PIA 2021 was CU Brazil with the FireBot system. A digital system that is able to automatically and quickly identify fires starting in crop fields, based on real time satellite data.



# LOCAL COMMUNITIES



Our global business spans more than 70 countries and, as such, we understand the huge opportunity and responsibility we have to make a positive and lasting impact on our local communities where we work. As such we have set out with an initiative, Peterson Community Award to promote CSR activities across our offices globally. We reward outstanding efforts of deserving offices with a cash incentive to further boost their CSR activities.

## PETERSON COMMUNITY AWARD

The Peterson Community Award recognizes and rewards what offices within the group have done and continue to do in giving back to their local communities. In 2021, the CSR initiatives submitted tackled arranging safe drinking water for the less privileged, recovery of green areas (afforestation), providing support to children from war-torn regions among others. The winning entries were selected by a jury and awarded a cash prize to continue the impactful work they do in the community.

1.

## BRIDGE TO THE FUTURE, *Control Union Inspections (Pvt) Ltd*

A rural school located in the Kandy District, Central Province in Sri Lanka lacks adequate facilities to accommodate the learning needs of the 179 students who are currently enrolled there. Our colleagues in CU Sri Lanka identified this challenge and consider it a valuable investment to develop the educational facilities and to create a better future for the students. They have proposed to support the school by undertaking the following projects:

- Construction and completion of a proper aesthetic room for practical Arts lessons
- Repair the existing halls and school pavilion room to foster learning activities
- Contribute towards the repair of the school laboratory facilities

CU Sri Lanka believe that having the right educational facilities contributes to unearthing and developing the hidden talents of the students and to their overall academic performance. A number of students – now and in the future – will benefit from this project and will also have the chance to work towards their dreams.

2.

## HELP THE CHILDREN OF WAR, *CU Turkey*

The people who fled Syria at the start of the civil war have been living in tents in Idlib, a city that shares a border with Turkey – under conditions that are far from ideal. Our colleagues in CU Turkey, as part of their service to the community, have donated relief items such as coats, shoes and sweaters to the children living in the camp site in Idlib. These items were provided so that the children living in the camp site do not get cold in the winter.



OUR PEOPLE  
& SOCIETY

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CORPORATE GOVERNANCE

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RPCU AT A GLANCE

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## CORPORATE **GOVERNANCE**



CORPORATE ETHICS AND COMPLIANCE

CONFLICTS OF INTEREST

QUALITY MANAGEMENT

CYBERSECURITY AND DATA PROTECTION

# CORPORATE GOVERNANCE

RPCU's commitment to good governance starts at the top, with the Group's Management Team (Group MT) providing comprehensive oversight of the management and governance of the organization. We have implemented governance structures as well as policies and practices to promote accountability – including the RPCU Code of Conduct, ethics and compliance requirements and Internal Assurance procedures. These governance practices help to ensure that, we are complying with the highest standards of ethics and integrity in all parts of our business. All this is to ensure the credibility and continuity of RPCU.

RPCU's product is trust, honesty, integrity and reliability. We understand the importance of these products and thus make every effort to preserve the transparency and integrity of our corporate governance. Thus, our management structure is designed to establish RPCU as an agile, efficient, and transparent organization.

The governance structure of RPCU comprises the overall Group Management Team (Group MT) who are supported by Functional (Support), Regional and Local/Country Teams. All teams have a Chairman and a Vice-Chairman who are appointed by the Group Management Team. The members of the Group Management Team (including the Chairman and Vice-Chairman) are appointed and removed from office by STAP<sup>9</sup>.

Management Teams, Regional Teams and Directors of RPCU group take their guidance from the Company Regulations as stipulated in the RPCU Management System. These regulations describe the duties, responsibilities and mutual relationships between the managers, directors, team members and the various teams. These regulations also serve as board regulations as described in the articles of association of the companies that belong to Royal Peterson and Control Union Group, to the extent permissible by local law. The members of a Regional Team are appointed and removed by the Group Management Team.

9. STAP: Stichting Administratiekantoer PPF Participatie Fonds, among other shareholder representatives



# CORPORATE ETHICS AND COMPLIANCE

RPCU provides trustworthy services to the clients in the areas of inspection, certifications, logistics and other related services. The ethical behavior of all RPCU employees is of vital importance to RPCU and forms an essential part of our corporate culture. The overall RPCU Ethics and Compliance management system reflects our core values, and empowers our directors, employees, as well as all third parties that conduct business with us or on our behalf, to conduct business ethically.

The corresponding requirements for ethical behaviour are described in the RPCU Code of Conduct which is binding for all employees. RPCU's Code of Conduct provides the organizational basis for compliance with valid law and ensures that business is conducted in a way that prevents: conflicts of interest, pressure on integrity, bribery and unfair marketing.

## IMPLEMENTING THE ETHICS AND COMPLIANCE MANAGEMENT SYSTEM AT RPCU

Ethics and compliance within RPCU is supervised by the Global Risk, Compliance and Trust (RCT) team who ensure that the ethics and compliance requirements stipulated in the RPCU Management System are effectively implemented and executed. They are supported by regional teams of employees who form the RCT Team. Employees are also invited to provide input about ethics, for example during work meetings or assessments. Furthermore, employees are encouraged to report ethics violations or suspected violations to the appointed contact person/compliance officer. Every year these (possible) breaches of the code of conduct are reported in the annual obligated management review.

## COMPLIANCE MONITORING AND IMPROVEMENT

Ethics and compliance is monitored by RPCU in various ways:

- reports of malpractices and accidents
- internal audits, both by local and RCT auditors
- periodic consultation between local directors and (representatives of) the regional management team
- the mandatory annual management review

The local director is accountable for the performance and conduct within their organization. The regional management and RCT teams have a coordinating and supporting role in monitoring ethics and compliance within the RPCU companies. These teams are the connecting factor for sharing best practices and lessons learned with and from other similar RPCU companies.

To make monitoring easier, RPCU is working on the introduction of a global software platform called Innovate. This will make it easier to register reports of malpractices and accidents, follow-up on audits, among others.

## THE CODE OF CONDUCT

All RPCU employees receive information on the Code of Conduct during their induction and required to sign it. All relevant subcontractors and joint venture partners are also required to sign the Code of Conduct. The Code of Conduct forms the core of ethics and compliance at RPCU and lays the ground rules for compliance at RPCU. The principles that guide the Code of Conduct are regularly reviewed and aligned to new findings, amendments to laws, and national and international standards where necessary. By doing this, we strengthen the trust placed in our work by our customers, our employees, and the general public. The Code of Conduct must be explained to and made available to all RPCU employees. Employees' knowledge of this code is regularly updated by training and work meetings.

# PREVENTING CONFLICTS OF **INTEREST**



Acting independently and objectively within the scope of our businesses is critical to the success of our business and to the integrity of the various supply chains in which we operate. As an organization that operates both accredited and non-accredited businesses, we understand the importance of guiding our organization through the minefield of (sometimes) conflicting interests of the various stakeholders, without incurring (reputational) damage. We also recognise that it is imperative that we conduct our services with the utmost sincerity and not to betray the trust that our customers and other stakeholders have in us.

We ensure that we have the proper policies and procedures in place to ultimately avoid and effectively handle conflicts of interests.

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*We have adopted the best practices and standards set out in the General Data Protection Regulation (GDPR) across all of our markets and operations, and in relation to all persons whose personal data we obtain and use...”*

# QUALITY MANAGEMENT

Quality management is a core constituent of RPCU's Management System that underpins the group's organization. It applies to all companies that are part of RPCU (as group company and/or subsidiary) and to the parties who use one of the RPCU brands or RPCU trademarks. It is also the obligatory prerequisite for all of RPCU's national, European, and international authorizations and qualifications that are essential for the company's recognition as a testing, inspection, and certification organization. The RPCU Management System is based on several guidelines including the ISO 17000 family of international guidelines.

Approximately 128 of the companies within our group are accredited to the ISO9001 and ISO17000 set of guidelines. These accreditations are evidence of our expertise as service providers in areas including product testing and certification, laboratory testing, and inspection and monitoring of products and systems.

The RPCU Management System covers health and safety, energy, environment and information security. Some RPCU companies hold specific health and safety (ISO 45001), energy (ISO 50001), environment (ISO 14001) and information security (ISO 27001) and feed safety (GMP+) management certificates and have management systems in place to comply with these standards.

The company-wide interaction of these management systems under our overarching RPCU Management System contributes to our ability to provide our services at a consistently high quality level and ensures a sustained improvement of our quality standards.



# CYBERSECURITY AND DATA **PROTECTION**

At RPCU, we believe that all our people and customers have the right to data privacy. We have adopted the best practices and standards set out in the General Data Protection Regulation (GDPR) across all of our markets and operations, and in relation to all persons whose personal data we obtain and use (not just individuals in the EEA).

To ensure that we do not compromise on quality and compliance, the RPCU Management System outlines many information security policy requirements for implementation. This is supplemented by several annexes and manuals on specific areas such as: password security, access control, change management, software application security and information classification. Thus, providing the framework for defining, monitoring and achieving consistently high standards of data protection.

These high standards are evident in the controls that we employ to protect the data of all our employees and all our customers. These controls include multi-factor authentication; least privilege access control;

network and host level security; endpoint detection and response tools; event logging and monitoring; device configuration control and vulnerability management tools.

Control and supervision of data protection is provided through the combined efforts of our Cybersecurity Team, Group Legal Team and the Risk, Compliance and Trust (RCT) Team. We have mandatory GDPR training for applicable staff and phishing training for those who fail phishing campaigns.

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