



IMPACT REPORT 2020-2021

Our Vision 13
Royal Designation 47

Our Brands 48
General Info 51



Overview

True Colours | 4

Impact Report 2020-2021

Preface | 5

Ronald Benning, CEO

Framework | 7

Sustainable Development Goals

Method | 8

How we measure our impact

Standardization | 9

Certifications

Ambitions | 10

True Colours Index

Outlook | 46

Let's keep the conversation going

True Colours

Environment | 16

Raw materials

Environment | 22

Packaging

Environment | 27

Energy and CO₂ emissions

Environment | 30

Waste streams

Social | 35

Working conditions

Social | 37

Health and safety

Social | 39

Social progress

Interviews



Product Development Manager & Managing Director Schjerning / Royal Talens Denmark | 14 lette Borum & Irene Katballe







Product Development | 25 Daphne van Mansom



Human Resources | 33
Dorien Ronkes Agerbeek



President, Royal Talens North America | 41 Kyle Richardson



Royal Talens Foundation | 44 Maaike Dijkmans



We believe that creative people can change the world.

The world is currently facing many challenges. The Covid-19 pandemic has caused a great deal of upheaval. For Royal Talens, this meant first and foremost taking care of the health and safety of all employees worldwide. Fortunately, by working online, we still had a lot of contact with each other, both at the head office in the Netherlands and with all the affiliates worldwide. A lot of work was done from home, drastically reducing commuting and also reducing the need for heating, printers and lighting in the offices, while the demand for creative products increased worldwide.

The world has since been shaken by the terrible conflict in Ukraine. For many employees of Royal Talens as well as suppliers, customers and artists, this has had enormous consequences. No one knows yet what further impact this will have worldwide. It could deflect attention from the climate issue, but it might also bring it into sharper focus and perhaps accelerate the energy transition.

Sustainability and climate change remain among the greatest challenges of our time. In the Paris Climate Agreement, it was agreed that by 2030 we will have reduced CO_2 emissions by 49%. That's only eight years from now... The good news is that it is still feasible. At the moment. But that requires drastic change right now. From all of us. Step by step we are making progress. We continue to keep sustainability high on the agenda throughout our business process. From major changes like the construction of a sustainable new building to small initiatives, everything contributes towards leaving the planet in a good state for our children and grandchildren. The sense of urgency is there and it also offers great opportunities.

Sustainable business means reducing the negative impact everywhere in the company and searching for better solutions together with companies in the supply chain. It also means that we must start thinking differently, being open-minded, thinking 'outside the box' and coming up with creative solutions.

Royal Talens is already doing a great deal, but we can and must do even better.

This report shows the figures for the head office, factory and distribution centre in the Netherlands. Future editions will also show the impact of all affiliates & factories worldwide.

Our mission is to use creativity to make the earth more beautiful, cleaner, more sustainable and more inclusive. 'Creative minds can inspire change'. We would like to contribute to that.

RONALD BENNING

CEO

Caring about sustainability means looking to the future, and for Royal Talens, a more sustainable future starts in the present. I have been given that responsibility and when I leave this company, I want it to be better than it was when I arrived.

Over the past ten years, we have become increasingly aware of themes such as sustainability, energy reduction, packaging improvements, sourcing and materials, etc. We are proud, ambitious and driven, but realise that we can only look ahead properly if we have a clear picture of where we stand now. This report helps us to determine our true ambitions.

It is a marathon. We are not currently the front runner, but our ambition is to be in the vanguard. So, not making a lot of noise about a fast start, but getting a good finish time.

With this report, we show that we want to be held accountable for the things we say. Throughout the supply chain, we seek balance between what we want, what we can do and what the market can handle. We want to develop step by step and therefore set realistic goals. Sometimes innovations are dictated by the market or regulations, and sometimes by our own desire to improve. We are then talking about primary production processes, preservatives, solvents, sustainable packaging, plastic reduction, our energy consumption, transport and more. When our partners and users see that we are achieving our goals, it deepens the trust we have built up.

The next generation will not benefit from talking big. We must reach our goals.

Internal and external communication of our sustainable vision is essential to increase awareness, make our goals concrete and ensure transparency. Our aim is therefore to go beyond the legal minimum. We want to put our own ambitions down in writing and stick to them. We are therefore examining the entire process: from production and distribution to the end user.

This is not simply for show. This is a manifestation of our 'True Colours'.

This report shows where we are already having a positive impact and where we are not yet. It has a motivating effect and keeps us on our toes.





SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are 17 goals set by the United Nations to make the world a better place by 2030.

They categorise and concretise economic, ecological and social goals to which companies can and should aspire. From combating poverty to clean water, and from good health to the conservation of natural resources.

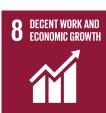
The seventeen goals are very strongly interconnected. So strongly, in fact, that by working on one specific SDG you often contribute to many more SDGs. For example, if you are working on SDG 4, quality education, you are indirectly working on better health (SDG 3), job opportunities (SDG 8) and reducing inequality (SDG 5 and 10). In doing so, you also contribute to reducing poverty (SDG 1), better nutrition and access to sanitation (SDG 2 and 6) and, finally, a more peaceful society (SDG 16).



AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION





















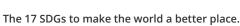








6 CLEAN WATER AND SANITATION





Like any organisation,
Royal Talens has a direct and
indirect impact on its internal
and external environment.
In this report, we deal with
two types of impact: environmental
impact and social impact.

Why do we want to work with the SDGs?

At Royal Talens, we want to show our True Colours. Not only can we contribute to a better world, we also want to. The SDGs provide an understandable and widely supported framework to illustrate our efforts. Moreover, the SDGs motivate us to do our best together with our partners.

In our activities, we primarily touch upon six SDGs, which we further highlight in this report. It is also worth remembering that we are working on many other SDGs as extensions of these six SDGs. In this way, we at Royal Talens are also doing our bit for a better world.



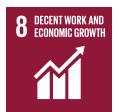




environmental impact







social impact

The six SDGs on which Royal Talens is working to make the world a better place.

Environmental impact covers all short- and longterm effects of our products and activities on the natural world.

Social impact is the effect on the social welfare of people within and outside the company.

In order to make this impact report as insightful as possible, we have focused on effects that we classify as relevant and significant. We deal with so-called material impact areas, which go to the core of our business and over which a great deal of influence can be exerted. Because Royal Talens is a multinational company, we make both negative and positive impacts worldwide. Researching and communicating our impact begins with a focus on our head office in Apeldoorn, the Netherlands.



Royal Talens is certified according to ISO9001, ISO14001 & FSC standard. Royal Talens is also member of SEDEX and have been audited in accordance with SMETA.

ISO 9001

ISO 9001 is the international standard for creating a Quality Management Systems (QMS), published by ISO (the International Organization for Standardization). This standard provides the QMS requirements to be implemented for a company that wants to create all the policies, processes, and procedures necessary to provide products and services that meet customer and regulatory needs and improve customer satisfaction. Quality management systems are the foundation of quality assurance activities.

ISO14001

ISO 14001 is an international standard for designing and implementing an environmental management system (EMS). The requirements provide a framework and guidelines for creating an environmental management system that do not miss important elements needed for an EMS to be successful.

Both ISO9001 & ISO14001 are an internationally recognized standard, which means it is accepted by a majority of countries worldwide.

The FSC®

The Forest Stewardship Council®. (FSC) is an international, non-governmental organisation dedicated to promoting responsible management of the world's forests. Since its foundation in 1994, FSC has grown to become the world's most respected and widespread forest certification system. FSC's certification system, which now covers more than 200 million hectares of forest, enables businesses and consumers to choose wood, paper and other forest products made with materials that support responsible forestry.

SMETA

SMETA is Sedex's social auditing methodology, enabling to assess Royal Talens site and suppliers to understand working conditions in Royal Talens and their supply chain. Social audits enable Royal Talens to assess their suppliers, monitor health and safety for workers, and signal zero tolerance of human rights abuses such as child and forced labour. Once an audit is complete, Royal Talens and their supplier businesses can work together to address any issues, based on a Corrective Action Plan (CAPR).







The mark of esponsible forestry



TRUE COLOURS INDEX ENVIRONMENT

Since we want to be held accountable, we want to make it as easy as possible for you to do so.

Here follows a summary of all the ambitions we have put forward in this Sustainability Report.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

2025

number of raw materials

will be renewable

now

In 2021, 9% of our

total number of raw

materials is renewable.





In 2025, 1.26% of our

total end products will



In 2021, 2.02% of our total In 2025, 1.82% of our kg production is solventtotal kg production is based. solvent-based

18.2% less

assortment of end articles is





1.2% less

TRUE COLOURS INDEX ENVIRONMENT



Water usage

now

2025



In 2021, we used 2.10 m³ of water per tonne of production.

In 2025, we will have reduced our water usage as much as possible.



emissions.

CO, emissions

now



2025



In 2021, we don't have insight into our CO,

In 2025, we will have full insight into our (in)direct CO₂ emissions.



Waste streams, production

now

In 2025, we will produce 80.3 kg waste per tonne of production.

2025

32% less

of production.

In 2020, we produced

89.2 kg waste per tonne

Electricity consumption

now



2025



In 2021, we consumed 0.0061 TJp of electricity per tonne of production. In 2025, we will consume 0.0068 TJp of electricity per tonne of production as compared to 2019.

18.8% less



TRUE COLOURS INDEX SOCIAL



Performance Management cycle

80%

Ambition:

every year, **80%** of employees go
through the Performance
Management cycle.

Achieved: In 2021, **87%** of employees went through the Performance Management cycle.



Accidents

Ambition:

every year, we have 0 fatal accidents, 0 accidents leading to incapacity for work, and 0 accidents leading to medical treatment.

Achieved: In 2021, we had **0** fatal accidents, **0** accidents leading to incapacity for work, and **0** accidents leading to medical treatment.



Royal Talens Foundation

Ambition: every year, we support at least 1000 children in their creative education by supporting 30 projects in at least 15 different countries.

1000



Donating products

Ambition: every year, we donate as many items as possible that no longer have a market purpose to the Royal Talens Foudation.





We believe that creative expression brings out the best in everyone. It has the power to stimulate mind, body and soul, and should therefore be facilitated all over the world.



JETTE BORUM Product Development Manager & Managing Director Schjerning/Royal Talens Denmark

Our mission for Scherning is to produce and distribute products that are as environmentally healthy as humanly possible. Last year, we defined our company's basic values, which are flexibility, responsibility, curiosity and trust. We impose obligations on ourselves to protect the environment, prevent pollution and use as few resources as possible.

When we onboard new employees they are introduced to our sustainable methods. This is deeply ingrained in the company culture. We are responsible for ourselves, for our actions towards our customers and towards the environment. People tend to take the good habits they encounter in the work environment home with them. This has an immense effect on the larger cause.

Sustainability is very high on the agenda. All of us need to make conscious choices. Think twice, reuse, recycle, upcycle!

We are always seeking new ways to support our company vision. By keeping track of mistakes, we learn a lot, make fewer mistakes and reduce waste. Together with key customers and warehouse managers, we are now planning the use of recyclable cardboard containers. We are also investigating cellulose wrapping that is degradable and the wrapping plastic is never used in the color black because that is difficult to recycle. The University of Copenhagen is researching natural preservatives derived from flowers, a project in which we will participate. Moreover, we have found an incredible supplier of black pigment from tree charcoal. That's being tested as we speak. Customers want vegan products and we want to be at the forefront of such developments.

We are committed to introducing more and more products with the Nordic Swan Eco Label.

In the 1990s, management decided to stop the usage of lead in our products. All the employees were so happy! Around the same time in Denmark, the voluntary A-label was created to boost efforts to produce environmentally friendly paint. Obtaining the Nordic Swan Eco Label is time consuming and expensive. But it is our strategy to supply more and more products with this label. In contrast to the A-label, Swan is an official and controlled standard. We need to learn to work with all the different licenses, but we are very committed to that.

We collaborate with our customers on always thinking about sustainable solutions. The big customers love to buy from us. They know that a product from Schjerning is environmentally friendly.

Our main role at Schjerning is to keep showing the right products to our customers. That's also why we fence off customers that want things we do not want to produce. We are currently working on a code of conduct for our suppliers. We actively say 'no, thank you' even to big opportunities when the new product cannot be created without solvents, which puts pressure on logistics. We supply paint for hobbyists and schools. We see it as our responsibility to promote the healthiest and safest options.







Wood containing products

We use wood in many of our products. More and more products in the groups of easels, canvases, paper, brushes and painting knives are covered by FSC® certification and are bearing the FSC trade mark. This means that the wood used complies with the guidelines of the Forest Stewardship Council®. This organisation sets global standards for responsible forest management, carefully balancing the interests of people, the environment and the economy. Being awarded the FSC trademark is no easy process. Obtaining this trade mark means meeting strict criteria and implementing them throughout the company. Every year, Royal Talens is assessed by its certified body based on the FSC requirements, to see whether its working methods are in line with the standards set. Note the FSC initials at our certified products.

Renewable raw materials

At Royal Talens, we are aware that our products can be more sustainable, for example by using more renewable raw materials. We are testing renewable alternatives for our current raw materials and innovation on raw materials takes place continuously. Based on our research, we consider whether the innovation on raw materials meets the high quality standards we set for our products. Today, we already use many sustainable raw materials in our products, such as linseed oil and starch.

Solvent-based end articles

Solvents are harmful to the environment and to humans. 58 end articles of a total production of 4103 end articles are solvent based. This is 1.41% from the total assortment. We are planning to reduce this with 10% to 1.26% by 2025.

Vegan and animal welfare

Royal Talens does not intentionally use ingredients of animal origin, unless we cannot find a suitable alternative. Raw materials are sourced globally from third-party suppliers. We do not specifically test these materials for animal origin and are therefore unable to provide 100% assurance that there are no animal-derived components. Royal Talens never conducts animal testing for any of our products.

Summary

We have worked particularly hard in recent years on using sustainable wood in the context of SDG 12 Responsible Production and Consumption. Currently, the focus is on reducing the number of products that contain solvents.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Daphne van Mansom, Product Development

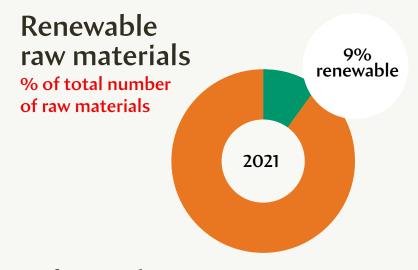
We are getting more and more questions about health and environment. We can see from this that our market is changing.



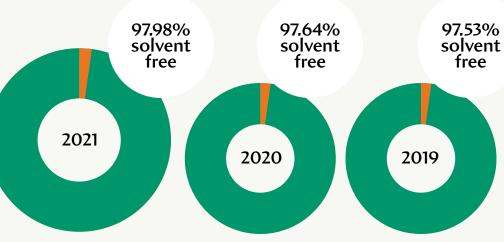
RAW MATERIALS

FACTS & FIGURES





Solvent-free production % of total kg production





With the focus on Cobra water-mixable oil colour, we strive for a future with less solvents.

Cobra oil colours have the same highquality pigments and viscosity, but you don't need to work with harmful solvents. You can mix and clean your materials with soap and water.

Therefore working with Cobra oil colour is better for the health of artists and their environment.

RAW MATERIALS

ACTIONABLE AMBITIONS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Renewable raw materials in 2025 +33.3%

Solvent-based production in 2025

-10%

Renewable raw materials

Ambition

Increase the percentage of renewable raw materials to 12% in 2025 as compared to 9% in 2021 (measured in total number of raw materials).

How?

By focusing on the procurement of our raw materials. We are examining where we stand and where the opportunities lie. In doing so, we constantly monitor market developments in raw materials and network with other companies.

Solvent-based production

Ambition

Decrease the percentage of solvent-based production to 1.82% in 2025 as compared to 2.02% in 2021 (measured in total kg production).

How?

We are committed to developing new products without solvents. We are also replacing existing solvent-based products with solvent-free or low-solvent products wherever possible.



COBRA, SOLVENT-FREE OIL PAINTING

The development of Cobra came about due to health considerations

Cobra is an innovative oil paint that can be mixed with water. You get the best quality oil paint with the same high-quality pigments and viscosity as traditional oil paint.

In contrast to traditional oil paint, Cobra paint requires no harmful solvents to thin the paint or clean your brushes.

Good for the health of the artists and the environment!

Partnership with ELIA, the umbrella organisation of art academies worldwide

More and more art academies in various countries are removing solvents from classrooms due to the impact they can have on students' and educators' health and the environment. This means that fewer students are now working with oil paints during their studies. Cobra oil colours are the solution, because with Cobra students can work with oil paint in art academies without using solvents. In this way, the oil painting technique will also be preserved for the future.

Both ELIA and Royal Talens share the belief that art stimulates our ability to express, learn and connect. In Royal Talens, ELIA has found a corporate partner with which values and ethos are aligned.













WOLF **HEKKEMA**

Artist

Being an artist seems to have a more romantic status than it used to. It is self-made and start-up and this kind of martyrdom makes it easier to take things for granted.

Sustainability is close to my heart. It is part of this generation but less so in the creative sector, I see. Artists buy paints or brushes for a work of art that is dear to them. In doing so, they may lose their ecological awareness momentarily. The brain is good at that.

My key word in art is 'transparency'. I achieve a lot with a little. In terms of environmental impact and financial expense, but also in terms of the way I work.

Cobra paint has become the focus of my work. Mixing it with water makes it possible to paint in extremely thin layers, and that method is guite unique. My work is about my hypersensitive nature; about how I experience the world in a heightened way. It can be challenging, but there is always hope. The same goes for sustainability: you can become overloaded with miserable news but it is a process. People say that you can simply squeeze oil colours out of the tube and start painting, but I can't see myself doing it. With my method, I use up all my paint and that saves money as well as a lot of waste.

The form of artistry is a conscious choice. But how do you attract artists to the market? I think that if you have an excellent product and you introduce it in art academies, the revolution will take care of itself.

Working sustainably is a way of being autonomous. If I feel good about the whole process, I feel freer. There is a conviction that good art comes from 'the idea' and not from the technical realisation. But whether something is well executed also contributes to the artistic concept. In order for art to retain its subtlety, all possible 'languages' must continue to exist. Talens can play a role in the preservation of artistic languages. I see a deterioration at art academies. Working only with acrylic paints diminishes the technical performance of art students. There is enormous potential at the academies to introduce Cobra into artists' circles.

My work is a kind of demonstration of Talens' Cobra oil paint. You see how it is made and that there are no tricks to it.

Could it be that the industrial has also fallen into tradition? Synthetic production was revolutionary, but perhaps we can now find alternatives again... If you cannot easily find a sustainable product, you are tempted to buy that particular colour from that particular brand. But it is really not true that 'fully sustainable' would not sell. There is certainly a need for it!

You need to be able to keep doing something and make sustainable choices at the same time.







Packaging

The right packaging safeguards the quality of the product. The production of packaging requires raw materials, including plastic. On the next page, you can see an overview of our plastic usage in recent years: the share of plastic in our packaging decreased slightly in 2021 as compared to 2020. However, relative to number of articles sold, our plastic usage increased slightly. For the coming years, our strict packaging guidelines and policies enable us to achieve our ambitions.

Project Export

Under the heading of 'Project Export', we are reducing the amount of air and filling material by family grouping, collomodular pallet boxes and ordering efficient logistics quantities. Moreover, the filling material in all of our transport boxes is made from recycled material and can be recycled again.

Working together on sustainable solutions

Royal Talens participates in initiatives such as the Chamber of Commerce Business Challenge: 'How can we develop a small (<250ml) 100% recyclable packaging for acrylic

paint tubes?' As a result, we started a project in 2022 with partners in the supply chain; the first results are expected in 2023. In this way, we are challenging the market to think about sustainable solutions, so that all other market parties can also take those sustainable steps.

Summary

To reduce our plastic usage even further in the future, we are inspired by the R-principle: we refuse, reduce, reuse and recycle. We have also set goals for the short and long term to work on all our packaging materials. For some products, it is difficult to replace plastic and in the short term we will still be dependent on plastic; but here too we are looking at possibilities, and several projects are underway.

Please note: the data in this 2020-2021 report is limited to the locations in the Netherlands.

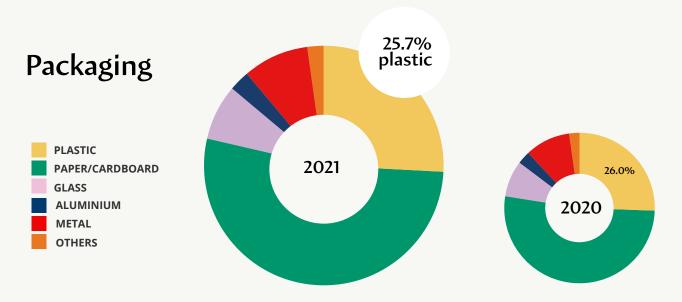
Daphne van Mansom, Product Development

We are guided by facts, not opinions. If we don't know something, we get to the bottom of it.



FACTS & FIGURES





Plastic





Throughout the supply chain, we seek balance between what we want, what we can do and what the market can handle.



ACTIONABLE AMBITIONS



Plastic packaging in 2025

-20%

Plastic transport in 2025 -25%

Plastic reduction

Ambition

In 2025, we will use 20% less plastic (measured in kg of total packaging material) compared to 2020. For all new products for which we require plastic packaging, at least 30% will be made from recycled plastic.

How?

We replace plastic by (recycled) cardboard. We will do this, for example, by replacing the packaging or our sets with 100% recycled cardboard where possible and looking for alternatives for our primaire plastic packaging.

Use of plastic in transport

Ambition

By 2025, we want to reduce the use of plastic in transport by 25% compared to 2019. That represents a reduction from 9,669 to 7,252 kg.

How?

We will use thinner and therefore lighter transport plastic, which still meets our quality requirements to protect products optimally during transport. We are also assessing other possible materials and solutions to further reduce our use of plastic in transport.



DAPHNE Manager Product Development VAN MANSOM

In recent years, there has been a clear movement on the subject of 'Sustainability', both in the market and within our company. This is a very positive, but also a very necessary development.

Because the necessity has become clear, there is a great deal of support for concrete projects, investments and in the end implementations. For example, by starting collaborations with other companies in the supply chain. Product Development is the technologically creative driving force behind these developments, some of which are still in their infancy.

If you don't move with the times, you will end up standing still.

The sustainability challenge within Product Development is about constantly innovating and reducing the negative impact on sustainability of an entire product. This includes the packaging and the colour product, taking high quality standards into account and continuing to meet legal requirements. To achieve this, it is important to closely follow market developments in raw materials and packaging so you can constantly apply the latest technologies. Many people are unaware that about 10% of the raw materials used today already come from a renewable source, examples being linseed oil and dextrin. However, certain challenges remain in this respect. Historically speaking, it made sense to use chemically produced raw materials to achieve the desired product properties. These changes in renewable raw materials and therefore in the end product take place in small steps.

Ideally, we would like packaging that, when empty, goes into the recycling system and then back into the market. Circular, in other words. But how do you ensure that happens?

We have set concrete objectives for the existing packaging range and these objectives are being regularly evaluated and adjusted if necessary. When developing new products, we consider how best to produce them right from the ideas phase, in order to maximise their positive impact. We are also increasingly looking into collaborations with companies in the supply chain, because ultimately, we need each other. Together, we can achieve more.







Head office energy consumption

In 2021, our head office in Apeldoorn used 18.8% less electricity per tonne production as compared to 2019, mainly becauce we increased our energy efficiency. Of this, 12.6% was generated by solar panels on the roof. In addition, our Certificates of Origin show that the electricity supplied to Royal Talens is 100% green.

Working together on CO, reduction

Royal Talens works together with its two most important outbound transport partners to reduce CO_2 emissions as much as possible. We do this by combining as many deliveries as possible. From 2019 to 2020, this resulted in an average decrease in the number of deliveries of 25%; per delivery, an average increase in weight of 41%. The result is a 20% reduction in CO_2 emissions from our outbound transport. Furthermore, all of our outbound transport partners are ISO 14001 certified and have clear targets to reduce CO_2 emissions.

Summary

Our electricity is 100% green and we generate part of it with our own solar panels. We have set clear environmental requirements for our outbound transport partners and are actively working with them to reduce $\rm CO_2$ emissions as much as possible. Nevertheless, we realise that we need to do more. For example, we still lack figures on the total $\rm CO_2$ emissions that can be attributed to Royal Talens: the so-called Scope 1, 2 and 3 emissions. We want to have insight into this by 2025.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Daphne van Mansom, Product Development

If you don't move with the times, you will end up standing still.



ENERGY AND CO, EMISSIONS

FACTS & FIGURES



Electricity consumption

TJp per tonne of production

100% green
% of which from our
own solar panels

Electricity consumption by the head office in Apeldoorn, in the Netherlands.



18.8% reduction in electricity consumption

CO₂ REDUCTION:

OUTBOUND TRANSPORT PARTNERS FROM 2019 TO 2020



ENERGY AND CO, EMISSIONS

ACTIONABLE AMBITIONS



Energy consumption in 2025



Focus on CO₂ emissions in



Energy consumption

Ambition

By 2025, our energy consumption (measured in Tpp per tonne of production) will be 10% lower compared to 2019. We already achieved this objective in 2020. Our energy consumption was 18.8 % lower in that year. Our ambition will go on to lower this with a total of 2% to 20%.

How?

Among other things, we replaced the light bulbs in our warehouse with LED lighting in August 2020. In five months, we saved more than 2% of our total electricity consumption. In addition, by producing more per order, we were able to use energy more efficiently.

Focus on CO, emissions

Ambition

By 2025, we will have a clear picture of Royal Talens' direct and indirect emissions.

How?

We will calculate our scope 1, 2 and 3 emissions: this means that we will not only determine the emissions of our own offices, factories and vehicles worldwide (scope 1), but also the CO₂ emissions of our energy sources (scope 2) and other indirect emissions, such as transport (scope 3). With a holistic insight into Royal Talens' CO₂ emissions worldwide, we will then take ambitious and realistic steps to structurally reduce CO₂ emissions.





Waste streams

During production in Apeldoorn, we generate waste of which we have to dispose. We differentiate between 'hazardous' and 'non-hazardous' waste. Of these waste streams, the following are the most hazardous: materials contaminated with paint (21%), filter cake (10%) and flammable liquids (6%). Of our non-hazardous waste streams, we fully recycle our paper and cardboard, iron, plastic tubes and foil and aluminum.

Water usage

From buckets to vessels; we need water to keep our production equipment clean. Due to the change of colour at the filling machine, we replace parts of the filling machines up to 10 times a day and clean them each time. This waste water used to be discharged: in the past, people could tell what colour of paint the factory was producing by the colour of the river. This is not the case anymore for a long time of course. Our waste water now goes through our advanced water purification system, where the water is filtered in accordance with laws and regulations. In doing so, filter cake is left behind: a residue with a high concentration of hazardous substances. The purified water can then be safely discharged. As a safeguard, we are periodically checked by

the government as to whether our waste water is within the permissible limits.

Waste in the supply chain

We sell many tons of products annually, which we transport and deliver in packaging. Waste streams occur not only during production but also after use by the end user. This is an important waste stream for which we feel responsible. We communicate with end users on the topics of safety, environment and health through periodic videos on what to do with paint waste. We post 'tips & tricks' on how to deal with waste on our website and social media.

Summary

At Royal Talens, we have a clear picture of our waste streams. We are reducing both our hazardous and non-hazardous waste per ton of paint produced. We are increasingly efficient in our water usage and we share our knowledge with end users so that they too can be part of our ambition to reduce waste streams.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Wolf Hekkema, artist

There are so many things that we could do differently. Because we have been doing things the same way for so long, we don't stop to think about it.

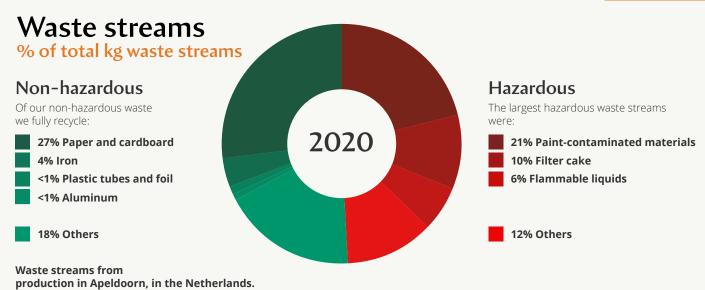


WASTE STREAMS

FACTS & FIGURES

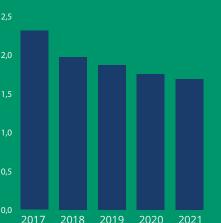






150 Waste compared 120 % of total kg to 2017 waste streams 90 Kg non-hazardous 60 waste per tonne of production -33% 30 **Kg hazardous** compared waste per tonne to 2017 of production 0 2017 2018 2019 2020





WASTE STREAMS

ACTIONABLE AMBITIONS

12 RESPONSIBLE CONSUMPTION **AND PRODUCTION**



Waste streams in 2025



Water usage in 2025



Waste streams

Ambition

By 2025, our waste streams will be reduced by 10%.

How?

We are investigating how to reduce the waste flows from production. In 2014, research began on concrete measures to prevent material wastage in the filling and packaging department, on which we now base the 10% reduction.

Water usage

Ambition

By 2025, we will reduce our water consumption by as much as possible through recycling.

How?

We have instigated research into the possibility of recycling waste water. Already, we found out that 56% of our water usage goes into cleaning. Therefore, we will start to investigate how we can reuse the cleaning water.



DORIEN Human Resources RONKES AGERBEEK

It is important that engagement and connection form the basis of sustainable development goals. This ensures that they are reflected in more aspects and that your impact extends beyond a report or individual actions.

The more concrete the objectives, the better. Both existing and potential employees are generally very interested in sustainability. They would like to contribute something and expect Royal Talens, as a royal company, to be actively involved in this. I am therefore very enthusiastic about True Colours. Especially because we are telling an honest story. You have to be able to trans- late your innovative vision into practice, because that is where things have to change.

The key to success is to share your vision; to make it part of your DNA. Communicate it widely and make the network of interested parties as large as possible.

I hope that reading this report will inspire many colleagues to learn more about how they can help. HR is the linchpin between the departments of an organisation. Based on that connecting and activating role, we can keep the discussion on sustainability going.

We challenge everyone to take control themselves. At the same time, we provide all of the necessary facilities for self-development and safe working.

It is important to ensure that everyone in the organization feels seen and heard. We take each other seriously and can hold each other accountable. We are driven, honest and professional. The average term of employment here is very long; it is a big surprise when people leave the organisation. A sustainability vision only strengthens that loyalty. Recognising yourself in higher goals creates a sense of belonging.

At Royal Talens, we believe in the workplace as a learn- ing environment and we encourage people to share knowledge with each other.

We see that people learn a lot from working together. As a result, our learning and development policy emphasizes collaboration and personal accountability. However, the employer remains the leading facilitator of development. We look at the individual and believe in the power of customisation. Our Performance Management cycle, in which the manager and employee review the employee's position and potential and set goals for the coming year, is a good example of this. We encourage everyone to take the initiative in raising (safety) concerns. At the end of the day, everyone should be as healthy as they were at the start of the workday.







Work Development

By 'Work Development' we mean everything that touches on the well-being and development of the current and future workforce. At Talens, we encourage Lifelong Learning for everyone. Training and development includes more than just the traditional concept of formal education and training from external providers. Equally important is the use of the workplace as a stimulating learning environment. We believe that the majority of development takes place in the workplace. That's why Royal Talens facilitates introduction programmes, extra tasks to broaden skills and personal coaching during Performance Management conversations.

Training programme and training company

Royal Talens is a recognised training company. Every year, we have about 20 traineeships available for students.

Furthermore, we have an internal training programme for our operators. In the period 2017-2021, 21 operators obtained a recognised diploma to become an Operator through our own training programme.

Summary

Royal Talens makes every effort to give its employees the opportunity to develop themselves and focuses on making full use of the potential of both existing and future employees.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Dorien Ronkes Agerbeek, HF

Personalization is important. The individual interview is the core of our Performance Management cycle.





Performance management cycle

Ambition

For 80% of employees to go through a full Performance Management cycle every year. In 2021, this was 87%.

Training programme results

By the end of 2022, six people will have obtained a recognised diploma as an Operator through our own training programme.

We offer all the necessary facilities for selfdevelopment and safe working. Intrinsic motivation is paramount.



Health and Safety

'Health and safety' includes everything that Royal Talens contributes to the health and safety of its employees. We ensure a healthy working environment and promote wellbeing for all ages.

It is a very healthy initiative: exercising before or after work!

We subsidize gym memberships for employees who exercise at least one our per week. By making gym membership more affordable in this way, we aim to make it more attractive to start exercising and stick to it. We've been doing that since 2009.

A very Dutch initiative: on your bike to work!

In the Netherlands, there is a fiscal regulation that allows you to give your employees tax-free allowances up to a certain percentage of the wage bill. We choose to use part of this allowance for the 'bicycle scheme'. This is a scheme whereby employees in the Netherlands get a substantial tax break on the purchase value of a bicycle through their employer. In this way, we make it even more attractive to choose this healthy and more sustainable means of transport.

Prevention

We strive for a safe, healthy, inspiring and stimulating working environment, free from accidents. Prevention is the primary goal. For this reason, we carry out a risk inventory & evaluation as standard before starting any hazardous work activities. We also take additional technical and protective measures to ensure that employees can handle raw materials safely. External and internal experts support our employees.

Accidents

We keep track of our accidents using an accident form. For smaller accidents in particular, the details are not always comprehensive, as an accident form is not completed in all cases. We expect an increase in the number of reported incidents in the coming years, as we will be paying more attention to the registration of incidents. Based on accident forms and discussions with those directly involved, we take appropriate actions to increase safety. Furthermore, we evaluate afterwards with those involved whether the improvements have actually been realised and effective.

Summary

Efforts made by Royal Talens contribute to the sustainable employability of our existing and future employees.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Dorien Ronkes Agerbeek, HF

We have a Quality, Health, Safety and Environment coordinator who drives the plans and connects the initiatives.

Interview →



WORKING CONDITIONS

FACTS & **FIGURES**



Support Health and Safety



The absenteeism specialist and company

doctor promote sustainable employability within the organisation. During absenteeism counselling, they, together with the HR department and all managers, give structured and systematic attention to recovery, resumption and prevention.



The occupational health and safety expert

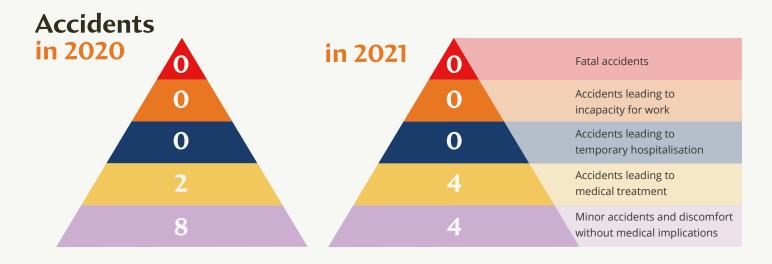
supports Royal Talens in implementing preventive measures, checking the requirements of the Occupational Health and Safety Act and making progress in performing the risk inventory and evaluation (RI&E).



The internal expertise team consists of three prevention officers, each with their own expertise: hazardous substances, work equipment and ergonomics. They take action in the field of health and safety.



The QHSE coordinator directs the internal expertise team and is responsible for ensuring that Royal Talens leads the way in the field of safety and the applicable laws and regulations.



Periodic medical examination

Ambition

For all employees in the Netherlands to be offered a periodic medical examination. In 2019, this was the case for all office employees. Due to CO-VID-19, we have not yet been able to offer this to employees in the other departments.



Social progress

'Social progress' means all initiatives aimed at providing opportunities for children and adults with limited opportunities to develop.

Royal Talens Foundation

The aim of the Royal Talens Foundation is to allow children and young adults with limited opportunities worldwide to experience what creative expression can mean for them. We want to ensure that there is sufficient room for creativity in education worldwide. In doing so, we work with various partners and provide them with materials that are in line with our mission of Quality Education (for all!).

IMC Weekend School (NL)
AZCs (NL)
SOS Children's Villages (Spain, France, Poland)
Right to Play (Lebanon)
Black Girls Who Paint (USA)
NPH (Mexico, El Salvador)

Working with people who are distanced from the labour market

Royal Talens offers people who are distanced from the labour market the opportunity to develop themselves. We are open to anyone who can work to the best of their ability. Based on this vision, we make jobs and tasks suitable for people with an occupational disability or whose participation is otherwise restricted.

Partnership with ELIA

ELIA is the umbrella organisation of art academies worldwide. The aim of our partnership is to improve education. Our lab and our technical advisors (artists) have a lot of knowledge that we can share with the teachers and students of the art academies. The development of Cobra in particular has contributed to this.

Summary

Through the Royal Talens Foundation and our work with people who are distanced from the labour market, we are committed to helping people with limited opportunities. In addition, we contribute to education worldwide.

Please note: the data in this 2020-2021 report is limited to that from the locations in the Netherlands.

Maaike Dijkmans, Royal Talens Foundation

Creative expression is essential for your development. It has a healing effect on children and young people who have experienced many difficult things.

Interview →

SOCIAL PROGRESS

ACTIONABLE AMBITIONS



Royal Talens Foundation

Ambition

Every year, we support at least 1000 children in their creative education by supporting 30 projects in at least 15 different countries.

Product donations

Ambition

Every year, we will donate as many items as pos sible that no longer have a market purpose to the Royal Talens Foundation.

Social employers in the region

We work with social employers and the Employee Insurance Agency (UWV) in our region. There are currently four people seconded to our organisation from social employers. We usually outsource the packaging work to external contractors that employ people who are distanced from the labour market. In addition, we occasionally use the services of a penitentiary for packing work.

Social employer Lucrato from Apeldoorn provides a sustainable match between employers and job seekers who are distanced from the labour market.

Blueview from Nijmegen produces semi-finished and finished products and employs people who are distanced from the labour market.

Scalabor from Arnhem is an employment development company that guides people to suitable and as regular work as possible.









KYLE President, Royal Talens North America RICHARDSON

People are taking sustainability more seriously as we see the consequences of not taking action. In North America too, the trend has been accelerating towards acceptance of the part we play in global climate change. Larger companies are looking for creative ways to find answers. That's not only because of the environment, but it's also good business practice.

We are starting to feel how much of a burden the shipping of goods all over the world puts on our resources, our people and the environment. There is a growing consciousness of the global scale of the challenges, whether we look at supply chains or resource availability. Both in terms of consumer behaviour as well as the industry, there is an urgent need to change the way we do things.

How can we reduce the impact of the products we make and buy? How can we do more with local resources? And how can we use materials that are sustainable in the long term?

We have a large initiative underway that uses locally sourced paper to reduce our environmental impact. In addition, we try to bundle together as many products as possible to reduce shipping and minimise packaging. Efficiency in the internal supply chain makes our business more profitable and our footprint smaller. These values are concurrent and never oppose each other. Sustainable options are not only increasingly being sought by customers but are also offered more by suppliers. There is a demand and desire from both smaller and larger players.

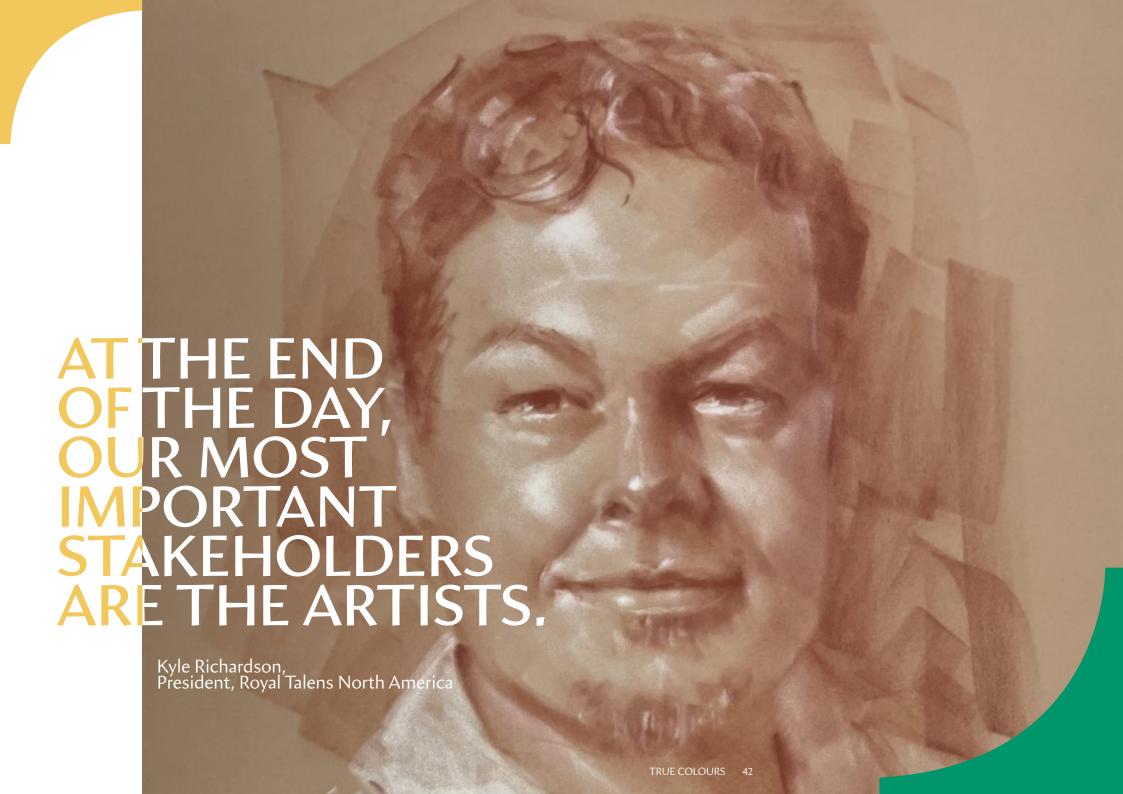
The environment and the preservation of the land on which we live are subjects about which we should all share common goals.

Making art materials is something that enhances life and enriches society, but we also want to make a positive impact from an environmental standpoint. Not just to survive but to help as best as we can in arriving at the best possible outcome of this global problem. We make progressive steps in stages and transparency is the first key step. We should start by looking at all the processes that have an impact: packaging, production, shipping and processing. Because this is bigger than products and profit, we should also see it as an Human Resources opportunity. To solve these issues, we need people who are passionate about doing so.

Don't make it look good but take a good look! Put it all there on the table. Consumers are far more informed and intelligent than companies sometimes give them credit for.

At the end of the day, our most important stakeholders are the artists. Many of them paint outdoors and want to preserve what they capture in the fullest sense of the term. They are absolutely looking for better solutions and don't want products that take a long time to get here or products that have a negative environmental or health impact. Artists are keenly aware of the products they use and their impact on health, safety and environment.





ROYAL Market TALENS











MAAIKE DIJKMANS

Royal Talens Foundation

I have long worked at the interface of commercial and charitable. Six years ago, I changed course. I have my own foundation for educational projects in Guatemala. I also work at the Royal Talens Foundation. This is where it all comes together.

Every company should be working with Sustainable Development Goals. The Royal Talens Foundation's work is closest to the Quality Education sustainable development goal. I am committed to the very poorest in society and believe that education is an important tool that can break the cycle of poverty.

A specially formed group looked at the issues and formulated 17 SDGs. With the foundation and its partners, it is my goal to focus on Quality Education in the best possible way.

Creative expression should be part of every education system but we still have a long way to go. Indeed, art education is not always seen as essential. The Royal Talens Foundation is a small foundation, but by adopting a structural approach we will certainly make progress towards a better world. In Mexico, there is a family home in which 150 children between the ages of 12 and 15 live. Twice a week, painting and drawing lessons are given to 20 children there. I hope that we can ensure that even more children receive creative lessons there.

I am trying to organise something good that will really put this SDG on the map and get us working together. I see my current work as an investment for project growth. From a practical point of view, I am making a start from which we can possibly grow towards our ideal: good creative education for every child! In 2021, we donated products for creative guest lessons at IMC weekend schools and for art classes and workshops in Polish SOS Children's Villages. The partnership with other foundations is growing stronger and stronger and we have great plans to raise more money. My wish is to be able to do more and think bigger.

I have big dreams and the road towards them is often difficult, but I do my best. Perhaps I'm too idealistic, but I think everyone should do their bit.

The challenge for foundations is not to become too commercial. The Royal Talens Foundation is still a separate part of the company. It will take a change of thinking and some time to make them 'one'. It is therefore important that SDGs should not only relate to your internal business operations. Our responsibility extends much further. It is easy to make Royal Talens enthusiastic about this because it has a big and caring heart.





LET'S KEEP THE CONVERSATION GOING

is part of Talens' identity. How can **the next generation** bear our name with pride?

> Dorien Ronkes Agerbeek, Human Resources: Every business level, every sector and every employee has a **connection to sustainability.** HR plays a pivotal role in emphasising the urgency of the issue, for example by making sure that everybody reads the report and that managers discuss it in their departments.

Maaike Dijkmans, Royal Talens Foundation: Social and environmental development goals should not only involve internal business policy.

Our responsibility extends beyond internal operations.

Daphne van Mansom, Product Development: It is a process that we're in together, taking small

> base and supports innovation and impact. We should include our end users more in our

goals. To generate ideas for the future, but also to get a clearer view on the use of our products and waste streams.

friendly products and we want to be on the forefront of

you by. We know we have to **change the**

way we do things, but because we are so

day, our most important stakeholders are the artists and they are absolutely looking for better solutions. profitable and our footprint smaller. These values **are concurrent** and never oppose each other.

for just a short time. This sustainability report is not for show, but to sharpen our minds and actions. What we are showing with it is that we want to be held accountable. This is how we keep the conversation going.



We consider accountability of the utmost importance. If you have any suggestions or remarks after reading this report, please don't hesitate to share.

Royal Talens

For address and location details, please see page 51

Colophon

Disclaimer

or in any other fashion, without the prior written





Wilhelmina, Queen of the Netherlands until 1948, was a great Talens fan. She used our products on a daily basis. In addition to being queen, Wilhelmina was an artist who had a love and passion for her hobby. This made her feel closely connected to Talens.

In 1949, she wanted the world to know this. She made Talens Royal. Because Royal Talens has the same passion as artists. Not to create the most beautiful work, but to produce and develop the best paint and artists' materials, as it has been for the past 123 years. This includes the well-known brands Rembrandt and Van Gogh, but also innovations such as Cobra. Thanks to this great queen, we are called Royal Talens. And to this day, we have lived up to the highest of royal standards, both as a manufacturer and an employer.

About Royal Talens

Creativity is one of the most powerful human assets. It stimulates our ability to express ourselves, to learn and to connect. It has the power to make the world a better place. Ever since we discovered this in 1899, it has been our goal to stimulate as many people as possible to express their creativity.

Creative empowerment

We truly believe that creativity is in each and every one of us. That's why we enable creativity for everyone and engage creativity in everyone. It doesn't matter whether you are an experienced professional, an inspired hobbyist or are just starting to think about being more creative. We understand that creativity sometimes needs a little push. Some new inspiration, a goal, or motivation.

We're here for you

Let us give you the energy to find your creativity and provide you with the very best tools to fuel it. From colourful acrylics and excellent oil paints to subtle fineliners and pencils for kids. You name it. Royal Talens has everything you need to create your own art. So, pick up that brush. Make this your best work yet. And express yourself in a way only you can. Let it out!

CEO Ronald Benning

The next generation will not benefit from talking big.

read more →





OUR BRANDS



The choice of the professional artist



Rembrandt and oil colour is a unique combination of superior quality and tradition in just one tube.



Proudly claiming a solvent-free future



The new generation of oil colours with the same high-quality pigments and viscosity, but without harmful solvents.



Quality, that's what you choose



The ideal brand for the serious artist for whom quality is important.



dream x create



A broad range of high-quality acrylic colours and supporting materials that enable you to express your creativity.



OUR BRANDS



Schjerning Farver Decoration colours



For the artist in you





Brilliant colours





ACRYLIC Suppose 300

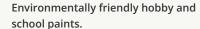
Talens Art Creation offers a complete range of painting and hobby materials.



Offers all supporting products for an optimal painting process.



The brilliant hues of these water colours bring any work to life.





OUR BRANDS



Innovative writing instruments from Japan



Designed in the spirit of Monozukuri: the art of craftsmanship and attention for detail.



Proud supporter of everyone's imagination since 1948



Every drawing is an expression of an idea that is worth sharing.



Feel the inspiration. Express your creativity.



Arts TITAN, a pioneer Spanish brand, provides a high quality paint that can transform your works.





EUROPE

The Netherlands

Head office Royal Talens Postal address P.O. Box 4 7300 AA Apeldoorn The Netherlands

Visiting address

Sophialaan 46 7311 PD Apeldoorn The Netherlands

Export Sales Office

Tel.: +31 55 5274700 info@royaltalens.com

Sales Support Belgium

Tel.: +32 2 2572140 E-mail: belgium@royaltalens.com

Sales Support Netherlands

Tel. +31 55 - 5274 782/780 E-mail: vkn@royaltalens.com

United Kingdom

R. Talens UK Ltd.
First Floor, Unit 2
Millars Brook
Molly Millers Lane, Wokingham
Berkshire, RG41 2AD
Freephone 0800 995 6500
sales.office@royaltalens.com

Spain & Portugal

Talens España S.A, c/Miguel Hernandez, 39 3ª planta 08908 – Hospitalet de Llobregat (Barcelona) Tel.: +34 93 3368750 Fax: +34 93 3368754 informacion@royaltalens.com

Titanarts Distribution S.L.

c/Miguel Hernandez, 39 2ª planta 08908 – Hospitalet de Llobregat (Barcelona) Tel.:+34 93 2642318 info@titan-arts.com

Italy

Hammeley S.R.L. Via Giovanni Pascoli, 25a, 30020 Quarto d'Altino VE, Italy Tel.: +39 0422823316 Fax: +39 0422823326 info@hammeley.it

Switzerland

Talens AG Industriestrasse 68 4657 Dulliken Tel.: +41 (0)62 - 285 5050 info.ch@royaltalens.com

Germany & Austria

de-at@royaltalens.com

Sophialaan 46 7311 PD Apeldoorn Tel.: 0080004000200

Talens GmbH

Poland, Czech Republic & Slovakia

Talens Poland SP. z o.o. ul.Kazury 2E 02-795 Warszawa Tel.: +48 22 649 0160 poland@royaltalens.com

Denmark

Schjerning Farver A/S Østeralle 21 DK 8400 Ebeltoft Denmark Tel.: +45 8634 2211 info@schjerning.dk SalesRT@schjerning.dk

NORTH AMERICA North America

Royal Talens North America Inc. 30 Industrial Drive Northampton, MA 01060 United States Tel.: +1 (413) 300 1899 info.na@royaltalens.com

ASIA

People's Republic of China

Shanghai Sakura International Trading Co., Ltd 6F/H, Eastern Tower Shanghai Hi-Tech King World No.668, Beijing East Road, Shanghai, China 200001 Tel.: +86 21 33316560 Fax: +86 21 33316563 sakurash@126.com

Purchase and Quality Control Hehua Talens Shanghai Fine Art Materials Trading Co., Ltd.

Room 1704, Block A, No.58 Xinjian East Road, Shanghai, China Tel: +86 21 67648672

Japan

Talens Japan Co. Ltd. 1-6-20, Morinomiya Chuo, Chuo-ku, Osaka, 540-8508 Japan

Tel.: +81 6 6910 8825 Fax: +81 6 6910 8836