



Sustainability Report 2023

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Letter from our CEO



Best Wishes
Alejandro Pena,
Chief Executive Officer,
Keter Group

Letter from our CEO:

Dear Valued Stakeholders,

At Keter, we continue to pursue our purpose and our passion, which is to shape what's next for a better day by creating, inventing, designing and building solutions for homes, gardens and storage so that our customers and communities can live comfortably and adopt more sustainable lifestyles.

The past year has been a journey of triumphs and trials.

On the upside, we expanded our global footprint, fueled by a strategic increase in our direct-to-customer online sales.

This expansion has provided our customers with a wider range of choices and the convenience of procuring their preferred home solutions with just a few clicks. For those who favor a retail experience, we continue to maintain our networks across 100+ countries, often collaborating with key retailers to offer customized product ranges or initiate product take-back or recycling programs for the benefit of consumers and the environment.

We have been relentless in sourcing and utilizing recycled content, advancing initiatives that place us at the forefront of recycling science and innovation. We have also reduced our carbon footprint across our global operations by 8% in absolute Scope 1 & 2 greenhouse gas emissions, thanks to the ongoing efficiency efforts of our operational teams and our commitment to procuring electricity from renewable sources. We are on track to achieve our pledge of a 25% reduction in emissions per ton compared to 2018, with 23% already achieved by the end of 2023.

However, we have also faced challenges. The events of October 7th in Israel deeply affected us, raising concerns for the wellbeing of our employees, their families, and our communities. As a company, we swiftly mobilized resources and teams to assist those affected by the emergency, while advocating for the release of the hostages taken from their homes and neighborhoods. Our series of empty yellow chairs, symbolizing our collective call to bring the hostages home, remains a poignant reminder of our commitment to peace and coexistence in the region. In 2023, we underwent a change of

ownership after BC Partners, our former majority owner, sold their stake in Keter Group. As we await the appointment of a new Board of Directors representing the Group's new ownership, we anticipate welcoming new leadership that will help us further leverage our strengths and growth trajectory based on sustainable principles and ethical values.

Another challenge in 2023 was the limitation in sourcing recycled resins for broader use in our production. Despite this, we maintained a rate of just above 41% recycled content in 2023, thanks to our in-house recycler in the U.S., Trigon, and our technical experts who persistently explore new recycling opportunities. We are committed to realizing ongoing developments to improve our position in the coming years and meet our ambitious target of 55% recycled content by 2025.

I am continually inspired by our global team at Keter, a group of dedicated, intelligent, and compassionate individuals. United by our shared vision for a better future, we collaborate with our partners to surmount all challenges, even under the most testing circumstances. Shaping a better day is not an overnight task, but our daily contributions add up to a significant impact on sustainable development for our people, our communities, and our planet.

Thank you for your interest in this report.

We welcome your insights and suggestions for improvement. Together, we can continue our path towards a sustainable and prosperous future.



The Keter Everyday 2025 Sustainability Pledge



Better Products for Better Places

- 55% of recycled content in total production
- 30% of sales from innovation
- Product end-of-life programs implemented in all regions

Better Planet

- 25% reduction in greenhouse gas emissions from production per ton of product (base year 2018)
- Zero waste to landfill from production

Better Business

- 35% women in management and above
- 90% employee participation in a Keter wellbeing program



About Keter

Keter Group is the innovative global leader in durable consumer lifestyle solutions for in and around the home. With products available in over 115 countries, our global scale empowers us to positively impact consumers every day, everywhere around the world.

Inventors, creators, and problem-solvers who are passionate about designing products that make everyday spaces more liveable.

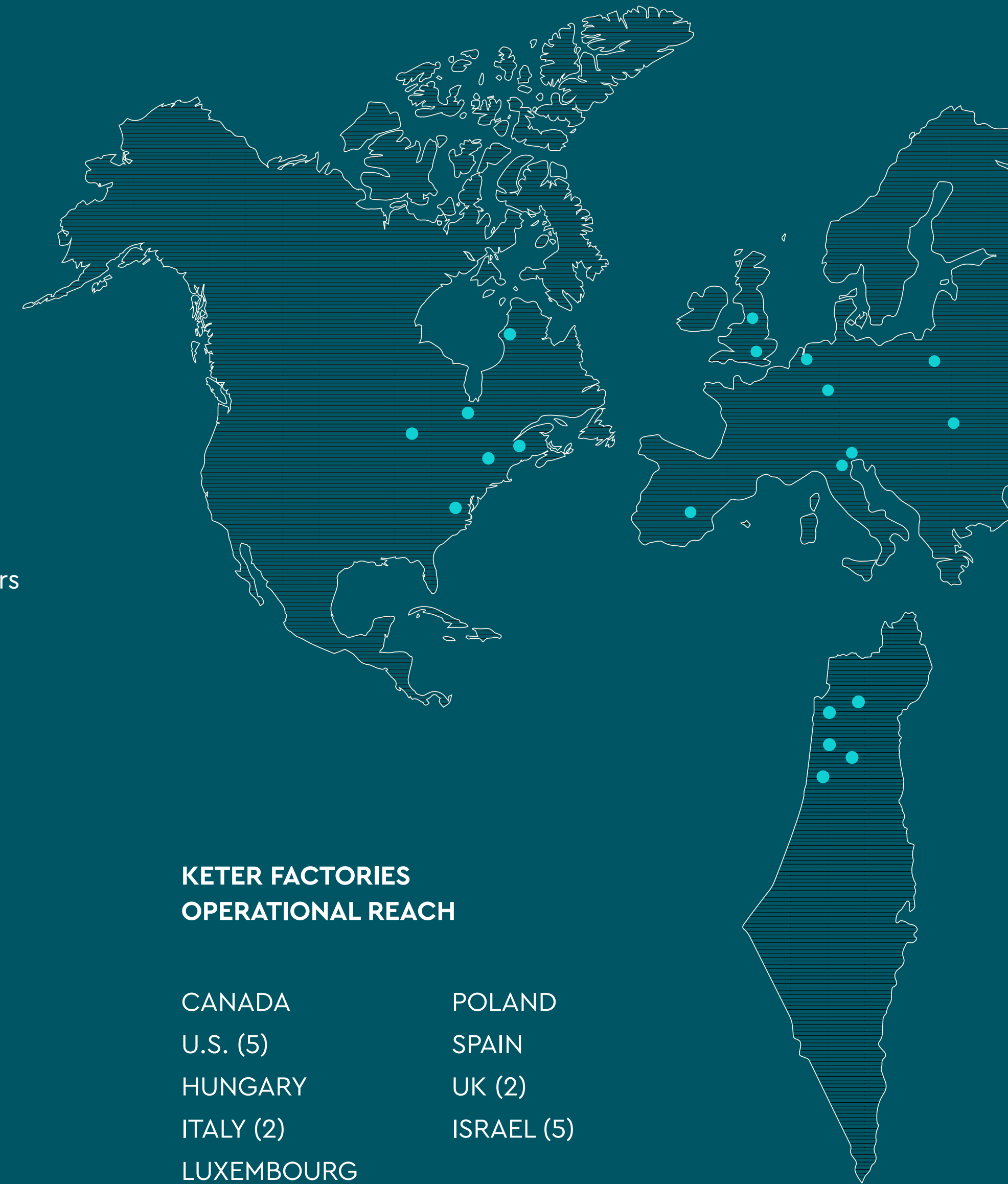
Our Business

Keter's products are available in more than 25,000 retail outlets worldwide and through multiple online ecommerce platforms, as well as Keter's own ecommerce channel. With a focus on sustainable innovation driven by consumer insight, we manufacture an extensive range of indoor and outdoor furniture, tools, storage and home, office and organization solutions.

Keter maintains 20 manufacturing sites in 10 countries, as well as global sales and support centers. Our products are known for long-lasting usability,

attractive design and unparalleled functionality. In 2022, our corporate sales were generated in Europe (50%), North America (43%) and other countries (7%).

In 2016, Keter was acquired by BC Partners, a leading international investment firm. In early 2024, the lenders of the Keter Group acquired full ownership of Keter.





Our Brands and Products



Create amazing spaces

Space is precious. Whether a garden or a garage, a balcony or a shed, space is too valuable to waste. At Keter, we give people the tools they need to transform their spaces from ordinary to amazing. For over 70 years, we have been making good design accessible to everyone. Offering a wide range of products that surprise and inspire, are practical and made to last. Good design isn't just about how something looks but also how it works. It is how we unlock the potential of any space to make it amazing. In a world where space is precious, we make every space count.

Additional brands of the Keter Group:





Our Brands and Products



Welcome home

One minute you recognize your home; the next you don't. Mess just happens. There's a name for this – it's called life. Curver inspires you to feel like you can get your home back and to enjoy living in a stylish and organized way. Because sometimes all you really want is for home to feel like home.

Additional brands of the Keter Group:





Our Purpose

At Keter, we're driven to invent. We create lifestyle solutions for in and around the home in ways only we can. We design with the most innovative technologies and build with sustainable materials to create products that enhance peoples spaces and elevate their experiences. We're constantly looking for the new to shape what's next — relentless in our pursuit of solving the needs of today while designing for tomorrow.

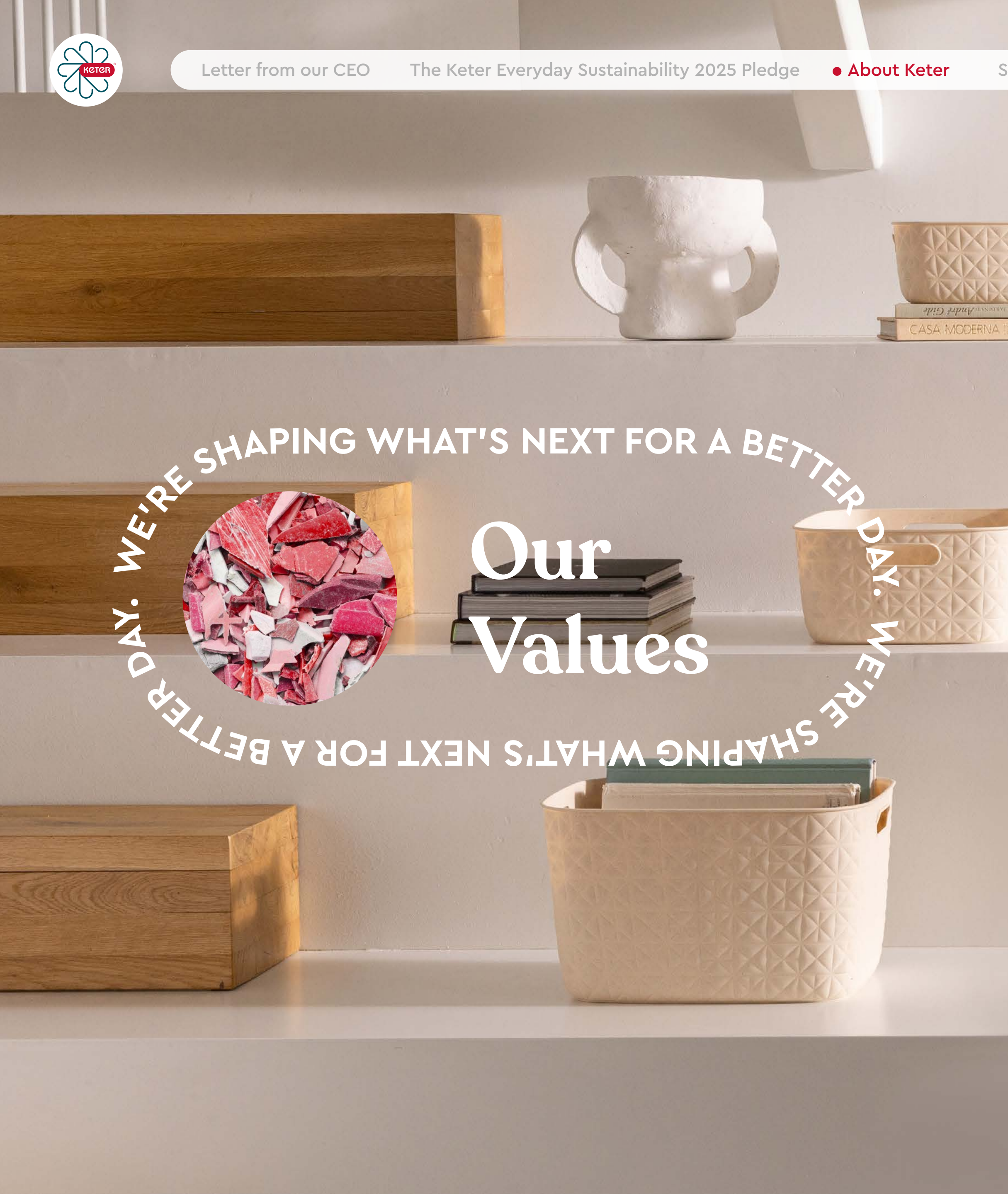
We're shaping what's next for a better day.

Four principles drive our brand and product development:

- We invent what's new and next
- We create solutions for the global marketplace
- We design with people in mind
- We build in a sustainable manner



We're Shaping What's Next for a Better Day.



WE'RE SHAPING WHAT'S NEXT FOR A BETTER DAY. WE'RE SHAPING WHAT'S NEXT FOR A BETTER DAY.

Our Values

Innovation

We continuously innovate products and processes to meet the needs of our customers and consumers.

Entrepreneurship

We are passionate, optimistic and never give up.

One Team

We are ONE Keter.

Agility

We respond positively to change.

Respect

We believe in diversity and ensure that everyone feels welcome, valued and safe in the workplace.

Accountability

We deliver what we promise.



Sustainability at Keter

At Keter, we believe in a better world, and that it's up to us to help shape what's next for a better day. Everything we do must be guided by our aspiration to invent and create in ways that improve the quality of life for our customers and deliver value for all. As part of a global community, we aim to be a positive contributor to a prosperous future for people and for the planet. Our strategic approach to sustainability is supported by measurable goals and focused on the areas in which we can make the biggest impact.

Sustainability Priorities

We defined our sustainability priorities in a comprehensive materiality assessment conducted in 2019, drawing input from a wide range of sources and stakeholders. These priorities reflect our most significant impacts on people, communities and the planet, aligning with global imperatives as defined by the United Nations Sustainable Development Goals (SDGs).

Keter's Material Impacts

Consumer Benefit
Product Innovation
Circular Economy

Climate Change
Supply Chain
Management

Ethical Conduct
Responsible Employer
Community Investment

Alignment with the UN Sustainable Development Goals



In 2023, our leadership confirmed the ongoing relevance of these material impacts for Keter. We plan to conduct a new materiality assessment in 2024.





Our Sustainability Strategy

Goal

2025 Targets

Progress in 2023

● On track to achieve 2025 target

Better Products for Better Places

Deliver affordable, innovative lifestyle solutions for different people and places and advance a circular economy through use of recycled content and recyclable design.

55% of recycled content in total production

30% of sales from innovation

Product end-of-life programs implemented in all regions

● 41% achieved: We continue to work on technologies and sourcing to increase viable sources of recycled raw materials.
[See section: Circularity and Technology](#)

● 27% of sales from innovation in 2023.
[See section: Innovating and shaping what's next](#)

● Significant progress made in Europe and other regions are moving forward.
[See section: Circularity and Technology](#)

Better Planet

Mitigate climate change risk through operational efficiencies and environmentally positive actions throughout our supply chain.

25% reduction in greenhouse gas emissions from production per ton of product (base year 2018)

Zero waste to landfill from production

● 23% reduction achieved (versus 2018 baseline).
[See section: Climate Action](#)

● 6% of waste was sent to landfill in 2023 – a major improvement compared to 20% in 2022.
[See section: Zero Waste](#)

Better Business

Deliver business, and social value through ethical conduct, an engaged workforce, and community investment.

35% women in management and above

90% employee participation in a Keter wellbeing program

● 32% of executive and management levels were women in 2023, up 1% from 2022. We are on track to reach our target.
[See section: Advancing women](#)

● 80% (3,745) employees confirmed their participation in at least one wellbeing event in our regions in 2023.
[See section: Employee health, safety and wellbeing](#)



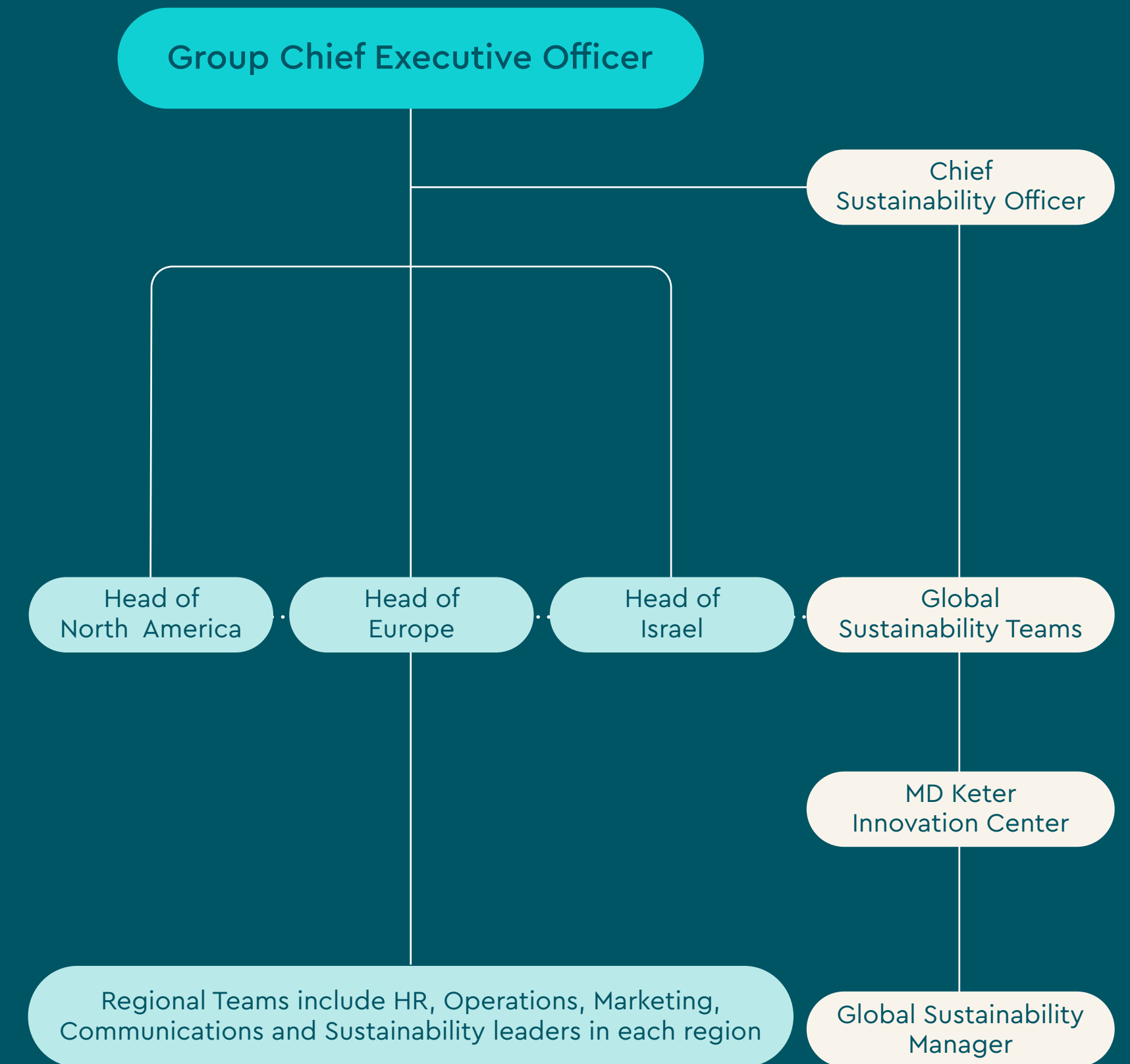
Sustainability Governance

We maintain a networked structure to ensure we drive our sustainability strategy, training and communications consistently throughout our regional operational structure. Headed by an executive team member who serves as the global Chief Sustainability Officer, supported by specialists at the corporate center, in each region there is a member of the Global Sustainability Team and leads a regional team to apply sustainability practices in each country across the Group.

In 2023, the Global Sustainability team met weekly and reported quarterly to executive management on progress against our sustainability strategy and goals and cross-organizational sustainability initiatives. Additionally, quarterly meetings were held at the regional level to monitor operational progress in each region against environmental goals. Regionally, teams met monthly to review progress in each region.

At a global level, we communicate regularly on sustainability matters with quarterly newsletters to inspire employees with progress and practices updates from across Keter and training events covering specific aspects of sustainability. Our Chief Executive Officer's quarterly email to all employees includes an update on sustainability progress.

In 2023, we held more than 57 sustainability-focused meetings and training events for employees across the Group, and sustainability managers and teams participated in more than 32 external conferences and webinars.





2023 Sustainability Highlights

BETTER PRODUCTS

110

More than 110 new products launched globally in 2023

27%

27% of total sales from innovation (new products launched in past 4 years)

41.09%

41.09% recycled content in overall production (compared to 41.8% in 2022)

292

292 new patents applications for Keter products in 2023, with a total number of 2,688 registered patents



2023 Sustainability Highlights

BETTER PLANET

24.6%

8% absolute reduction in GHG emissions (Scope 1&2), bringing our total emissions reduction to 24.6% since 2018

91%

26% reduction in total waste in 2023, with 91% of waste recycled or reused

ZERO

Zero Waste to Landfill achieved by 5 plants, representing 41% of our European production in 2023

NEW

New Circularity Initiatives in several countries to collect, sort, grind and recycle end-of-life, unsaleable or returned products



2023 Sustainability Highlights

BETTER BUSINESS



32%

32% women in executive and management roles at Keter globally (compared to 31% in 2022)

36%

36% reduction in Total Recordable Injury Rate

43,800

> 43,800 hours invested in training in 2023, with an average of 9.4 training hours per employee during the year

80%

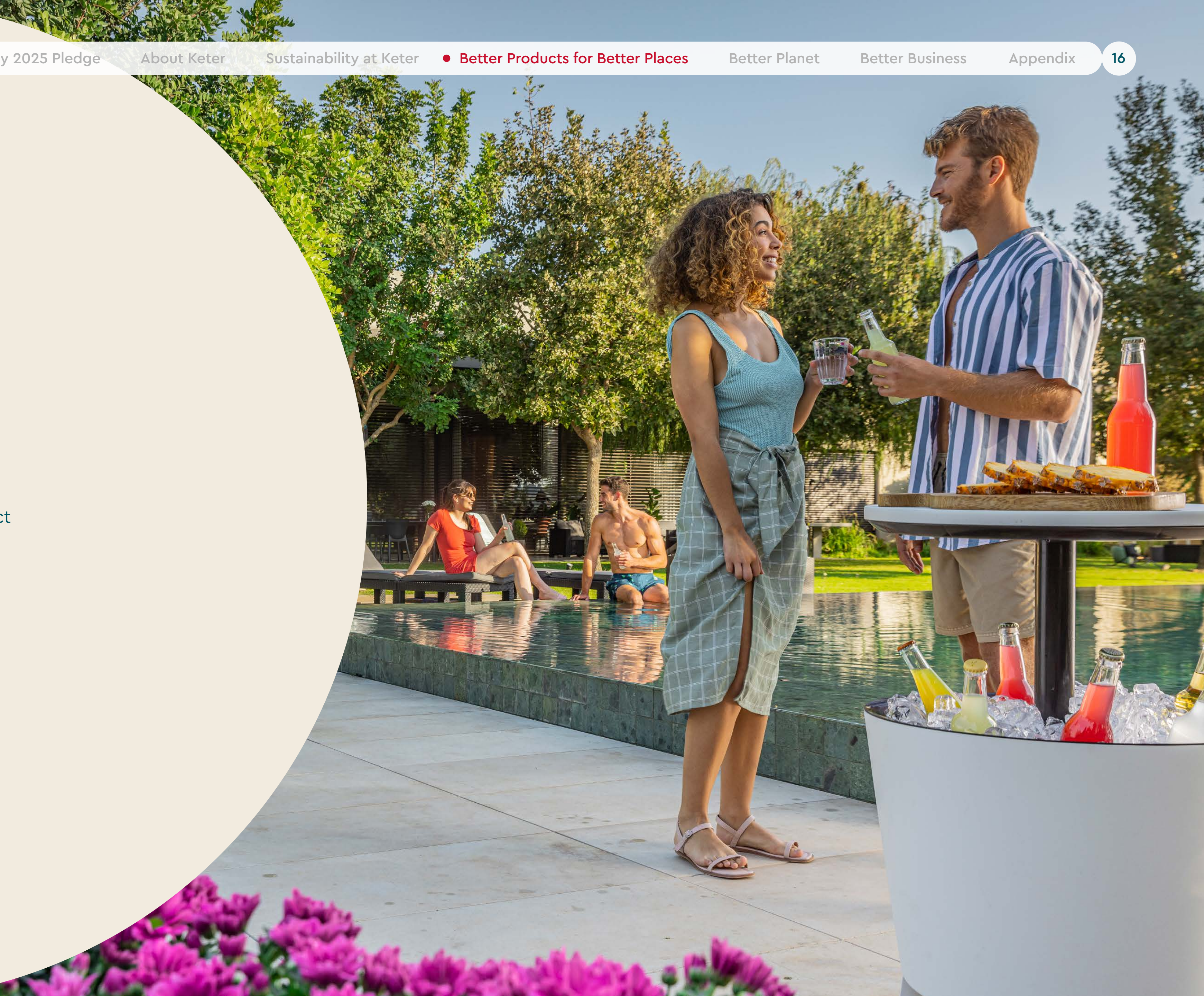
80% of our total global employees participated in at least one wellbeing event in our regions in 2023



Better Products for Better Places

At Keter, we provide home and garden solutions that make life easy and are friendly for our planet. With a wide product portfolio to meet a diverse array of living, organization and storage needs, we offer our customers the opportunity to choose affordable functionality with a light environmental footprint due to the high level of recycled resins we use in our production. Our products are made to last for many years, and when they reach the end of their first life, they come to life again in another form after being recycled.

Better Products for Better Places means affordable lifestyle solutions based on circularity, meaning that customers can enjoy Keter products knowing they are treading more lightly on the planet.





Affordable Lifestyle Solutions

Keter's products are designed for people who seek maximum functionality, comfort and convenience while enhancing their environmental handprint. Our long-life, resin-based product ranges are durable in all weather conditions and climates and meet a variety of home, office, garden and yard organization, storage and hosting needs at prices that compare favorably to products made from wood, metal, glass or other materials.

With sustainable design at our core, we offer consumers useful, comfortable, affordable and durable products.

Keter holds 2,688 registered patents for our proprietary innovative product designs, with several more in the pipeline. In 2023, we applied for more than 290 new patents.

Expanding direct choices for our customers

We are continuously striving to expand choices for our customers, both in terms of our product offerings and also in terms of how customers can easily locate and buy Keter products to meet their lifestyle needs. Following the 2022 launch of our ecommerce sales channel (Keter.com) in the U.S. and the UK, in 2023, we launched the platform in Canada and several countries in Europe. With each new geography, we established targeted product selections and a distribution infrastructure to enable customers to source the products they love directly from Keter in the most efficient way.

Through our partnership with Salesforce, which facilitated the digital transformation of our connection to customers, we have created direct channels of communication that helps us better understand customer needs, offer solutions that fit their requirements and provide product and sustainability information that helps customers make informed choices.

Our direct sales channel complements our existing online and in-store offerings through large retailers in different countries and provides us with new and innovative ways to provide better value for our customers. A further advantage of this approach is improved demand planning and inventory management, helping us reduce our logistics footprint as we tailor production to local demand and reduce shipment distances.

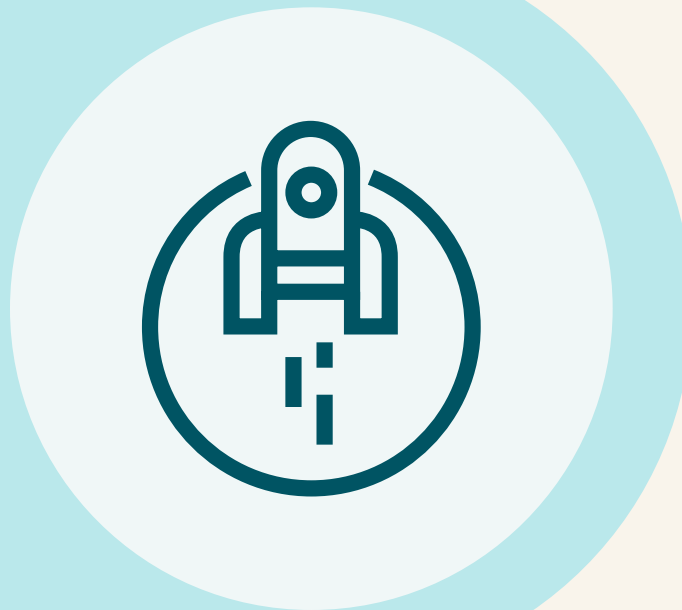
Activating digital direct for customers in 2023

- **45** newsletters covering, **15** product campaigns, **40** product launches
- **>26,000** subscribers to our newsletter in the U.S. alone
- **Product suggestions** to engage customers through based on keyword searches
- **Back in stock notifications** available for customers



Innovating and Shaping What's Next

In 2023, we launched 119 new products and product variations in 92 markets.



Innovation is how we do business and Keter continues to deliver new products across our global markets, offering customers creative and appealing designs, exceptional functionality and more sustainable product profiles to support the lifestyles of today.

Soft Living

In 2023, we introduced soft texture to the diverse family of Keter ranges. Meet SOFTEX, our newest collection that is inspired by a weaving, stitching technique yielding a pattern that appears padded. Combining a soft feel and a unique geometric pattern, our new range offers a luxurious yet friendly feel to give our customers more choice and flexibility. Our new range of decorative storage and laundry items under the Curver brand adds soft texture, trendy colors and a wide range of shapes combining functionality and style. Incorporating a minimum of 70% recycled materials, the line is a sustainable addition to the Curver range. Specifically, this range uses recycled fabric fibers from clothes and other fabrics, offering a circular possibility for garments and other textiles that are discarded in high quantities around the world.





Innovating and Shaping What's Next

Sheds and more made-to-order

In 2023, we developed a breakthrough technology that enables us to significantly expand product choices for our customers. DECoCOAT™ enables us to deliver exciting color, finish and texture combinations to current and future products such as sheds, benches, storage containers and more.

A key innovation here is the addition of a layer in the product design that both adds ultra-violet protection and also helps prevent visible scratches and marks. With this addition, we can differentiate product lines, offering customers the possibility to select their preferred color and texture options or finishes such as wood panel finish or concrete look. DECoCOAT™ offers customers flexibility and suitability for their needs, considering the product placement and use, while enabling us to make products on demand, exactly as customers ordered them, thereby reducing inventories and waste in our supply chain.

In 2023, we launched DECoCOAT™ in 8 variations of colors, textures and finishes across 5 product lines.

In addition to DECoCOAT™, we continue to invest in innovation for our shed ranges, adding new accessory and security options, gutters for rainwater collection and window styles, as well as developing new models in response to customer demand for purpose-built sheds to meet unique needs in the garden and outdoor storage space. For example, we have developed a new option for bicycle storage and a special shed unit that serves as a potting shed for sprouting plants and vegetables in greenhouse-like conditions.





Innovating and Shaping What's Next

Going for modular

Our new 5-seater corner lounge seater for garden and patio spaces, called "Elements", is made from 100% recycled plastic and is 100% recyclable, offering our usual sleek and sophisticated design that is durable, weather resistant, UV-protected and low maintenance. Elements offers a textured finish that resembles the appearance of real wood, blending well with the natural look of any garden. An advantage of the Elements range is that it boasts a smart modular and expandable design, allowing customized configuration of different modules to adapt to the available garden space. After use, modules can be separately stored away if needed.





Innovating and Shaping What's Next

Flattening everything

A significant focus of our innovation is geared toward creating an overall improvement in environmental impact through not only product design but also through options to reduce packaging and transportation volume.

In 2023, we made significant progress across a number of product lines:

- **Space-saving planters:** To augment our options for customers with green fingers, we created a line of planters with smart packaging and assembly that enables cubic or round planters to be packed flat for easy transportation and storage, reducing the bulk in transportation and on-shelf in-store displays. The planters also have a water reservoir and a watering system that indicates water levels to enable correct irrigation and successful cultivation.

- **Flat sheds:** We continue to expand our range of flat-packed sheds, offering durable, maintenance-free, customizable sheds for outdoor use. Wooden sheds are generally discarded within a lifespan of 5 years; Keter's sheds retain their form and function for tens of years. In 2023, we further improved our sustainable flat-packing approach by trialing flat-packed sheds in one box to add further efficiencies in the shed supply chain; to date, certain shed products were packed in two separate boxes. Additionally, we improved our modular approach to enable greater customer choice on certain shed models, allowing customers to select shed modules to create the shed design of their choice, including extra-large sheds that were not previously available.





Circularity and Technology



Circularity means extending the life of materials for as long as technically possible and avoiding waste throughout the product lifecycle. Keter maintains its drive to adapt, recreate and transform raw materials into amazing products that is our legacy of more than 75 years.

Circularity is more than just an outcome at Keter. It reflects our entire design and development principles, starting with raw materials and extending through every stage of the development process, dictating how we treat different materials by creating new processes to handle material combinations that will allow recyclability of a finished product at the end of its useful life. This also builds on our active investment in product take-back and community collection processes (see below), that give new life to plastic products.

At Keter, we stand for durable products that deliver a lifetime of use for customers around the world. We do not produce single-use plastics and we oppose the environmental devastation that the throwaway culture has created. Our approach is to leverage the most advanced technologies and the principles of circularity to create better products for a better planet that improve the quality of life for everyone who uses our products.

Versatile innovation with recycled raw materials

As one of the largest users of recycled resins globally, we aim to be industry leaders in sourcing and adapting our processes to incorporate increasing levels of recycled materials as well as delivering end-of-life recyclability so that our products can continue to play a useful role in different forms with no avoidable harm to the environment.



Our Innovation Focuses on Four Stages of the Product Design and Lifecycle:

Materials and technologies

01

We are constantly seeking new sources of sustainable raw materials and testing technologies and processes that will enhance our ability to incorporate alternative sustainable materials into our manufacturing.

Quality

02

We maintain an intensive program of quality testing to ensure all materials in our processes are fit for use and meet Keter's rigorous quality standards.

Regulation and customer demand

03

We consider all our materials innovation and development with current and emerging regulation across different markets in mind. Similarly, the feedback and requests we receive from customers in our different markets help inform our product development processes.

Procurement and supply base

04

We maintain a range of partnerships and collaborations across our supply base to help source sustainable raw materials in the right quality and quantities to meet our needs.



Circularity and Technology

We continue to work with partners in our industry and resin experts to develop materials from a wide range of waste sources to expand our use of recycled waste. In 2023, we advanced multiple raw material projects to support greater availability and use of sustainable raw materials in our production, including:

Increasing recyclability in extruded panels:

While most of Keter's production is based on injection molding, we maintain a large extrusion facility that produces panels for larger products such as sheds. In 2023, we tested a new raw material containing 70% post-consumer recycled (PCR) waste content across a range of products, and overcame several process challenges to incorporate this new material at 10% in our extrusion process. We continue to refine the process and with an objective of increasing the use of this new material at a level of 15% in the coming year.

Making toolboxes from PCR:

We continued to work on perfecting an all-black resin made from 80% PCR waste and post-industrial waste. We faced challenges of sourcing required quantities of appropriate material of a quality that enabled the production of a homogenous resin mix. Following many trials and modifications, we succeeded in developing a stable material that contains zero virgin resin and incorporating this into our black toolbox range at up to 32%.

Sourcing recycled transparent resin:

Our transparent storage containers and other products that have a light color require us to use transparent resin. Sourcing such resin from recycled sources is challenging as supply is highly limited, restricting our use to up to around 20% in finished products such as storage containers, sheds and garden products. In 2023, we intensified our search for new options and identified a stable source for resin made from recycled PCR

waste. We are currently testing this at the rate of up to 40% in our products and hope to expand this further in the future.

Creating resin from food waste:

In 2023, we continued to develop our eco-resin that is composed primarily of recycled polymers and organic cellulosic food waste such as potato and orange peels. We are working with our supplier to scale available quantities of this type of resin product. A key challenge we face in incorporating this resin is that cellulose-based products do not remain stable at high temperatures, so we must modify our production process accordingly. We are trialing the use of this green-waste-based resin in different products so that we can deliver attractive, durable products while contribute to reducing organic waste in landfills.



Circularity and Technology

Improving quality processes

As we continue to evaluate new raw materials and expand our sources, it is imperative that we maintain Keter's high quality standards that guarantee the durability of our products over their long lifetime. In 2023, we improved our quality assurance and raw material sampling procedures to prevent sub-quality materials entering production. Following implementation of additional quality checks on incoming and stored materials and also at the pre-production stage, we were able to reduce the number of quality issues by more than half.

Our APmedical division, that specializes in containers for the disposal of sharps and dangerous hospital waste, continues to expand its ECO container range produced in recycled material.

ECO containers satisfy quality standards requested by ADR-UN to secure transportation and ISO 23907-1:2019 to secure utilization and carry recognized safety

marks for medical waste containers: Marque NF from LNE (France) and Kitemark from BSI (UK). The ECO range recycled plastic content starts at least at 30%, therefore meeting the latest health regulations in all major countries, including UK.





Making Circularity the Norm



As one of the largest resin users in the world, we wish to use our scale and influence to promote circularity across our sector to reduce waste in our supply chains and improve the overall carbon footprint across our industry. To achieve meaningful progress, we believe a systems thinking approach is necessary from all players in the value chain, including consumers whom we rely upon to segregate and return plastic-based goods and furniture for recycling. We welcome industry collaboration to advance technologies that enable incorporation of plastic

waste into recycling systems. Our in-house recycling plant in the U.S., Trigon Plastics, collects and processes plastic waste from a range of sources, processing in excess of 5,000 metric tons of post-consumer plastic scrap annually.

In 2023, we again advanced partnerships to further drive circularity through our value chain, including:

Offering a circular solution for retailer plastic waste

In collaboration with the European home and gardening products retailer Leroy Merlin, we developed a unique solution to reduce the impact of plastic waste. Leroy Merlin recovers broken or unsaleable plastic materials from internal processes, which would otherwise be sent to landfill, and these are collected by Keter Iberia. We can process these products and convert them into a finished product for sale in Leroy Merlin stores or potentially plastic pallets to reduce waste in the retail logistics systems, replacing wooden pallets. Currently, we have piloted this initiative at two stores, processing a total

of 5.6 tonnes of plastic waste per year. The next phase is to move to higher volumes covering more stores and distribution centers.

Continuing to recycle clothes hangers

We continued to partner with our customer, Decathlon, the global sports equipment company, to address an aspect of plastic waste that is often overlooked: clothes hangers. Decathlon imports a range of sports garments that are delivered on plastic hangers, which amounts to tons of plastic that previously was scrapped and sent to landfill. While Decathlon recycles clothes hangers in other geographies, no solution was available in Israel. Partnering with Decathlon, we set up a collection system for all Decathlon stores in Israel, collecting 20 metric tons of clothes hangers in the first year alone. The collected hangers are processed and recycled into new Keter products.



Making Circularity the Norm

Enhancing consumer awareness

In our East European markets, we converted Point of Sale materials for our Ecoline products to use recycled cardboard, communicating the sustainable features of both the products and the display units.



In 2023, we significantly ramped up our sustainability practices and communications to help inform and influence consumers to make better choices for the planet. In addition to making most of our POS materials from recycled board, and labelling all our products with sustainable features, we included sustainability information in our written and online communications and included a sustainability section in our product catalogue."

—Eti Barkai, Marketing Communication Director, Indoor, Keter

Supporting circularity projects in Europe

In Benelux, as part of the EU circular economy action plan, we actively engaged in initiatives with our customers to take back plastic products for recycling. Working with customers such as Blokker, the large Dutch household

products distributor, and Action, the European household goods discount store chain, we created systems for end-of-life, unsaleable or returned products by consumers to be collected for recycling. We established recycling processes through two partners, GP Groot and Van Werven, who separate, sort and grind collected products to meet our raw material specifications. Our operation with Action has been underway since August 2023, now producing black round organizer containers in different sizes. Our collaboration with Blokker continues as a pilot initiative in 20 stores and is supported by a joint consumer advertising campaign to encourage product return to Blokker stores.

Keter Europe is a member of the Circular Plastics Alliance that aims to boost the EU market for recycled plastics to 10 million metric tons by 2025. Keter also participates in national and industry recycling schemes, for example, Keter Luxembourg is a member of Valorlux, a non-profit that organizes collection of household packaging waste for reuse and recycling in Luxembourg.



Making Circularity the Norm

Giving a second life to Tetra Pak packages

In 2023 we progressed a game changing initiative to process waste from the recycling process of carton beverage packages in collaboration with Tetra Pak, a multinational food processing and packaging company and Trans Sabater recycler company based in Valencia. Beverage cartons are often used to distribute milk, juices and other beverages, and they are made of about 70% paper and thin layers of plastic and aluminum (30%) to keep the food safe from oxygen and light. They are collected separately through the yellow container and brought to paper mills where the packages are recycled.

The paper fiber is extracted to make recycled paper whilst there weren't application for the 30% of plastic and aluminum in the industry. Working closely with Tetra Pak and Trans Sabater, and leveraging our vast experience in materials processing and recycling, we developed a solution to create a new product range based solely on the plastic and aluminum waste from this recycling process. Our initial testing and product were completed

in Spain through our Keter Zaragoza operation. Identifying a suitable product range that would accommodate the unique nature of this plastic and aluminum recycled, we developed our Planters range, and ideal addition to our garden and outdoor home solutions, offering grey or black planter boxes with a concrete texture in different sizes. Adeo Group, leader in DIY business in Europe and with strong sustainability strategy, will be responsible for distributing and commercializing the range of planters to European consumers.

"This development is going to result in a greater positive impact for the planet. We have a unique product with excellent design and quality coming 100% from material that for first time can be recycled this is a real breakthrough, as a result of great collaboration between Keter, Tetra Pak and ADEO."

—Maria Jesus Esteve, Managing Director,
Keter Iberia SLU



Made of **729**
beverage cartons



Made of **448**
beverage cartons





Better Planet

Keter's Everyday Sustainability Pledge is our commitment to creating a better planet. We design for sustainability by using recycled resins, assuring recyclability and optimizing resource efficiency throughout our production and logistics operations across our global supply chain. We are committed to reducing the climate change impact of our operations through lowering greenhouse gas emissions and eliminating landfilled waste.





Our Climate Change Commitment:

We are passionate about reducing our impact on the planet. We have always taken a precautionary approach to climate change mitigation in line with the Principle 15 of the UN Rio Declaration on Environment and Development and the broad objectives of the 2015 Paris Agreement and most recent climate science which calls for reducing greenhouse gas (GHG) emissions to keep the increase in average global temperatures below 1.5°C compared to pre-industrial levels.



Keter goal:

25% reduction in greenhouse gas emissions from production per ton of product by 2025 (base year 2018)



23% reduction achieved (versus 2018 baseline). In 2023, we conducted a thorough review of our environmental data and updated our approach



Climate Action

Our plant in Zaragoza, Spain is the first Keter factory to achieve zero GHG emissions, with all energy from renewable sources. While all our plants in Europe and around the Keter world continue to make strong efforts to drive down GHG emissions, we are pleased that Zaragoza is leading the way in showing how it can be done."

—Simona Marchetto, Quality, Health & Safety Director, Keter Europe Region

In 2023, we undertook a thorough review of our energy and emissions data collection and reporting processes using a specialist environmental services firm. As a result, we updated our methodologies and emissions calculation approach, using current best practice and applying market-based data in most of our markets where available. In addition, we aimed to collect data that was challenging to compile in prior years. This review has resulted in 2023 performance data that we believe will serve as a robust basis for future reporting and external assurance, along with further improvements we are continuing to apply in 2024.

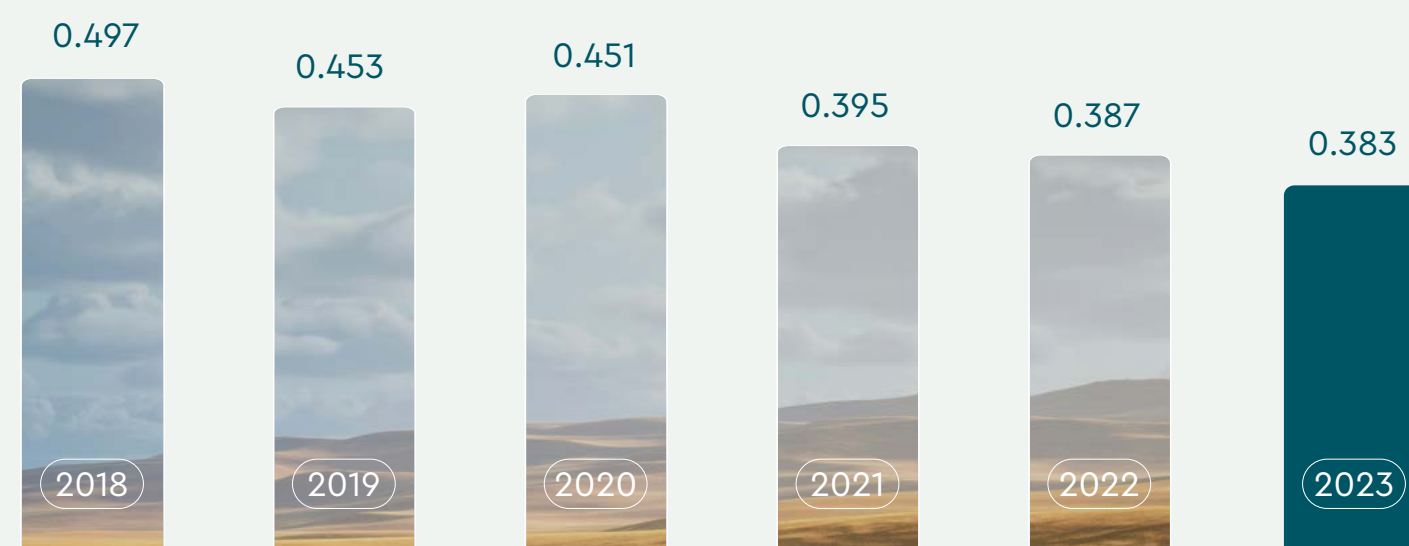
The key changes we made in 2023 include:

- Reviewing and updating Scope 1 data including examination of volumes per site, some of which had been understated, and inclusion of refrigerant gases that had not been strictly measured and collected before;

- Reallocating gasoline volumes that support employee commuting from Scope 1 to Scope 3 in line with GHG Protocol guidance;
- Readjusting renewable energy reporting to more accurately reflect actual certified volumes of renewable energy procured;
- Applying market-based GHG conversion factors for Scope 2 emissions for Keter sites around the world.

Further, it should be noted that, overall, these changes influence the comparison to our 2018 base year; on a like-for-like basis, they would have increased our total GHG emissions in 2018 and subsequent years, which would have shown a greater GHG emissions reduction in 2023 by comparison. However, we have chosen not to restate data from 2018 and subsequent years due to the absence of exact records for these items in those years. In practice, we will continue to work to achieve our 2025 target as stated.

Keter Scope 1+2
GHG emissions per ton of product (MT CO₂e/MT)





Climate Action

At the same time, in 2024, we will plan to further expand our reporting to account for:

- A fuller scope of refrigerant gases, not all of which were captured in 2023;
- Energy use and emissions from a small number of Keter stores in Israel that have not been captured in our reporting to date.

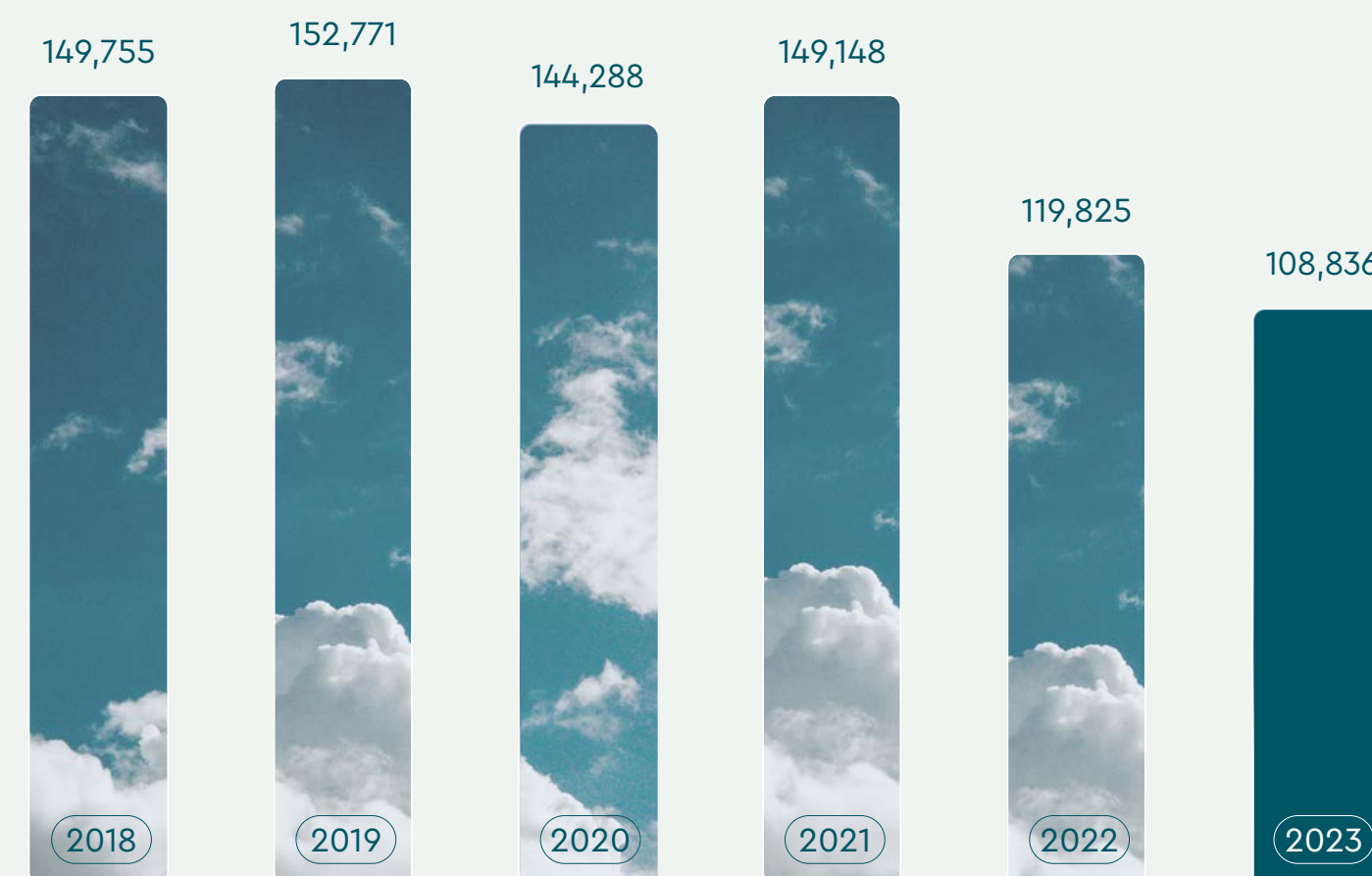
We do not believe this will have a material impact on our overall emissions result, but we wish to present a complete picture which we expect will be available in 2024.

In 2023, we also implemented Microsoft Cloud for Sustainability across our global operations, enabling automated data collection for all energy use, which we expect will help us maintain accurate data going forward.

Reducing direct GHG emissions

In 2023, we continued our intensive actions to improve our energy mix, reduce consumption, accelerate resource efficiency and lower our GHG emissions. Since 2018 we have reduced absolute emissions from electricity by 27%, including a reduction of 9% in 2023.

Keter Scope 2 (market-based) GHG Emissions (MT CO₂e)



Our actions in 2023 included adopting new tools to monitor energy efficiency and replacing equipment such as air compressors and lighting.

Examples from a selection of our plants around the world follow:

Expanding renewable energy:

In addition to 100% certified renewable energy at our Zaragoza plant in Spain, we commissioned a 4,136 panel rooftop solar installation at our Motta plant in Italy that was installed in 2023, that will enable the avoidance of more than 2,500 MT CO₂e emissions per year and supply 7% of our plants electricity needs. The solar array has a peak power capacity of 1,700 kWp.



Climate Action

Tracking real-time energy use: At our plants in Motta (Italy) and Niedercorn (Luxembourg), we adopted new software for real-time monitoring of energy consumption to enable ongoing tracking and adjustment to optimize energy use in our production process. The system creates alerts when consumption is higher than expected, for example, in the case of equipment that has been inadvertently left running over the weekend, and facilitates intervention to prevent unnecessary energy use.

Investing in energy efficient equipment: We continuously switch out equipment with modern, energy efficient alternatives. For example, in Motta, Italy, we converted our air compressor systems to enable lower pressure rates in most of the factory, reducing overall energy consumption. Similarly, we installed a new oven unit for use in cabinet production that uses 41% less energy than the former unit. At our factory in Rijen, Netherlands, we replaced two air compressors and

switched to LED lighting in our technical departments with a plan to convert the entire factory during 2024. In Israel, we replaced chillers to deliver a 60% reduction in energy use and replaced some production units to consolidate production across fewer production lines.

Improving process efficiency: In all factories, we continued to make incremental process improvements, for example: Investing in energy efficient equipment:

- In our Ormelle factory in Italy, we saved substantial energy in our AP Medical production by consolidating our Duo Lid production from two production lines to a single line, and reduced the temperature of our process cooling water to by more than 30% to reduce energy use.
- At Rijen, Netherlands, we significantly reduced transportation to our external warehouse by restructuring our process for handling and storage of finished goods.



Climate Action

- In the UK, we closed our factory in Redruth, enabling consolidation of all production at our Banbury site, enabling significant production efficiencies and reduced transportation and storage.
- In Poland, we changed our hydraulic processes to enable a significant reduction in energy consumption.

Addressing Scope 3 emissions

In the past year, we have made progress in understanding and assessing our Scope 3 emissions and are working towards an initial Scope 3 inventory that we plan to complete in 2024. This will enable targeted actions to reduce emissions in our upstream and downstream value chain. From our initial work, and previous life cycle analyses that we have completed on our products, we believe our downstream Scope 3 emissions will provide the most significant opportunity to reduce our footprint. We are already taking action in this area, for example,

with ongoing work to reduce the packaging volume of our products as we convert more products to flatpack distribution [\(see section: Innovating and shaping what's next\)](#) and accelerate our direct-to-customer shipments [\(see section: Expanding direct choices to customers\).](#)

Our ongoing work to increase the recycled content of our raw materials sourcing continues to have a beneficial effect on our upstream Scope 3 emissions [\(see section: Circularity and technology\).](#)

Environmentally positive actions





Our Zero Waste to Landfill Commitment

Zero waste to landfill is a key ambition for Keter which means both reducing the overall volume of waste we generate and also accelerating processes to reuse and recycle waste to avoid landfill. We have developed systematic approaches at all our production units to avoid and minimize waste generation, and implemented waste segregation, reuse and recycling options at all locations.

In 2023, 5 plants, representing 41% of our European production output, achieved zero waste to landfill.



Zero waste to landfill from production by 2025



6% of waste was sent to landfill in 2023 – a major improvement compared to 20% in 2022.





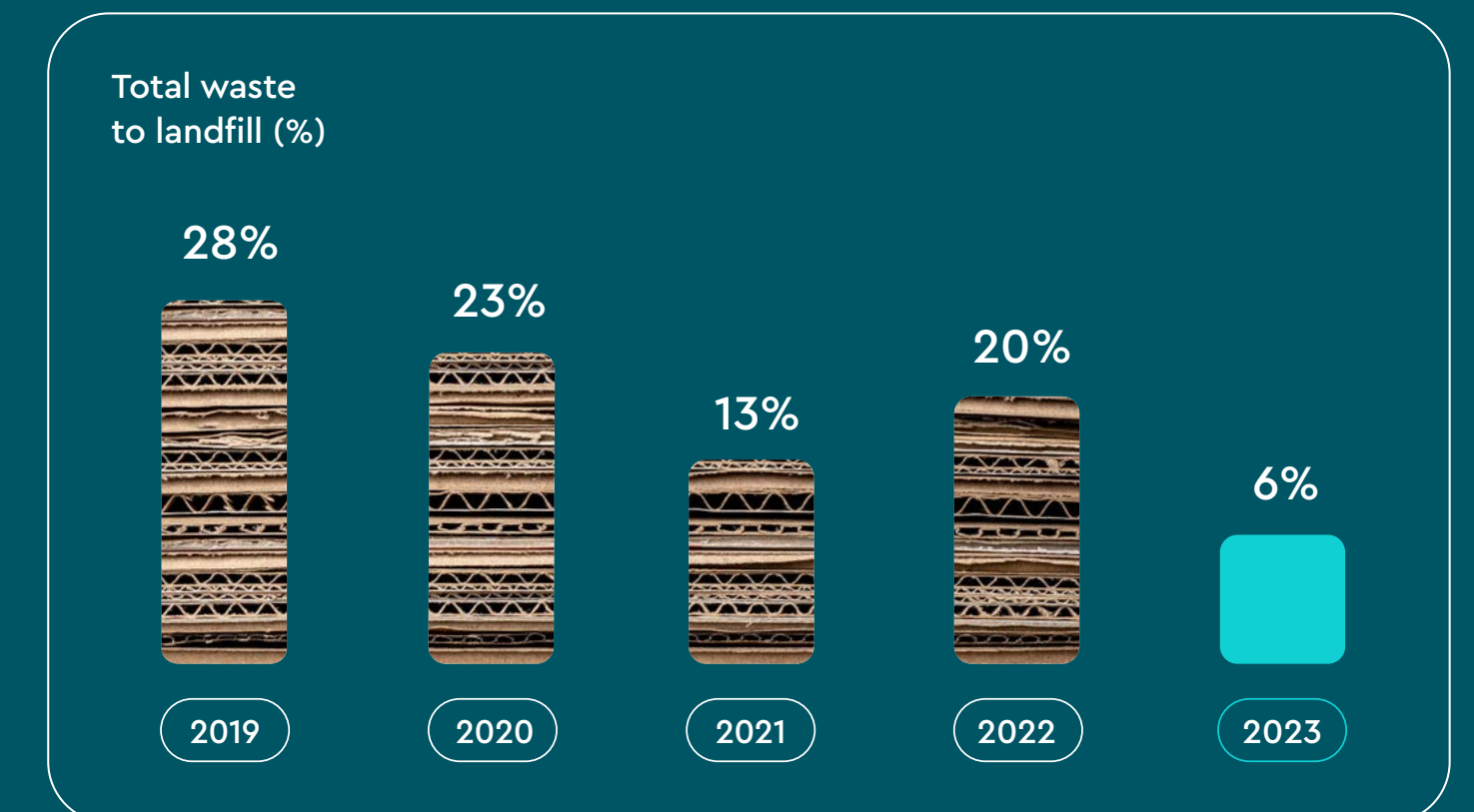
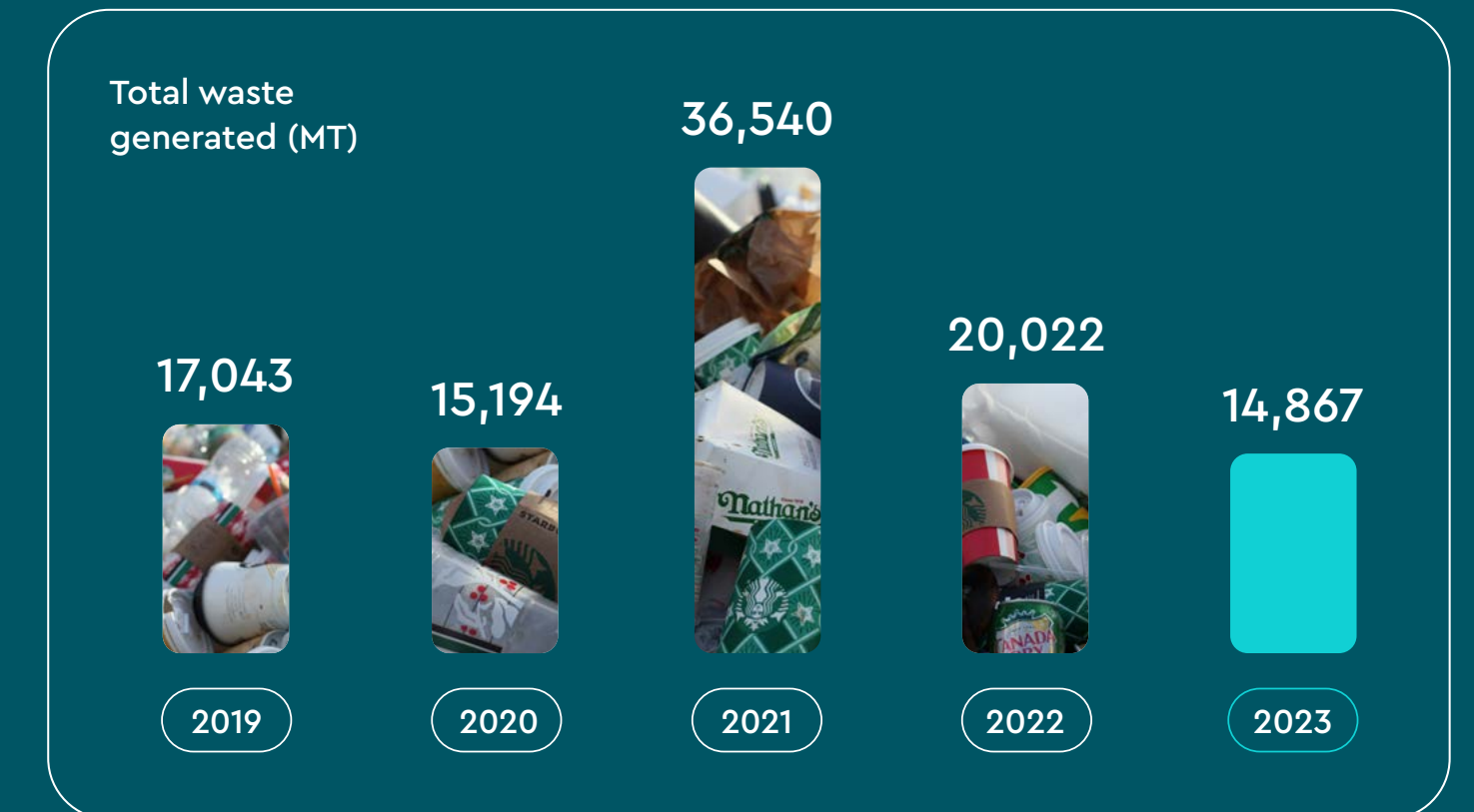
Zero Waste

In 2023, we achieved our best ever results with the lowest waste levels since we started measuring waste in 2017 and also the lowest proportion of waste sent to landfill during the same period.

Achieving this positive result reflect the continued efforts at all our plants to improve processes and educate all employees, and our suppliers, to focus on avoiding waste at source and managing generated waste sustainably. Some examples from 2023 include:

- In Luxembourg, we implemented a new procedure to ensure all raw materials are emptied from big bags. In the past, material residues could amount to significant waste quantities over time.
- In Poland and in the U.S., we adopted a new process to separate oil and water on our waste streams and send the oil for recycling rather than disposal.

- In Italy, we improved our segregation and sorting processes, yielding a drop of 16% in landfilled waste.
- In the Netherlands, we changed our process for mold changes in production to enable a reduction in oil leakages. As a result, given the high number of mold changes every week at all our factories, we have been able to salvage more than 23 metric tons of oil that would otherwise have been wasted.
- In the U.S., we began recycling items that would have previously been discarded, including plastic film, woven sacks, corrugated board and broken wooden pallets. To facilitate this, we installed a baler which also increases five-fold the amount of waste we can transport on one truck to our recycler, saving transportation emissions as well.





Zero Waste

In Israel, we introduced a number of waste handling improvements:

- Introduced waste sorting stations at all plants and trained all employees in new segregation procedures. This resulted in a significant improvement across our plants with just 4% of waste being landfilled in Israel in 2023, a reduction from 32% in 2022.
- Started to produce carton boxes from extrusion scrap to replace all single-use carton boxes in our production. By the end of 2024, we expect to use zero single-use cartons in our factories. We are also working on a similar solution to replace wooden pallets with recycled pallets from plastic scrap. In the meantime, we have developed a plastic pallet covering, made from scrap materials, that strengthens wood pallets and helps preserve their useful life for much longer use, avoiding frequent replacement.

- Installed a temperature and humidity regulated storage area in our factory which avoids the need to use foam polyurethane to maintain product quality in storage. This has reduced the volume of packing materials required in our plants and the resulting waste.

The generous donation of 650 HART toolboxes from Keter will allow us to provide seniors in our trades programs with a toolbox. This will be a great start for our graduates to begin assembling a kit of tools for use in their trade."

—James A. Pearson, Director,
Hinds Career Center, Elwood, IN.



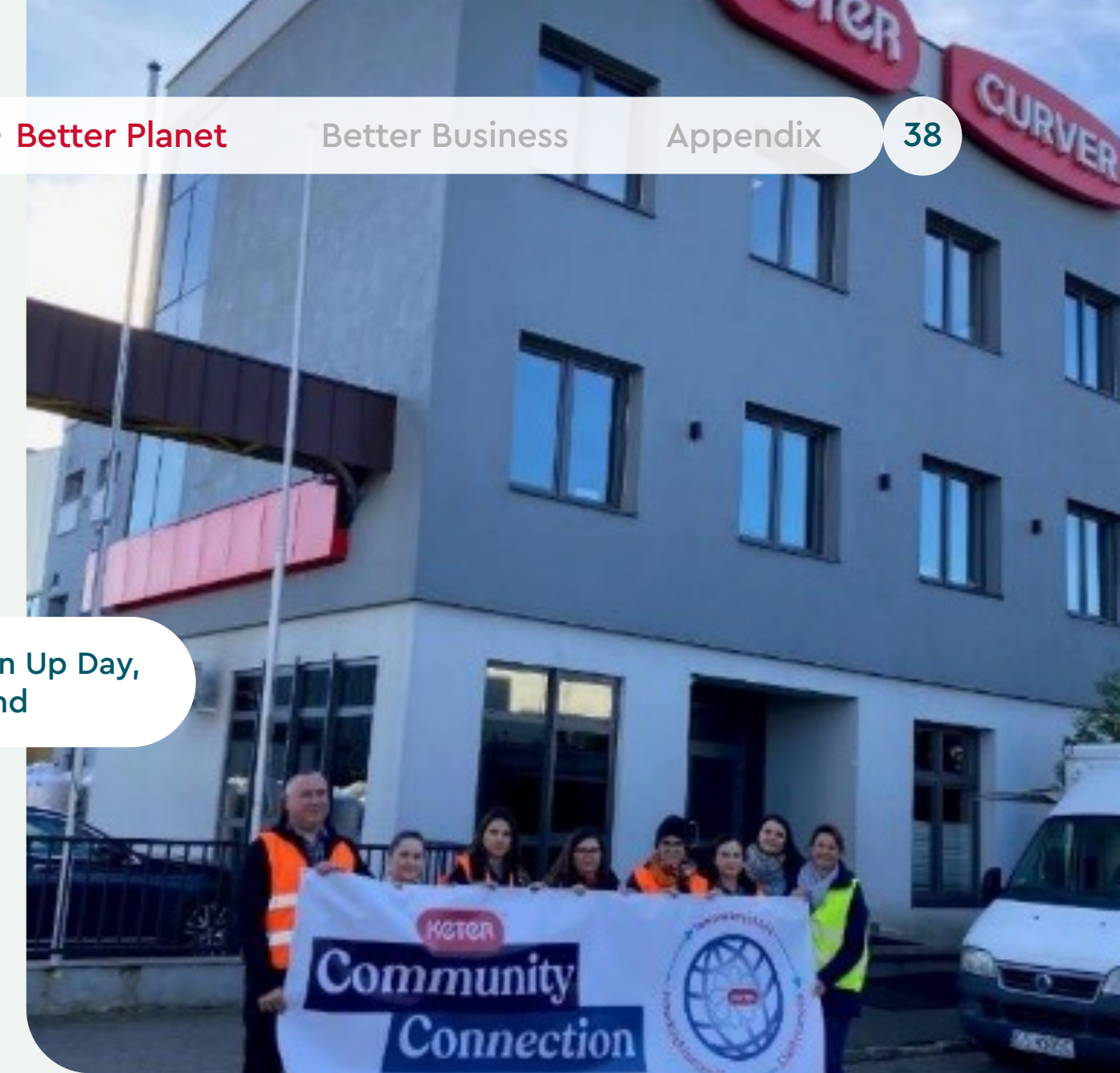


Engaging Employees in Sustainability

Our employees are passionate about helping create a better environment for communities and supporting support global efforts for a better planet. Hundreds of employees volunteer in many initiatives throughout the year, getting out and about in our communities to clean up trash and improve the living environment, often aligned with global movements such as Earth Day, Recycling Day and more.

- Keter Poland again participated in our annual World Clean-Up Day efforts with employees volunteering to clean up the neighborhoods surrounding our plant.
- Keter Hungary organized a competition as part of World Clean-up Day. Five teams collected a total of 371 kg of garbage and the winning team took first place with 109 kg.

- To celebrate Earth Day, volunteers from Keter Poland went on a joint planting action with children from a primary school.
- Keter Hungary employees celebrated the International Water Day and wore blue clothes this day to demonstrate the importance of the water in the world.
- Keter Italy employees teach school children about recycling on World Recycling Day.
- Keter Luxembourg employees engaged in schools to teach children about the recycling process and the meaning of recycling logos and symbols.
- Natalia Kuran, Production Planner, Poland, was the winner of our 2023 Sustainability Challenge with her video of useful guidance for living sustainably in everyday life.



World Clean Up Day, Keter, Poland



International Water Day, Keter, Hungary



Supply Chain Management



- Local sourcing of raw materials and components as far as possible for all sites.
- Production planning at factories local to customer demand to meet local needs and reduce finished product travel distances, with technology-supported route planning to further minimize transportation impacts.
- Flat-pack product design and efficient product packaging to ensure maximum utilization of space during transportation.
- Transportation almost entirely via road and sea freight, using air shipments only when all other options have been examined.
- Procurement standards requiring suppliers to meet social and environmental standards in the work they do for Keter.

We aim to operate a highly efficient supply chain, ensuring both our own factories and internal logistics as well as our supplier operations maintain high standards of environmental stewardship. The principles governing our production include:

- In-house production of almost all our products, ensuring control and consistency across manufacturing processes and adoption of best practices across all sites.

In 2023, we accelerated production across our extruded products, with a focus on our shed lines, to an online manufacturing model where the production process is continuous from feed to packaging. Close to 60% of our extruded production now uses this approach. Online production avoids accumulation of intermediate parts and large inventories and reduces the potential for waste, all the while ensuring a faster time to market for our most popular products. With the additional efficiencies we achieve through automation, online production is a much more resource-efficient process.

To achieve greater transportation efficiencies, we invested in a new partnership to support transport management from plants and distribution centers to our markets, including a tool to track Scope 3 emissions from transportation. In 2023, we started to analyze data from across our shipments and expect to align on emissions reduction targets next year.



Better Business

Better business at Keter means combining long-term profitable growth with improving our impacts on people, society and the environment. We demonstrate integrity, respect for people and the planet and aspire to do the right thing at all times. By living our values, acting lawfully and addressing what matters most to our employees, customers, shareowners and all those we serve in our communities around the world, we aim to be a positive example of embedding sustainable practices into our operations and contributing to a better future for all.





Governance, Compliance and Ethics

We believe that operating ethically and in line with applicable laws and regulations is the only way to do business. We aim to instill a culture of ethical conduct through our policies, leadership practices and annual training in our [Code of Conduct](#). We comply with applicable laws and regulations governing our business and maintain a suite of internal policies and procedures covering compliance, anti-corruption, conflict of interest and other dimensions of ethical and transparent conduct. Keter managers and employees are aware of, and trained in, all aspects of compliant and ethical conduct as needed for them to perform their roles.

Keter was awarded a **Platinum Plus ranking** in the **Israeli Maala ESG Index 2023**. **Platinum Plus** is the highest ranking for all participating companies.



Keter Iberia was recognized as a **Socially Responsible Company** in Zaragoza by the Instituto Aragonés de Fomento for the third consecutive year.



Corporate Governance

Keter maintains a robust governance structure that complies with the principles of good corporate governance and regulatory requirements in all the jurisdictions in which we operate.

Board of Directors

Our board of directors is a holding company based in Luxembourg (Keter Group Holding, SARL) which oversees business strategy and risk management including sustainability. Board members, including the chair, are selected by Keter Group's leading investors, while the appointment of independent directors is subject to the approval of two investors. Selection criteria for Board members include relevant experience and proven ability as well as understanding of Keter's business landscape, including sustainability. In 2024, Keter was acquired by its financiers and the selection of a new Board of Directors will take place in 2024.

Through 2023, the Keter board was chaired by Raymond Svider, who was nominated by nominated by Keter's lead investor up to the end of 2023, BC Partners.

Keter Group Composition of the Board of Directors in 2023

Total number of directors (including the chair)	10
Directors with financial expertise	7 (70%)
Independent directors	2 (20%)
Non-executive directors	2 (20%)
Women directors	1 (10%)
Directors from ethnically diverse groups	1 (10%)

Board committees

During 2023, the board maintained two committees, each comprising seven Members, as follows:

- **Remuneration Committee** with a role to determine the remuneration and emoluments of the group's employees and directors.
- **Audit Committee** with a role to review the group's annual financial statements before submission to the board for approval and to review reports from management and the auditors on accounting and internal control matters.

Keter's board has always maintained a keen interest in Keter's sustainability performance, approving Keter's sustainability strategy and reviewing performance on an annual basis.



Ethical Conduct and Compliance

The belief that ethical conduct is the foundation of good business has guided Keter since the start of our operations. We foster an ethical culture that inspires employees to adhere to our principles and values and do the right thing as they advance our strategy.

Ethical conduct

Our [Code of Conduct](#) was published in early 2021 in twelve languages, articulating and formalizing the expectations of our employees for their conduct in the workplace. We maintain annual training for all employees in the Code of Conduct, including all new hires. In 2023, we updated and communicated our global policies relating to ethical conduct to ensure all employees are clear about our expectations and to reinforce our workplace as safe and respectful for all. The updates included policies: Speaking Up; Anti-Retaliation; and Anti-Discrimination, Anti-Harassment and Anti-Bullying. We informed all employees of these policies and conducted relevant training for different groups.





Ethical Conduct and Compliance

Whistleblowing hotline

We believe in an open culture where all employees can speak their mind on any issue and we encourage them to feel confident in approaching their supervisor or human resources manager to resolve issues or concerns. For those who wish to make a report in confidence, including anonymously, we provide a global platform for employees to raise queries or grievances or report suspected instances of behavior that violate our Code of Conduct or related policies. The Keter Whistleblowing Hotline is available 24/7 and is hosted on NAVEX Global's EthicsPoint platform. Keter fully investigates all hotline reports and takes corrective action where necessary. Keter does not tolerate retaliation of any kind against employees who report violations in good faith.

In 2023, the Whistleblowing Hotline received 36 reports. Of these, 8 were substantiated and 14 were partly substantiated. The primary concerns raised were

related to workplace conduct and working conditions. Consequently, actions such as disciplinary measures, training and policy reviews were implemented. Following our investigations, one employee was terminated.

Human rights

We believe in the inherent rights of all people as expressed in the Universal Declaration of Human Rights and strive to uphold the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

At Keter, we:

- Expressly prohibit any form of child labor in our business or through our supply chain
- Expressly prohibit any form of forced or bonded labor
- Respect the rights of employees to freedom of association and collective bargaining
- Strive to prevent discrimination in all its forms throughout our business

We are committed to operating lawfully and comply with, or exceed, applicable laws governing hours of work and terms and conditions of employment. We provide safe channels as noted above for employees to raise concerns and achieve resolution rapidly without fear of retaliation.

In 2023, we published a new global human rights policy and communicated this across our global organization and to our suppliers, supported by education and training to help everyone understand the role they play in maintaining our strong record of respect for people and human rights across our business.

In 2023, 55% of our global employees were covered by collective bargaining agreements.

Ethical Conduct





Information Security & Data Privacy

The integrity of information and data is critical for the continuity of our operations and for the protection of all those involved in our business. We maintain high standards of information security controls and practices while protecting the personal information of our employees and all others who entrust us with their data. Information security is overseen by our chief information security officer, while data privacy at Keter is overseen by our compliance officer, both of whom report to our general counsel. Our information security and data privacy practices include:

- Strict compliance with applicable regulations around the world supported by internal policies and procedures to restrict the collection and storage of information to that which is necessary for the conduct of our business, and to manage, store and delete information in line with clear protocols by authorized personnel.

- Annual review of our information security and data privacy plans by our global leadership team and approval of our multiyear strategy.
- Integration of information security management is integrated in our Business Continuity Planning (BCP), supported by appropriate controls and programs to safeguard our systems and information.
- Biannual survey of employees in roles with high exposure to information, including human resources, IT, legal and marketing departments, followed up with actions to address perceived gaps in data privacy controls or areas that appear to need reinforcement.
- Annual data privacy training across the organization including a new online module relating to cybersecurity that was introduced in 2023.



Keter's global IT systems led at our corporate offices are certified to ISO27000 Information Technology Standard. Our processes were audited and certification renewed in 2023.



Ethical Conduct and Compliance

We continue to improve our information security tools and in 2023, we adopted a new system to enable remote access in a secure manner while also offering more robust website protection, allowing users better protection and information while using the Internet. We also expanded the number of systems that are continuously monitored to provide additional security protection for all computers in use across the organization. Regular scanning and penetration testing provides us with confidence that our systems are robust.

In 2023, Keter did not suffer any information security breaches. During the year, a former supplier to Keter was prosecuted for breaching data privacy laws and stealing customer information. Keter had ceased operations with this supplier prior to the incident, having suspected potential irregularities. As a result, no data from Keter or our customers were compromised; however, we took the opportunity to review and update our procedures for approving and monitoring supplier engagements to ensure protection of personal and business information.





Empowering Our People

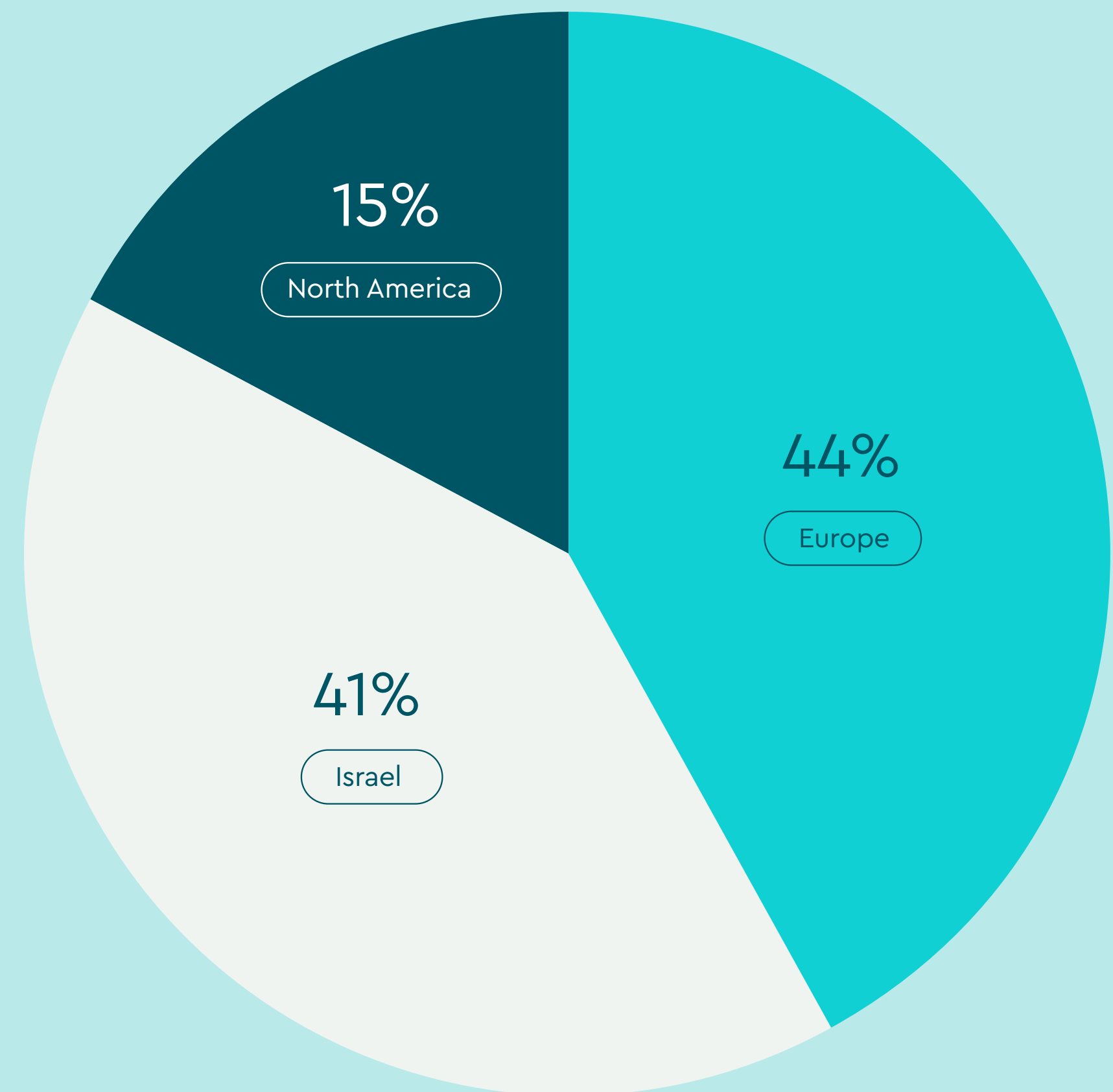
As the world's leading manufacturer of high-quality consumer resin products, we are team players, committed to each other and to shaping what's next for a better day. We are passionate about inventing, building and creating to shape the next generation of Keter solutions for home and living in line with our commitment to Everyday Sustainability. We strive to offer an exciting workplace where each individual can grow and thrive.

At the end of 2023, 4,662 employees made up the Keter family across nine countries.

In North America in 2023, 24% of new hires were women, 21% self-identified as underrepresented ethnicities and 6% were persons with disabilities.

Keter Employees by Region

2023





Attracting and Developing Our Employees

We aim to attract a wide diversity of individuals to join Keter and maintain a broad outreach to encourage new candidates. Our global careers website provides important information about open roles and ways of working at Keter, including Keter's corporate values and sustainability programs. We offer apprenticeship and internship programs as part of our commitment to invest in the future of young professionals and help build a pipeline of talent for future roles at Keter. Our programs provide mentorship, rotation across different departments, project-based learning and regular feedback and evaluation sessions to track progress, address challenges and help participants meet their development goals.

In 2023, we welcomed more than 20 interns/apprentices across trade marketing, direct and indirect production, supply chain, logistics, finance and human resources departments in Europe, mainly in Luxembourg, Netherlands, Italy, France and Germany.

In North America, in 2023, we invested heavily in improving our attraction and hiring processes, with a focus on making our process more efficient and broadening our reach to candidates from different backgrounds.

Key improvements we implemented include:

- An improved Applicant Tracking System (ATS) that standardizes all job applications across all sites, and improves the candidate experience including the option to select interview times, communicate with recruiting team and check the application status.

- Increased advertising to reach passive candidates who are not actively searching for jobs though, for example, using a diversity-tech platform that connects companies and diverse candidates together through insights, marketing and career opportunities.
- Enhanced Employer Branding toolkit to standardize and promote employee attraction through social media platforms, career fairs and advertising, with site videos and other materials to interest potential candidates.





Attracting and Developing Our Employees

We provide an environment in which our employees can learn and develop and thrive during their employment lifecycle with Keter. Across the business, we invest in learning and development opportunities for employees, supported by a robust performance management process.

9.4 average training hours per employee (more than 43,800 total training hours) across our total employee workforce in 2023.

Eligible Keter employees participate in an annual performance review at which individual learning and development goals are set, with mid-year reviews to ensure all is on track or define supplemental training or development opportunities where needed.

72% of eligible Keter employees participated in a performance review in 2023.

Our annual talent review process is designed to build our leadership pipeline and serves to identify high-performance and high-potential employees for an accelerated growth track with Keter.

Keter's Core Leadership Capabilities

Be A Leader

Personal Maturity

Make Things Happen

Think Big

Act In The Right Way





Leadership and Management Development

Leadership and management skills development:

Our leadership development program in Israel called B-Vision aims to prepare talented leaders for future senior leadership roles at Keter, including a potential Managing Director role. The program runs for 18 months and provides exposure and experience in all parts of the Keter, supported by a Keter executive who serves as a mentor. In 2023, we commenced our second cohort with 8 participants.

In 2023, we ran three management training programs for managers at different levels:

Line Leader Program:

98 employees participated in this eight-day course focusing on the skills required to become a manager, including enhanced communication skills.

Foundation Program:

109 junior to mid-level managers participated in this five-day program, designed to build tools and skills for effective management of people and of work processes and operate in a dynamic environment.

Shift Manager Program:

20 Shift Managers from across Keter participated in this 12 day program designed to address the specific challenges faced by shift managers and build relevant skills.





Investing in Technical Skills

We invest continuously in building the professional skills of our technicians, engineers and maintenance staff to ensure they are up to date with the latest technologies and processes used across our plants. Specialized technical roles are critical to Keter and challenging to fill, as few candidates have had specific training for such positions and often, the right individuals must relocate to join Keter.

This scarcity makes it imperative for us to invest in the development and retention of people with technical skills. A key investment for Keter is our Technical Academy, which operates across Europe and aims at cultivating an in-house pool of skilled technical professionals and steady pipeline of qualified individuals ready to assume our critical technical roles.

Making learning accessible

In 2023, we expanded our new global Learning Management System (LMS), "Learning Space", that allows us to manage learning and knowledge development consistently in a single system that adapts to the needs of the organization and of our employees. With the flexibility to learn online anytime and anywhere, Learning Space offers employees greater opportunity to be accountable for their own learning and advance their own professional development. We continue to enhance and expand the Learning Space platform to include interactive and dynamic learning across a range of topics including business skills, technical skills, leadership, health and safety training and more.





Diversity, Equity, Inclusion and Belonging

We believe that advancing diversity, equity, inclusion and belonging (DEIB) contributes to a positive working culture, enhances productivity and stimulates innovation.

We promote equal opportunity and equitable policies, without regard to gender, age, disability, health, race, nationality, ethnicity, religious beliefs, political views, sexual identity, family status, employment form, or other traits which may give rise to discrimination.

Keter is a member of The Valuable 500, a global community of 500 business leaders committed to putting disability on their agenda and recognizing the value and worth of the 1.3 billion people globally living with a disability.

Following the introduction of our global DEIB policy in 2022, we continued to drive awareness through targeted training and discussions across the organization, to help embed DEIB practices in all that we do.

[See our DEIB Policy here.](#)





Our Commitment to Advancing Women

Advancing women

We strive to advance women in our organization, including to the most senior levels of management. In 2023, we saw an increase in proportion of women in management and executive roles, moving us toward our 2025 target of 35% of women in management levels and above. This is due to ongoing focus at both hiring and development stages, together with broader DEIB awareness and education across the organization in line with our policy. In 2023, 34% of all new hires were women.



Keter goal:

35% women in management and above by 2025.

32% of executive and management levels were women in 2023, up 1% from 2022. We are on track to reach our target.





Employee Health, Safety and Wellbeing

We aim to create a culture of safety at Keter and focus on ensuring safe workplaces and safe working practices for all those who work at or visit our sites. Our occupational health and safety programs aim to comply with applicable laws and regulations in each country of operation and go beyond safety to provide workplaces that are pleasant to work in and contribute to a feeling of wellbeing at work.

In 2023, our continued focused efforts around the world to identify and mitigate safety risks and reinforce safe working practices across our teams globally yielded a noticeable reduction in recordable injury rates compared to prior years. Our overall Total Recordable Injury Rate (TRIR) improved by 36%, reflecting a lower TRIR among employees (-34%) and contractors working at our sites (-41%).

We conduct regular training and awareness events at all our sites including dedicated training and certification in safety topics such as working at height, handling equipment such as forklift trucks and cranes, and a range of operational topics.

All new hires receive full safety training in general and relevant to their roles as part of our onboarding process.

Some examples from 2023:

- In Hungary, we created a new Safety and Fire Training Room dedicated to regular safety training, including annual first aid course for all employees.
- In Luxembourg, we held our annual Safety Day with a focus on identifying safety risks and retraining in firefighting and the use of fire extinguishers.
- In Israel, we continued our monthly safety forum led by our Chief Operating Officer, supported by a shared platform for advancing and monitoring implementation

of corrective actions identified through safety hazard assessments.

- In Italy, we held firefighting courses organized with the local fire brigade to refresh and elevate skills to manage fire emergencies.





Our Commitment to Advancing Employee Wellbeing

Advancing employee wellbeing

We encourage employees to take part in wellness events and activities, ranging from participating in lectures about health, nutrition, and illness prevention, personal health checks such as early breast and colorectal cancer detection, and engaging in sporting events. As far as possible, we roll a sports or wellbeing activity into team meetings held throughout the year to give every employee an opportunity to take part during regular working days.



Keter goal:

90% employee participation in a Keter wellbeing program



80% (3,745) employees confirmed their participation in at least one wellbeing event in our regions in 2023.





Advancing Employee Wellbeing

Medical examinations and screenings

At many sites, we encourage our employees to look after their health by organizing workshops and lectures on medical conditions and provide guidance for self-examination and offer free early-detection screening. For example, in Hungary, we organized health check-up day for employees at our Ebes site with a physician on hand to discuss results and provide advice. At our U.S sites, we offered monthly meetings with presentations on health-related topics including early detection of disease, prevention and nutrition as well as special activities during special focus months such as Dental Awareness Month when employees were gifted toothbrushes.

Financial wellness for employees in the U.S.

In 2023, we rolled out a new financial wellness plan to assist employees based in our U.S. locations in planning their long-term financial well-being. The customized financial wellness services include investment management, retirement planning, debt management and a range of additional

finance-related tools to help employees manage their financial circumstances in an effective and stress-free way to help them prepare for their best future. The plan is supported by a program of informational online sessions covering different aspects of financial management.



October is Pink at Keter in Poland, Luxembourg and other countries, where we provide free mammograms and raise awareness for early detection.



Keter Italy five-a-side football league with competing teams from our Motta and Ormelle plants.



Advancing Employee Wellbeing

Emergency support for employees in Israel

Following the events of October 2023 in Israel, we acted quickly to support our employees, their families and others who had been affected by the disruption to regular life. We immediately established an assistance program for the employees to support them and their families during the period of emergency, where family members were drafted for long periods of reserve duty and to assist with childcare for young children in the absence of education frameworks and to help families displaced from their homes in the North and South of Israel.

Our support included:

- Expanded mental healthcare for employees and their families;
- Childcare including financial support for babysitters;
- Repair units to help maintain and repair homes of displaced employees during their absence and families with reservists; and

- Care packages every fortnight to displaced and otherwise affected families to assist with daily life.

In addition, we implemented the following actions:

- Established of a donation fund using employee contributions to help families from the south of Israel;
- Donated furniture for employees and their families who had been evacuated from their homes, including chairs, cabinets, storage boxes, folding tables and more;
- Facilitated employee volunteering during work hours to help farmers harvest fruit and vegetables; and
- Organized blood donations to support the national blood drive to treat the wounded.

Green Spaces project, Keter North America





Investing in Communities

At Keter, we strive to support the communities in which we operate. Our facilities in different countries engage in local community partnerships tailored to address specific local needs. Our support is in the form of cash or product donations and employee volunteering efforts.

Some of our activities in 2023 are described below:

Engaging communities in recycling

Our "Doing good with plastic" initiative in collaboration with the Scouts movement in Israel aims to educate and inform young people about the possibilities for recycling of plastics and energize communities to engage in recycling for a better, cleaner environment. Our objective was to overcome the fact that most reusable plastic products end up as regular household waste and are sent to landfills, rather than being separated and routed for recycling. Leveraging the Scouts movement in Israel, which has more than 90,000 members across 240 locations, we set up initial collection points in 12

communities and distributed information about recycling to local residents. Our joint efforts resulted in the collection of 1.5 tons of plastic products from households in 2023. We sorted, recycled and converted this volume into products for the use of the Scouts clubs and their instructors. We plan to expand this initiative to more communities in 2024.





Investing in Communities

Creating green spaces for our children

Keter promotes the values of coexistence, health and contribution through gardening projects in our communities.

Examples from 2023 include:

- In Israel we held a unique day of planting in Israel for Keter employees from all backgrounds and their children in Israel to bring all our community together in the spirit of co-existence and a healthier future for all. Keter employees from our factories that include individuals from all religions and backgrounds came together to plant a sustainable garden at a large shelter for 150 teenagers and community center in the city of Afula, in the vicinity of two of our plants, where Keter employees have volunteered over many years to support both the young people and the shelter staff.

During the planting day, together, we planted spice and ornamental pots using donated Keter planter boxes, which allow easy cultivation in an

urban environment. In 2023, we plan to continue this initiative at another location near the Sea of Galilee.

- In the U.S., Keter engaged with the FoodCorps nonprofit to raise funds for creating garden spaces in schools to help children experience caring for the environment in a practical way. Keter donated sheds, garden beds, storage products and Adirondack chairs to help create vibrant and appealing learning spaces for children.
- In Canada, the Keter team partnered with Ronald McDonald House Charities® in South Central Ontario to rejuvenate their serenity garden, an outdoor sanctuary and children's play area. We donated Keter products including sheds, storage products and Adirondack chairs and also a range of home organization products for the indoor areas of Ronald McDonald House. We plan to maintain our connection and support for this nonprofit and will be working on the herb garden in 2024.





Investing in Communities

Raising awareness for breast cancer prevention

Since 2020, Keter Israel has produced a limited edition pink chair each year to promote awareness for early detection of breast cancer and promote women's health. Every year, Keter publishes a brochure for nonprofits that promote early detection and support for women who have fallen ill and their recovery journey.

Attached to each chair is an information booklet with a scan code to schedule a mammogram as well as information for patients, breast cancer survivors and carers. The proceeds of pink chair sales are all donated to nonprofits supporting this cause.

In 2023, we engaged a group of artists to create their own artwork as their interpretation of dealing with breast cancer, using the pink chair as a basis for inspiration. The artworks were displayed for the public at the national theater in Tel Aviv.

Acting in solidarity with communities in Israel

In Israel, following the events of October 7th, 2023, we engaged in efforts in solidarity with our local communities to identify with the urgent need to return hostages that were abducted from their homes and cities in the south of Israel. We created a new chair, the yellow chair, using a color that became identified with the struggle for the return of the hostages and the yellow ribbon icon which has become a symbol of this struggle.

Since October, we distributed thousands of yellow chairs at the entrances of buildings, academic institutions, hospitals, cultural institutions and many other public places with each yellow chair remaining empty, awaiting the return of the hostages. Each chair carries a sticker with a code that links to a website that hosts information about and stories of the families of the hostages. Our yellow "Empty Chair" initiative was recognized by the Israeli government and ministries issued a memorandum to integrate the yellow chair at different locations and at government-led events.

Breast Cancer Awareness



Empty Chair, Keter, Israel



Appendix

About this Report

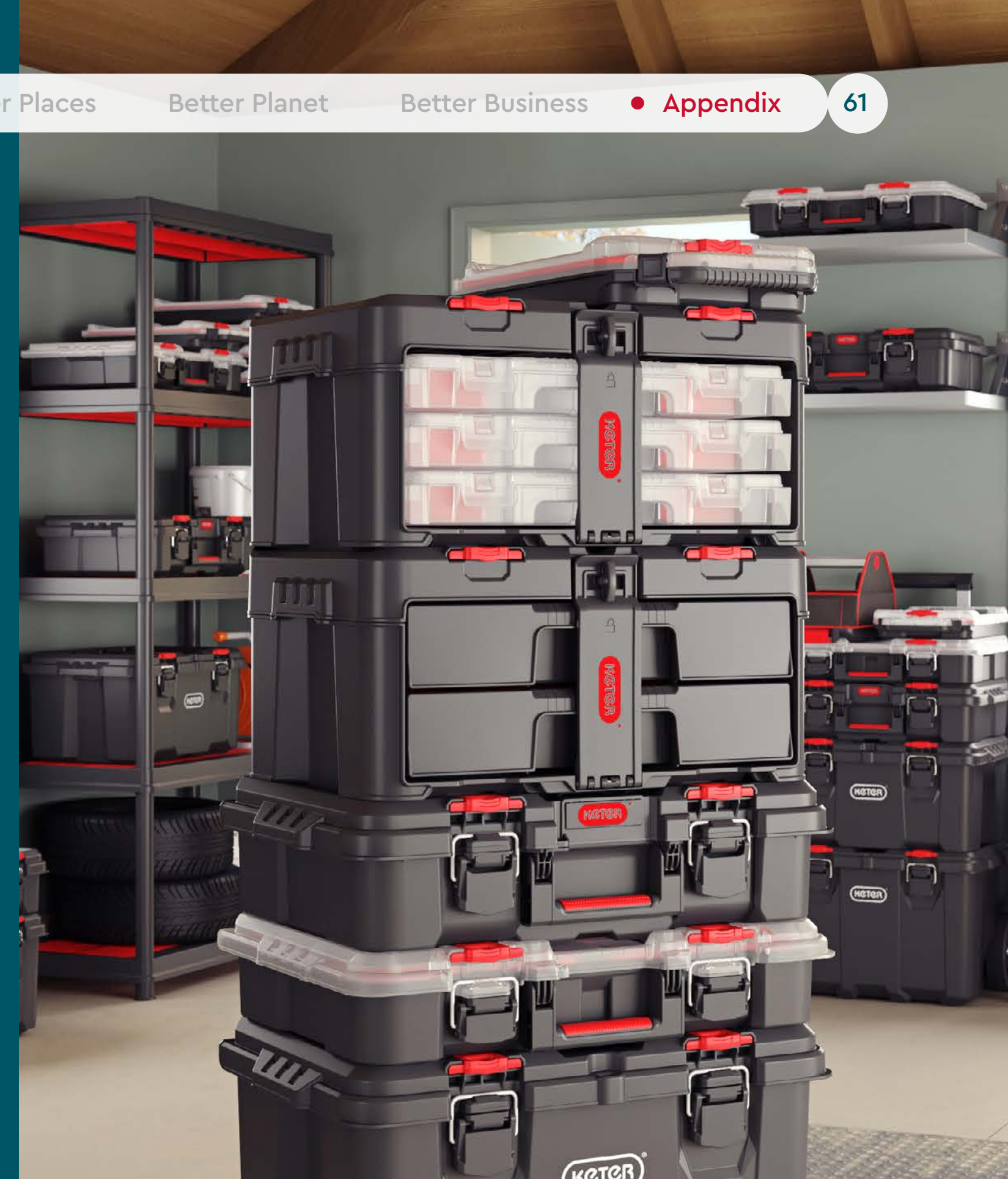
Keter's fifth annual Sustainability Report represents our commitment to accountability and transparency to our stakeholders about the way we do business and our impacts on people and the environment. Our last report was published in 2023. This report was published in June 2024.

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards and also includes our disclosure against the Sustainability Accounting Standards Board (SASB) Building Products and Furnishings Standard.

The scope of this report comprises all Keter operations around the world unless otherwise stated. Corporate information and progress updates, as well as quantitative performance data is reported for calendar year 2023 and prior years where available. In 2023, we undertook a thorough review of our energy and emissions data collection and reporting processes using an external

specialist environmental services firm. As a result, we updated our methodologies and emissions calculation approach, using current best practice and applying market-based data in most of our markets where available. The outcome of this review is 2023 performance data that we believe is robust and will serve as a strong basis for future reporting and external assurance of our data. Changes and restatements are reflected in 2023 data and noted in the sections: Climate action and GRI Data Tables.

All dollar amounts quoted in this report refer to U.S. currency (USD). This report has been extensively verified internally but not externally assured.



We welcome your feedback and invite you to send comments to:

Ohad Dayan
Sustainability Manager

sustainability@keter.com

www.keter.com



Performance Data Summary

Environment	Units	2019	2020	2021	2022	2023	YoY	GRI	SDG
Fuels and gases	MWh	19,439	29,715	28,187	29,365	30,353	3%	302-1	13
Electricity, cooling heat and steam	MWh	386,989	364,665	381,726	324,319	293,375	-10%	302-1	13
Total energy consumption	MWh	406,428	394,380	409,913	353,685	323,728	-8%	302-1	13
Energy intensity	KWh/ton	1,174	1,180	1,043	1,085	1,070	-1%	302-3	13
GHG emissions Scope 1	Tons CO ₂ e	4,207	6,608	6,094	6,307	7,019	11%	305-1	13
GHG emissions Scope 2	Tons CO ₂ e	152,771	144,288	149,148	119,825	108,836	-9%	305-2	13
GHG emissions Scope 1+2	Tons CO ₂ e	156,978	150,896	155,242	126,132	115,855	-8%	305-1	13
GHG emissions intensity Scope 1+2	Tons CO ₂ e/ton	0.453	0.451	0.395	0.387	0.383	-1%	305-4	13
Total water withdrawal	Megaliters	254	260	231	216	223	4%	303-3	12
Water withdrawal intensity	Liter/ton	0	0	588	661	737	12%	303-3	12
Total non-hazardous waste	Tons	16,586	13,708	34,951	18,779	13,874	-26%	306-3	12
Total hazardous waste	Tons	457	1,486	1,589	1,244	993	-20%	306-3	12
Total waste	Tons	17,043	15,194	36,540	20,022	14,867	-26%	306-3	12
Percentage of total waste diverted	%	67%	72%	76%	80%	94%	18%	306-3	12
Percentage of total waste directed to landfill	%	28%	23%	13%	20%	6%	-68%	306-3	12



Performance Data Summary

Social	Units	2019	2020	2021	2022	2023	YoY	GRI	SDG
Total employees	No.	4,920	5,098	5,359	4,881	4,662	-4%	102-8	8
Contractors	No.	1,356	2,016	2,378	1,302	1,639	26%	102-8	8
Women in management roles									
Employee training	hours		17,759	24,634	43,957	43,850	=	404-1	8
Average training hours	hrs/year/employee		3.5	4.6	9.0	9.41	4%	404-1	8
Total Recordable Injury Rate - employees	TRIR	4.33	4.38	5.10	6.16	4.04	-34%	403-9	3
Total Recordable Injury Rate - contractors	TRIR	3.74	2.61	0.77	5.24	3.08	-41%	403-9	3
Total Recordable Injury Rate - all	TRIR	4.18	3.88	4.40	5.96	3.83	-36%	403-9	3
Fatalities	No.	0	0	0	3	0		403-9	3



GRI Content Index

Statement of use	Keter Group has reported in accordance with the GRI Standards for the period January 1, 2023, to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None



GRI Content Index

GRI 2: General Disclosures 2021

Location

Omissions

2-1 Organizational details

Page 5

2-2 Entities included in the organization's sustainability reporting

Page 61

2-3 Reporting period, frequency and contact point

Page 61

2-4 Restatements of information

Page 61

2-5 External assurance

Page 61

2-6 Activities, value chain and other business relationships

Page 5

2-7 Employees

Page 71

2-8 Workers who are not employees

Page 72

2-9 Governance structure and composition

Page 42

GRI 2: General Disclosures 2021

Location

Omissions

2-10 Nomination and selection of the highest governance body

Page 42

2-11 Chair of the highest governance body

Page 42

2-12 Role of the highest governance body in overseeing the management of impacts

Page 42

2-13 Delegation of responsibility for managing impacts

Page 12

2-14 Role of the highest governance body in sustainability reporting

Page 42

2-15 Conflicts of interest

Not reported

Confidential—Keter is a private company.

2-16 Communication of critical concerns

Not reported

Confidential—Keter is a private company.

2-17 Collective knowledge of the highest governance body

Page 42

This information is not currently available. We will report in future years.



GRI Content Index

GRI 2: General Disclosures 2021	Location	Omissions
2-18 Evaluation of the performance of the highest governance body	Not reported	Confidential—Keter is a private company.
2-19 Remuneration policies	Not reported	Confidential—Keter is a private company.
2-20 Process to determine remuneration	Not reported	Confidential—Keter is a private company.
2-21 Annual total compensation ratio	Not reported	Confidential—Keter is a private company.
2-22 Statement on sustainable development strategy	Page 3	
2-23 Policy commitments	Page 11	
2-24 Embedding policy commitments	Page 11	
2-25 Processes to remediate negative impacts	Pages 43-44	
2-26 Mechanisms for seeking advice and raising concerns	Pages 43-44	

GRI 2: General Disclosures 2021	Location	Omissions
2-27 Compliance with laws and regulations	Page 46	
2-28 Membership associations	Page 41	
2-29 Approach to stakeholder engagement	Page 73	
2-30 Collective bargaining agreements	Page 74	

GRI 3: Material Topics 2021	Location	Omissions
3-1 Process to determine material topics	Page 11	
3-2 List of material topics	Page 11	



GRI Content Index

Material impact	GRI Standards	Indicator	Page	Omissions
Delivering consumer benefits	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 17	
	GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Pages 17-28	
	GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents	
	Keter Indicator	K1: Number of product recalls and total units recalled	None	
Product Innovation	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 19	
	Keter Indicator	K2: Percentage of sales from innovation	Page 11	
	Keter Indicator	K3: Number of new product launches	Page 18	
Circular economy	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 22	
	GRI 301: Materials 2016	301-1 Materials used by weight or volume	Pages 87-89	

Material impact	GRI Standards	Indicator	Page	Omissions
Circular economy	GRI 301: Materials 2016	301-2 Recycled input materials used	Pages 11,88	
		301-3 Reclaimed products and their packaging materials	Pages 24-28, 88	
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Pages 35-37	
		306-2 Management of significant waste-related impacts	Pages 35-37	
		306-3 Waste generated	Pages 78-79	
		306-4 Waste diverted from disposal	Pages 78-79	
	306-5 Waste directed to disposal	Pages 78-79		
Climate change	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 32	
	GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 77	
		305-2 Energy indirect (Scope 2) GHG emissions	Page 77	



GRI Content Index

Material impact	GRI Standards	Indicator	Page	Omissions
Climate change	GRI 305: Emissions 2016	305-4 GHG emissions intensity	Page 77	
	Keter Indicator	K4: Percentage of renewable energy of total energy consumption	Pages 86	
	Keter Indicator	K5: Percentage of waste to landfill	Page 11	
	GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 75	
		302-3 Energy intensity	Page 75	
	GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 89	
		303-2 Management of water discharge related impacts	Page 89	
		303-3 Water withdrawal	Page 76	
		303-4 Water discharge	Page 76	
		303-5 Water consumption	Page 76	

Material impact	GRI Standards	Indicator	Page	Omissions
Supply chain management	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 39	Page 39
	GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not reported	Not available at global level. This will be considered in future reporting.
Ethical conduct	GRI 3: Material Topics 2021: 3-3	Management of material topics	Pages 46	
	GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	No incidents	
	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not reported	Not available at global level. This will be considered in future reporting.
	GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Not reported	Not available at global level. This will be considered in future reporting.
	GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not reported	Not available at global level. This will be considered in future reporting.



GRI Content Index

Material impact	GRI Standards	Indicator	Page	Omissions	Material impact	GRI Standards	Indicator	Page	Omissions
Ethical conduct	GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Not reported	Not available at global level. This will be considered in future reporting.	Responsible employer	GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services		
						403-4 Worker participation, consultation, and communication on occupational health and safety	Workers participate as safety forums at each plant.		
Responsible employer	GRI 3: Material Topics 2021: 3-3	Management of material topics	Page 47			403-5 Worker training on occupational health and safety		Page 54	
	GRI 404: Training and Education 2016	401-1 New employee hires and employee turnover	Page 80			403-6 Promotion of worker health		Page 55	
		404-1 Average hours of training per year per employee	Pages 84			403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not reported	Not available at global level. This will be considered in future reporting.	
		404-3 Percentage of employees receiving regular performance and career development reviews	Page 84			403-8 Workers covered by an occupational health and safety management system		100% of workers and contractors.	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 84		403-9 Work-related injuries			Page 81		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 54		403-10 Work-related ill health			Page 81		
	403-2 Hazard identification, risk assessment, and incident investigation	Page 54							



GRI Content Index

Material impact	GRI Standards	Indicator	Page	Omissions
Community investment	GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 58	Percentage of operations not available. We strive for 100% each year.



2-7 Information on employees

Employees by region and gender	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
North America	315	604	919	354	589	943	254	434	688
Europe	864	1,383	2,247	835	1,277	2,112	784	1,250	2,034
Israel	473	1,720	2,193	472	1,354	1,826	510	1,430	1,940
Total	1,652	3,707	5,359	1,661	3,220	4,881	1,548	3,114	4,662

Employees by contract	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full time	1,597	3,682	5,279	1,614	3,220	4,834	1,467	3,056	4,523
Part time	55	25	80	47	0	47	81	58	139
Permanent	1,565	3,591	5,156	941	1,480	2,421	1,388	2,794	4,182
Temporary	87	116	203	720	1,740	2,460	160	320	480



Non-payroll workers	North America	Europe	Israel	Total	Percentage of total workforce
2021	211	1,437	730	2,378	44%
2022	125	658	519	832	27%
2023	117	1,034	488	1,639	35%

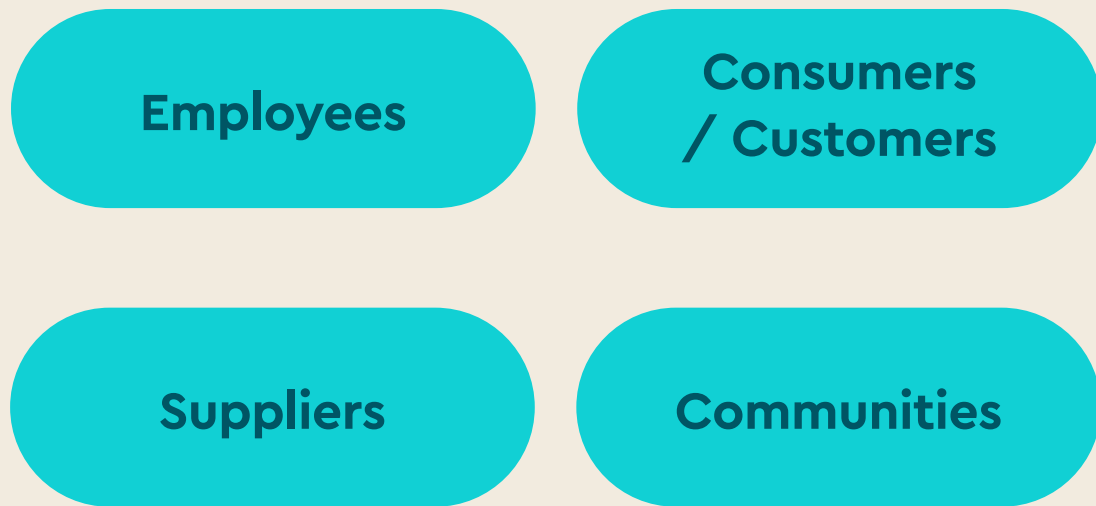


2-29 Approach to stakeholder engagement

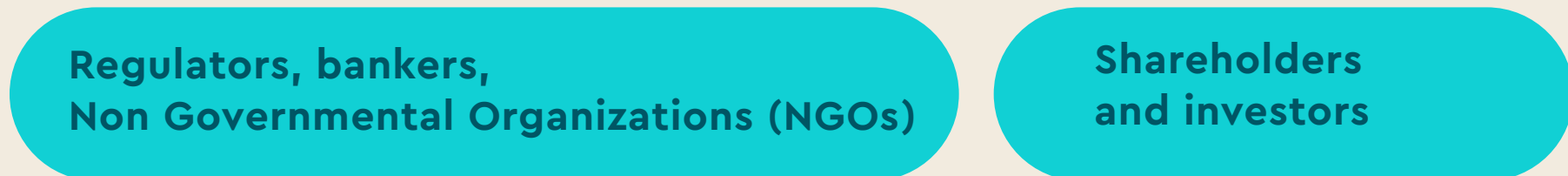
In 2019, we defined six stakeholder groups, and categorized them in terms of the degree of influence on how we work, what we work on and the environments in which we work. We engage with those stakeholders who strongly influence our business daily, and with those that influence our markets on defined or ad hoc frequencies, as issues arise.

Keter Group's Stakeholder Landscape

Strongly influence how we work and we work on



Influence our markets, financial and regulatory frameworks and social and environmental expectations



Key topics and concerns raised by stakeholders engagement

Primary stakeholders	Means of engagement	Key expectations
Employees	A range of internal communications channels throughout the year	Fair and respectful treatment, and fair compensation. Pride in working for Keter. Ethical conduct. Opportunity to have a say in business planning. Enough resources to get the work done.
Customers	Meetings and consultations with key retailers on a regular basis, social media	Product quality and safety, fast and reliable service, innovation that sells, competitive pricing. Use of safe raw materials. Plastic waste avoidance.
Suppliers	Periodical meetings and discussions	Fair dealing, business growth, opportunity to engage in new developments.
Communities	Community events, volunteering in communities	Supporting communities in social causes. Making a local economic contribution. Hiring local employees.
Regulators, bankers, NGOs	As needed	Compliance, transparency, engaging on social and environmental issues where relevant, such as plastic waste avoidance and recycling.
Shareholders/ investors	Interaction through board of directors	Return on investment, business growth, ethical conduct, positive reputation.



2-30 Collective bargaining agreements

Employees with collective bargaining agreements	North America	Europe	Israel	Total	As a percentage of direct workforce
2021	0	982	1,809	2,791	52%
2022	0	244	1,412	1,656	34%
2023	0	932	1,624	2,556	55%



302-1 Energy consumption within the organization

302-3 Energy intensity

Energy within the organization	Units	2020	2021	2022	2023
Natural gas	kWh	19,760,718	21,665,398	21,668,454	26,783,228
Diesel	kWh	4,199,176	2,268,239	2,587,622	1,933,219
LPG	kWh	377,736	416,580	112,295	1,133,108
Gasoline for mobile combustion	kWh	5,377,370	3,837,147	4,996,900	503,809
Total gases and fuels	kWh	29,715,000	28,187,363	29,365,272	30,353,365
Electricity purchased from grid	kWh	314,812,296	335,540,124	290,299,742	258,710,912
Electricity from trigeneration	kWh	32,002,314	39,479,178	26,419,836	28,846,806
Heating & cooling purchased	kWh	17,850,865	6,706,377	5,462,323	5,816,977
Non-renewable electricity, heating & cooling	kWh	364,665,475	381,725,679	322,181,900	290,073,422
Renewable electricity	kWh	-	-	3,637,862	3,301,273
Total energy consumption	kWh	394,380,475	409,913,042	353,684,761	323,728,060
Energy Intensity	kWh/ton	1,180	1,043	1,085	1,070

Note:

- Renewable energy has been restated / revised down for 2022 as some energy sources were counted as renewable in 2022 despite certification not being available. In 2022 and thereafter, only formally certified renewable energy is recorded. In 2022 and 2023, only Zaragoza site sourced certified renewable energy.
- The increase in Scope 1 consumption of LPG in 2023 results from an update of data collection methodologies and includes volume previously understated.
- The reduction in gasoline in 2023 is due to a shift away from fuel-based vehicles and also reallocation of commuting mileage to Scope 3.



303-3 Water discharge

Water withdrawal	Units	2020	2021	2022	2023
Groundwater	Megaliters	91.28	85.88	94.53	34.38
Third-party water	Megaliters	169.17	145.91	121.05	188.77
Total water discharge	Megaliters	260.45	231.20	215.58	223.15

Total water withdrawal from all areas with water stress	Units	2020	2021	2022	2023
Groundwater	Megaliters	21.33	23.43	19.41	24.12
Third-party water	Megaliters	33.60	83.77	98.53	99.66
Total water withdrawal from water stressed areas	Megaliters	94.24	107.21	117.94	123.78
Percentage of water withdrawal from water stressed areas	%	36%	46%	55%	55%

303-4 Water discharge

Water withdrawal	Units	2020	2021	2022	2023
Third-party water	Megaliters	95.74	90.56	90.75	139
Total water withdrawal	Megaliters	95.74	90.56	90.75	139

303-5 Water consumption

Water consumption	Units	2020	2021	2022	2023
Total water consumption	Megaliters	157.76	163.52	124.63	84.54

Notes: Surface water and seawater withdrawal is zero. All water withdrawal is fresh water ($\leq 1,000$ mg/L total dissolved solids). All discharge is to municipal systems.

**305-1 Direct (Scope 1) GHG emissions****305-2 Energy indirect (Scope 2) GHG emissions****305-4 GHG emissions intensity**

GHG emissions	Units	2018	2020	2021	2022	2023
Scope 1	MT CO ₂ e	4,798	6,608	6,094	6,307	7,019
Scope 2 location-based	MT CO ₂ e	149,755	144,288	149,148	119,825	110,358
Scope 2 market-based	MT CO ₂ e					108,836
Total GHG emissions (market-based)	MT CO ₂ e	154,553	150,895	155,242	126,132	115,855
GHG emissions intensity	MT CO ₂ e/ ton output	0.497	0.451	0.395	0.387	0.383

Notes:

- In 2023, we conducted a thorough review of our environmental data and implemented changes to accommodate market-based emission factors across our markets. Therefore in 2023, and going forward, we report market-based emissions and measure our progress against our 2025 target on this basis. For further details of changes applied in 2023, see section: Climate Action.
- Scope 2 emission factors use supplier-provided factors in most markets; where market-based factors were not available, location-based factors using the Association of Issuing Bodies (AIB) and the European Environment agency (EEA) for European sites, the U.S Environmental Protection Agency (EPA) for USA sites and the Israeli PRTR- version 15.0 file for Israeli sites. Scope 1 emission factors UK use Government Conversion Factors for greenhouse gas (GHG) reporting (Defra 2023 version 1.1) and Ecoinvent (Version 3.8.1) database.
- Scope 1 emissions include 652 MT CO₂e from refrigerant gases not measured or reported in prior years. We believe this does not reflect complete data from refrigerants and we expect to update this in 2024.
- Energy and emissions data do not include impacts from a small number of Keter owned and operated stores in Israel. We do not expect this will have a material impact on our total emissions but plan to report this from 2024.



306-3 Waste generated

306-4 Waste diverted from disposal

306-5 Waste directed to disposal

Non-hazardous waste	Units	2020	2021	2022	2023
Landfill	MT	3,550	4,644	3,930	923
Reuse	MT	10	5,865	285	2
Recycling	MT	8,819	22,724	11,149	12,612
Composting	MT	525	25	6	4
Recovery (including energy recovery)	MT	780	1,572	479	331
Incineration	MT	24	121	1	2
Total non-hazardous waste	MT	13,708	34,951	15,849	13,874

Hazardous waste	Units	2020	2021	2022	2023
Landfill	MT	5	4	4	0
Reuse	MT	90	17	24	42
Recycling (including composting)	MT	1,247	1,291	1,106	828
Recovery (including energy recovery)	MT	68	191	107	122
Incineration	MT	79	85	2	2
Total hazardous waste	MT	1,486	1,589	1,244	993



Waste directed to disposal	Units	2020	2021	2022	2023
Landfill	MT	3,554	4,648	3,934	923
Incineration	MT	103	205	3	4
Total waste directed to disposal	MT	3,657	4,853	3,937	927
Waste diverted from disposal	Units	2020	2021	2022	2023
Reuse	MT	100	5,882	309	44
Recycling	MT	10,066	24,015	15,095	13,440
Composting	MT	525	25	95	4
Recovery (including energy recovery)	MT	847	1,764	586	453
Total waste diverted from disposal	MT	11,538	31,686	16,085	13,941
Total waste	MT	15,194	36,540	20,022	14,687

Notes: The increase in waste in 2021 is due to increased production levels and reclassification of certain waste types that were not accounted for in prior years. All waste that is recycled or disposed is treated offsite.



401-1 New employee hires and employee turnover

New hires and leavers by headcount

	2021				2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
New hires												
Women new hires	222	199	44	465	182	169	45	396	114	120	26	260
Men new hires	566	365	102	1,033	286	240	71	597	234	211	66	511
Total new hires	788	564	146	1,498	468	409	116	993	348	331	92	771
Women leavers	217	166	87	470	261	243	96	600	90	158	57	305
Men leavers	801	427	192	1,420	839	494	188	1,521	196	263	157	616
Total leavers	1,018	593	279	1,890	1,100	737	284	2,121	286	421	214	921
Turnover (%)	19%	11%	5%	35%	23%	15%	6%	43%	6%	9%	5%	20%

New hires and leavers rates

	2021				2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
New hires												
Women new hires	4%	4%	1%	9%	4%	3%	1%	8%	2%	3%	5%	1%
Men new hires	12%	7%	2%	19%	6%	5%	1%	12%	5%	5%	1%	11%
Total new hires	16%	11%	3%	28%	10%	8%	2%	20%	7%	7%	2%	17%
Women leavers	4%	3%	2%	9%	5%	5%	2%	12%	2%	3%	1%	3%
Men leavers	16%	8%	4%	26%	17%	10%	4%	31%	4%	6%	3%	13%
Total leavers	19%	11%	5%	35%	23%	15%	6%	43%	6%	9%	5%	20%



403-9 Injury rates

403-10 Work-related ill health

Hours worked (employees)	2020	2021	2022	2023
North America	1,747,569	1,788,743	1,574,545	998,981
Europe	3,459,981	3,494,655	2,675,295	3,357,754
Israel		5,423,000	3,766,093	4,151,251
Total	5,207,550	10,706,398	8,015,933	8,507,986

Hours worked (contractors)	2020	2021	2022	2023
North America	561,516	572,068	653,213	264,075
Europe	1,505,867	1,494,309	744,223	1,094,484
Israel		0	815,625	1,108,428
Total	2,067,383	2,066,377	2,213,061	2,466,987

Recordable injuries (employees)	2020	2021	2022	2023
North America	43	51	46	27
Europe	71	49	46	69
Israel		173	155	76
Total	114	273	247	172
Rate	4.38	5.10	6.16	4.04

Recordable injuries (contractors)	2020	2021	2022	2023
North America	7	2	7	1
Europe	20	6	13	11
Israel	0	0	38	26
Total	27	8	58	38
Rate	3.74	2.61	5.24	3.08
Total Recordable Injury Rate (employees and contractors)	3.88	4.40	5.96	3.83



High consequence injuries (employees)	2020	2021	2022	2023
North America	2	0	14	14
Europe	0	2	1	0
Israel		0	11	0
Total	2	2	26	14
Rate	0.08	0.04	0.65	0.33

High consequence injuries (contractors)	2020	2021	2022	2023
North America	0	0	1	0
Europe	0	0	0	0
Israel		0	2	0
Total	0	0	3	0
Rate	0	0	0.27	0
Total high consequence injury rate (employees and contractors)	0.05	0.03	0.57	0.26

Fatalities (employees)	2020	2021	2022	2023
North America	0	0	0	0
Europe	0	2	0	0
Israel	0	0	3	0
Total	2	2	3	0

Fatalities (contractors)	2020	2021	2022	2023
North America	0	0	0	0
Europe	0	0	0	0
Israel	0	0	0	0
Total	0	0	0	0

Notes:

- Data for Israel not available prior to 2021. In 2021, data for employees includes contractors.
- Rates are calculated on the basis of 200,000 working hours.
- Most accidents are slips, trips and falls. All are investigated and corrective actions agreed upon.



404-1 Average hours of training per year per employee

Employee training by category (hours)	2021	2022	2023
Managers	1,376	495	564
Non-managers	6,326	3,251	3,452
All training hours	24,634	43,957	43,850
Average training hours per employee	4.60	9.01	9.41

404-3 Percentage of employees receiving performance and career development reviews

Employees with performance reviews	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Managers	158	348	506	194	401	595	172	345	517
Non-managers	842	2,038	2,880	827	1,773	2,600	645	881	1,526
Total	1,000	2,386	3,386	1,021	2,174	3,195	817	1,226	2,043
% total		63%			65%			44%	

Note: Employees eligible for performance reviews are primarily management and administrative level employees. Of these, in 2023, 72% received a performance review.



405-1 Diversity of governance bodies and employees

	2021			2022			2023		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees by level and gender									
Executives	2	7	9	1	7	8	1	7	8
Managers	180	458	638	191	418	609	189	390	579
Non-managers	1,474	3,236	4,710	1,479	2,841	4,320	1,358	2,717	4,075
Total	1,656	3,701	5,357	1,671	3,266	4,937	1,548	3,114	4,662
% women total		31%			34%			33%	
% women execs (of total execs)		22%			13%			13%	
% women managers (of total managers)		28%			31%			33%	
% women managers of execs and managers total		28%			31%			32%	

**Employees by level and age**

		2021	2022	2023
Managers	<age 30	26	19	23
	age 30-50	293	372	348
	>age 50	288	222	216
Non-managers	<age 30	1,543	1,157	1,254
	age 30-50	2,080	1,963	1,833
	>age 50	1,127	1,148	988
All employees	<age 30	1,569	1,176	1,277
	age 30-50	2,373	2,335	2,181
	>age 50	1,415	1,370	1,204

Diversity of Keter Group board of directors as at end 2023**Women directors** 1 (10%)**Directors from diverse groups** 1 (10%)



SASB Disclosure

Sustainability Accounting Standards Board (SASB) Building Products and Furnishings Standard, Version 2018-10

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
Energy Management in Manufacturing	CG-BF-130a.1	Total energy consumed (GJ)	1,165,421	
	CG-BF-130a.1	Percentage grid electricity	99%	includes trigeneration plant in Italy
	CG-BF-130a.1	Percentage renewable energy	1%	
Management of Chemicals in Products	CG-BF-250a.1	Discussion of processes to assess and manage risks and/or hazards associated with chemicals	0%	Keter does not use hazardous chemicals in production.
	CG-BF-250a.2	Percentage by revenue of eligible products meeting volatile organic compound (VOC) emissions and content standards	0%	Keter's production does not generate VOCs
Product Lifecycle Environmental Impacts	CG-BF-410a.1	Description of efforts to manage product and lifecycle impacts and meet demand for sustainable products	See section on Circularity and Technology	
	CG-BF-410a.2	Weight of end-of-life material recovered (metric tons)	In development	
	CG-BF-410a.2	Percentage of recovered materials recycled	In development	



SASB Disclosure

Sustainability Accounting Standards Board (SASB) Building Products and Furnishings Standard, Version 2018-10

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
Wood Supply Chain Management	CG-BF-430a.1	Total weight of woodfiber materials purchased (metric tons)	Not available	Wood composition is 30% virgin wood and 70% post-consumer recycled wood.
	CG-BF-430a.1	Percentage of woodfiber materials from third-party certified forestlands	30%	
	CG-BF-430a.1	Percentage of woodfiber materials by standard	100% to FSC standards	
	CG-BF-430a.1	Percentage of woodfiber materials certified to other wood fiber standards	0%	
	CG-BF-430a.1	Percentage of woodfiber materials by other standards	0%	

ACTIVITY METRIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
Production	CG-BF-000.A	Annual production (metric tons)	302,589	
Area	CG-BF-000.B	Area of manufacturing facilities: square meters (m ²)	>180,000	Manufacturing only. Total plant m ² : 562,903



SASB Disclosure

Household and Personal Products Standard, Version 2018-10

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
Water Management	CG-HP-140a.1	Total water withdrawn m ³	223,150	
	CG-HP-140a.1	Total water consumed m ³	84,500	
	CG-HP-140a.1	Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	55%	
	CG-HP-140a.1	Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	55%	
	CG-HP-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	See below: Water management	
Packaging Lifecycle Management	CG-HP-410a.1	Total weight of packaging (metric tons)	88,030	
	CG-HP-410a.1	(2) percentage made from recycled and/or renewable materials	49%	
	CG-HP-410a.1	(3) percentage that is recyclable, reusable, and/or compostable	99%	
	CG-HP-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	See below: Packaging impacts	



Water management

Keter aims to minimize use of water in all our facilities by implementing water efficiency measures such as low-flow faucets and water reuse for irrigation.

Following our Physical Climate Risk Assessment in 2021, we identified measures at each plant to mitigate water risk across all sites and especially those in areas of High Water Stress. Facilities in place or in planning to address water risks include on-site ponds for water storage, emergency water tank for production continuity in case of a water shortage for at least three days and other emergency water supply procedures supported by local municipalities.

Packaging Impacts

Keter continues to make efforts to reduce the impact of packaging used to transport and protect our products. In general, we have engaged a recycling company to work with local teams to identify and divert cardboard, plastic packaging and discarded pallets from landfill by establishing new recycling process streams. Additional considerations per packaging type include:

Paper packaging:

We continue to work with suppliers to raise the recycled content of our packaging supplies. In 2023, recycled content was at least 70%. We are engaging with packaging suppliers to minimize corrugated content in pack designs.

Plastic packaging:

We are engaging with customers to assess opportunities to eliminate shrink films and/or plastic strapping from shelf units and investigating more efficient stretch film options to reduce the overall weight of film used. Similarly, we are seeking options to purchase shrink films and strapping with recycled content.

Pallets:

We continue to utilize recycled pallets wherever possible and are examining the use of different design pallets that minimize wood use. With certain customers, we are investigating eliminating pallets by using alternative slip sheets. With suppliers, we are investigating sizing purchased material packing to fit pallet sizes to improve shipping efficiency and pallet wastage.



Thank You

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