



HORTICOOP
SCANDINAVIA A/S

Sustainability report

Horticoop Scandinavia A/S

2022



Horticoop


Horticoop Scandinavia A/S – the nurseries' service partner

Horticoop Scandinavia A/S is a subsidiary of Horticoop BV and was founded in October 2004. It was started by 5 employees and Horticoop BV, as the main shareholder, and has today grown to 11 employees and 1 external consultant. Today, the company is the market leader in horticultural supplies in Denmark.

The company supplies operational goods and technical equipment to the Danish horticultural sector. Customers include greenhouses with ornamental and vegetable gardens, nurseries and open-air vegetables. We offer product advice from a strong and broad team with many years of industry experience and have a complete range of products. We aim to have One-Stop-Shopping for horticulture and deliver stock items within 24 hours. At Horticoop, you can also have customer-specific products produced and delivered to nurseries throughout Scandinavia.


Horticoop Scandinavia is located in Hinnerup, close to Aarhus, in a new office building from 2018. The building is shared with the transport company Alex Andersen, which facilitates everyday transport, as most of the transport is handled by them.


Our goal is to ensure that we can deliver the right goods, at the right time, in the right place. We do this by looking for new products, but we are also heavily dependent on our approximately 50 suppliers to deliver high-quality goods.

 11 employees

 50 reliable suppliers

 5 export countries

 15% annual growth in revenue

 +200 years of industry experience



Green transition in the horticultural industry

We experience that European consumers and retailers have an increasing desire for sustainable production of plants and vegetables. Horticoop is constantly looking for new green initiatives and we work with both customers and suppliers to implement the latest initiatives in the cultivation of plants. This means that we can deliver a number of new sustainable products.

We are focused on reducing the waste of plastic from pots and this translates into consumer-recyclable plastic (PCR). In addition, we offer cardboard trays as a substitute for ordinary vacuum packages. We always try to have alternative products in cardboard or paper in several areas.

For organic production, we can offer both organic and fully organic fertilizer. In addition, we can help minimize the use of plant protection with biological control and guidance on this.

Last but not least, gardeners can save energy by using Philips-Signify grow lights, which have the highest utility on the market. Here, Horticoop is the only Philips-Signify LED grow light partner in Denmark.

TRUST

We trust each other and we can be trusted.

TEAM SPIRIT & COOPERATION

In Horticoop we have a strong cooperation and a good team spirit.

RESPONSIBILITY

We take responsibility for each other, our company, our customers and our environment.

MISSION

Our mission is to build a partnership with you as a customer, based on added value around your purchases. Together with you, we will plan your deliveries and ensure that you get your consumables in a timely manner.

This will also make it simple for you and your employees to keep track of when the next delivery takes place.

VISION

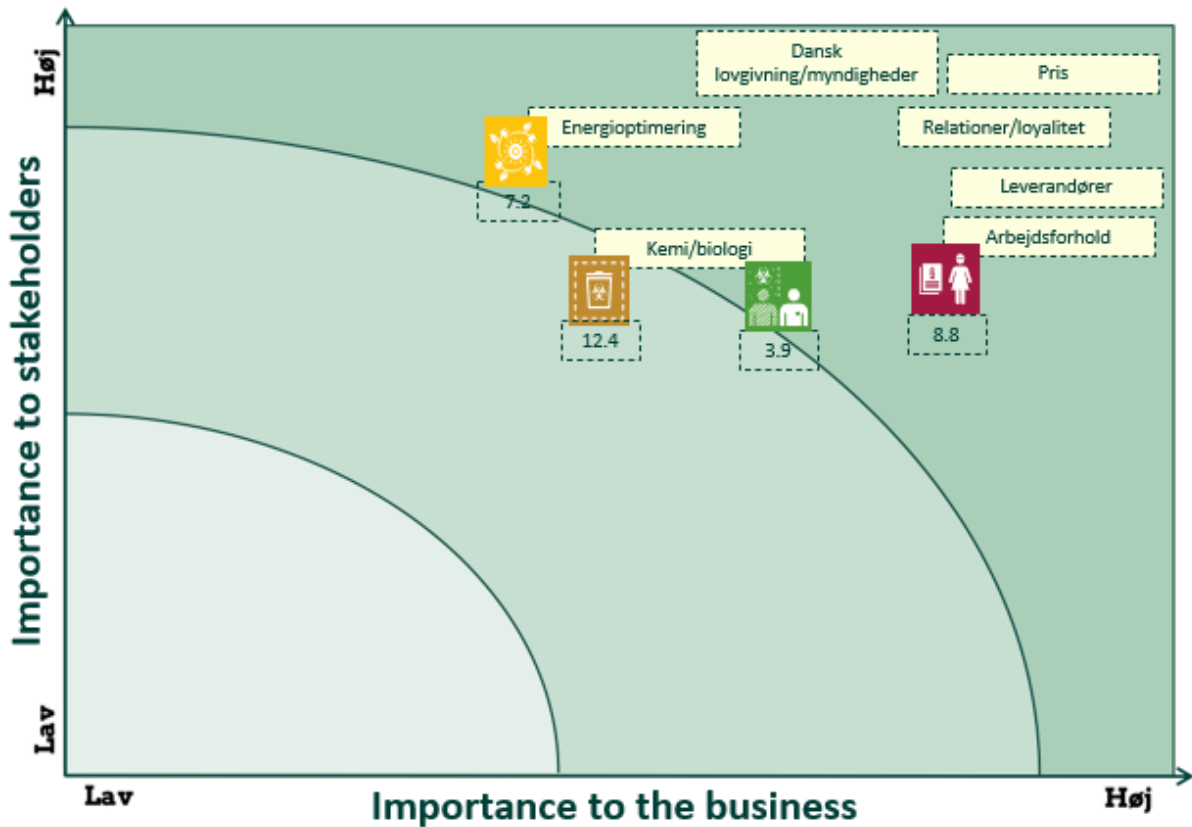
Through added value, technical support and simple ordering procedures, our vision is to be the preferred supplier of consumables and technical equipment for greenhouse nurseries, open-air nurseries and nurseries in Scandinavia.

Materiality assessment



In Horticoop Scandinavia, we have looked at which areas have high/low materiality for our customers and for the business. Based on this analysis, which is based on the most relevant focus areas from our stakeholders, the areas that are important for our strategy and operations have been identified, as well as for our stakeholders, including customers, suppliers, etc.

The table below shows an overview of the focus areas, ranked according to materiality in relation to stakeholders and the business.



This materiality matrix helps to form the basis for the selected SDGs, which Horticoop has chosen to work with and focus on in the business.

CSR in Horticoop



We welcome the UN's 17 Sustainable Development Goals and from Horticoop's business model, we have decided to work with the objectives that are most relevant to the company and our stakeholders and that we can help influence. We therefore have a special focus on realising three of the UN's goals, namely 7, 8 and 12;

7 – Sustainable energy

8 – Decent work and economic growth

12 – Responsible consumption and production



7.2 - Energy - Installing renewable energy

7.3 - Energy - Increasing energy efficiency



8.8 - Good working conditions



12.4 - Pesticides

12.5 - Waste and waste

Sustainable energy



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7 BÆREDYGTIG
ENERGI



Renewable energy

Our office and warehouse are of recent date and in connection with the establishment of this, green

initiatives have been thought of. Including solar cells, light sensor, LED lighting, etc. To support the green transition, solar cells have been installed on the roof of the building when it was built in 2018. And this means that 5.8% of our energy consumption today is covered by solar cells. In addition, there is LED lighting, as well as light sensor on all lighting, which reduces consumption. Our 2,000 m² warehouse is well insulated, so no energy is used to heat it in winter. We thus have very little CO² emissions on our buildings. Our emissions in this area correspond to 1.5% of our total emissions.

Increase energy efficiency

– Install energy management system

At Horticoop Scandinavia A/S, we can help customers emit less CO² using Philips-Signify grow lights. Horticoop is a certified Philips-Signify supplier and can therefore offer customers a well-prepared and the most economical solution. The advantages of Philips-Signify LED grow lights are that they provide faster propagation and root formation for the plants, lower energy costs and an earlier "return on" investment". In addition to getting a higher yield from your plants and vegetables, it also provides significant control over the temperature in the greenhouses. All this helps to reduce energy consumption in the production of plants.

"Horticulture gets an annual saving of 150 MWh – which is equivalent to saving the climate about 28 tons of CO²"

A nursery has replaced HPS lamps of 3200 m² with LED lamps. Their old lamps used 300 MWh and the new lamps only use 150 MWh. That means, it has given them an annual saving of 150 MWh.

And when it is calculated in terms of quantity in CO², it corresponds to saving the climate 28 tons of CO².

Energy consumption of carriers

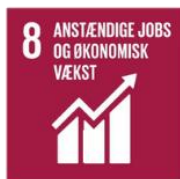
As a trading company, we depend on transporting our products with carriers in large parts of Europe. Therefore, we also pay close attention to our logistics of the goods, so that we use as little resources as possible.

We are increasingly focusing on using carriers that focus on the environment and a more sustainable future, so that we have the least possible impact on the environment during the transport of the products. Our goal is to make greater demands on our suppliers so that we can reduce our CO² footprint as much as possible. In addition, we work daily with direct deliveries to our customers, so we can deliver our products directly from supplier to customer. This reduces an intermediary so that the products do not have to be transported past their own warehouse.

When an order is to be shipped and delivered to a customer, we use different shipping companies that ensure that the transport arrives on time, as well as in the best possible and most environmentally friendly way. Among other things, we use Alex Andersen, with whom we also share a location. Our offices and warehouses are built together to be so close to our distributor, so we can save transport time, as well as save on energy consumption.

Among other things, we take advantage of the "empty freight" that occurs in the morning at the transport company Alex Andersen. They drive out for plants at the Danish nurseries, where our goods are going anyway. I.e. that we transport our goods to the nurseries when Alex Andersen still has a car driving out. In this way, we help to optimize driving, which gives a positive effect on our CO² accounts.

Social conditions



Employee relations

At Horticoop Scandinavia A/S, it is of great importance that our employees thrive in the workplace. During

seasonal periods, we have a busy and changeable everyday life, where we provide professional advice to our customers and it is therefore important that our employees feel good.

Therefore, we work annually with our working environment so that employees have the best working conditions. This involves ensuring a good physical and mental working environment, as well as developing the employees' competencies. And through an open-door policy, a basis is created for a good and healthy cooperation between employees and management.

All employees are covered by the company pension, as well as guaranteed good and fast treatment through the company's health insurance – and in addition, the employees are insured in case of critical illness or loss of the ability to work. All this to keep employees safe in case of an accident. In addition, there is a food arrangement for the employees, as well as a fruit for free use.

We believe that it is important to help our employees so that they are happy to come to work and we want to activate them to stay in the labor market so that all those who want to work have the opportunity to do so.

Employee turnoverRate 2022: 10%

Therefore, we also want to retain employees, including those who, due to reduced ability to work, are otherwise at risk of dropping out of the labor market.



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The average seniority of our 11 employees is 10.3 years. This helps to support the good and healthy employee culture in the company and we work every day to ensure that all employees feel good and motivated to go to work.

Social conditions

We also want to give back to the community and support some selected projects. Therefore, Horticoop Scandinavia A/S supports special and selected organizations, foundations and projects that help the exposed and vulnerable in society.

Every year we support Knæk Cancer with a fixed amount. And in addition, in 2022, we have also chosen to give support to these five organizations;

- Muskelsvindsfonden – Grøn Koncert
- Dansk Handicapidræt
- Paralympisk idræt
- Politiets Idrætsforening
- Hjælp Ukraine



Environment and responsible consumption

12 ANSVARLIGT
FORBRUG
OG PRODUKTION



Pesticides

– Use of biological control

In recent years, there has been an increasing focus on sustainability, climate and the environment and this makes demands on the Danish producers of plants and vegetables, who fall back on us as a supplier. A growing and increasing part of the business is therefore biological control. Our goal is to be versatile advisors and we therefore also offer a wide range of products within biological control.

As in many other parts of the world, the horticultural sector in Denmark is facing changes in the regulatory framework and customer requirements. There is an increased interest in sustainable, recyclable, organic and biological solutions – a trend we do everything to follow so that we can always offer our customers a greener solution.

The community focus is on recycled plastic. We therefore also focus on this interest in our portfolio of products. Among other things, we can offer pots and pot trays made of recycled plastic (PCR), and now also stretch film in recycled material. And we are constantly looking for suppliers who can offer products that contribute to this goal, so that we can offer our customers the sustainable choice.

Our pots and plastic trays come in many shapes and colors. And all pots sold by Horticoop come from at least 98% recycled material.

In order for a pot to be recycled, it is necessary that they can be sorted at the incinerators. And as the vast majority of pots are today, they cannot be recycled, as they cannot be sorted due to their color. If there is carbon (black color) in the pot, then the machine at the incinerators cannot recognize it and it is therefore burned and not recycled. Therefore, today a number of pots have been produced that are certified reusable and which are therefore sortable and that are not burned. This ensures that the pots that are thrown away for plastic are recycled.



Waste and waste

– Use recycled plastic

Environmental accounting

Table 1: Overview of the company's total CO²e emissions 2022

Scope	Tons of CO ² e	Share of emissions
Scope 1, direct emissions;	7,91	1.70%
Scope 2, indirect emissions;	3.06	0.60%
Scope 3, other indirect emissions;	465.98	97.70%
Total	476,94	100,00%

The environmental accounts have been prepared with the help of 'Klimakompasset', where the company's consumption is listed. This has resulted in the following result for the year 2022. The basis is, among other things, the following: energy consumption from Horticoop's office and warehouse, consumption from driving Horticoop's salespeople, goods transport to and from the company, etc. Based on this data, the above CO²e emissions are calculated.

Based on the data we have available, our impacts are distributed as follows:

- Natural gas (Scope 1)
- Company cars (Scope 1)
- Electricity consumption (Scope 2)
- Water consumption (Scope 3)
- Service and services (Scope 3)
- Electricity consumption from own solar cells (Scope 3)
- Employee transport (Scope 3)
- Goods transport (Scope 3)
- IT services (Scope 3)

Scope 3, which is our biggest emission, consists, among other things, of goods transport. Our company is dependent on transporting goods from our suppliers to our customers. To keep these emissions as low as possible, we work with various freight companies that arrange the transport in the best possible way. Here we constantly follow the development so that we can get our goods delivered in the best possible way. Scope 3 is filled with the emissions we know and is not a complete Scope 3.



ESG ratios

ESG head and key performance report

	Unit	Goal 2025	2022	2021
Environment - environmental data				
CO ² e, scope 1	Ton	7	7,91	9,08
CO ² e, scope 2	Ton	3	3,06	3,15
CO ² e, scope 3	Ton	400	465,98	367,79
Energy consumption	MWh	30	36	33
Renewable energy share	%	8	5,8	6
Water consumption	m ³	150	151	159
Social - social data				
Full-time workforce	FTE	11	10,2	9,2
Gender diversity	%	30	28,6	27
Employee turnover rate	%	0	10	0
Sick leave	Days/FTE	4	5,4	4,3
Customer retention	%	85	74	76
Governance - management data				
Board of Gender Diversity	%	0	0	0
Attendance at board meetings	%	100	100	100

Scope 3: Has increased from 2021 to 2022 due to better data collection. There is now better and more complete data that gives a better insight into the company's Scope 3.

Employee turnover rate: This shows that we have had a volunteer left employee due to retirement.

Sick leave: In 2021, there were 9 FTEs in the company, which together had 40 sick days. This corresponds to each employee only having 4.4 sick days in 2021. This is quite acceptable for the company, but the goal is set at 4 days in 2022, as we are constantly working to ensure that employees feel good at work.

Attendance at board meetings: In 2022, 4 board meetings have been held, where there has been attendance from all participants at all meetings. Board of

Directors' gender diversity: Horticoop's Board of Directors is composed of CEO of Horticoop Scandinavia A/S and CEO and CFO of Horticoop BV. As these positions are currently held by men, there are therefore no women on the board. Since it is not a requirement that there must be a board, there is no intention to change or add more members and therefore the goal is currently 0% for the board's gender diversity.

Customer retention: We've lost a little more than we've gotten in. However, this is ok for the company, as we have brought in some healthy and more ready-to-buy customers.

