### **QUEEN® GROWS GREENER**CONTRIBUTING TO THE GLOBAL GOALS





### **SUSTAINABILITY**OUR RESPONSIBILITY

At Queen®, we do our utmost to minimize the impact of our production activities on the environment. Our mission is to produce beautiful, high quality flowers and plants, which can be bought and enjoyed with a clear conscience.

We have had a tradition of prioritizing the environment for three generations. Throughout the years we have optimized our operation, which has resulted in a wide range of initiatives regarding production, packaging, pots and trays etc. We are continually working on improved, sustainable solutions within our business practices.



The improvements we make for the sake of the environment are documented on a monthly basis since 2000, and we are proud to have earnt the MPS-A, MPS-GAP and MPS-SQ and so have our closest partners. MPS is an international authority which classifies how sustainable and environmentally conscious plant nurseries are.

### THE GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

At Queen®, sustainability and business go hand in hand. We continuously aim to grow greener and believe we have a duty to help achieve the United Nations' Sustainable Development Goals. It comes naturally to focus on and prioritize the global goal 12 and 15, covering responsible consumption and production as well as protection and restoration of terrestrial ecosystems. We are strategically working on reducing our ecological footprint by changing the way we produce and consume resources on a daily basis and long term. Next, we present a company illustration showcasing current initiatives and future ambitions within our supply chain. Followed by further explanations and additional efforts.



### **INITIATIVES AND AMBITIONS**FOR THE ENTIRE SUPPLY CHAIN

In close collaboration with Deloitte, we have calculated our CO<sub>2</sub> footprint, charted our initiatives and looked into improvements throughout the entire production and supply chain. We have high ambitions and want to allow all customers and stakeholders to follow our journey towards more sustainability and growing greener.





#### Genetics

**We have already:** Bred ethylene resistant plants - 50% less waste at retail/home

**We will:** Naturally select for compact and strong genetics - no use of chemicals



#### Heating

We have already: Harvested heat from the greenhouse at daytime to use at night. Implemented biomass-fired district-heating

**We will:** Shift to renewable heating, e.g. geothermal



Home

We have already: More than

doubled the longivity since 1980

We will: Inform the consumer about how to recycle the plant and

packaging

#### Retail

**We have already:** Introduced colour space management - 25% better sales and less waste

**We will:** Optimize consumer experience in shops





Queen®

#### Electricity

**We have already:** Replaced 20% of the lighting to LED lighting

**We will:** Shift to 100% LED lighting and use renewable energy ressources, e.g. wind and solar power



#### Growing medium

We have already: Reduced our consumption of peat by 20%

We will: Reduce our consumption of peat by 85%



#### Transport

We have already: Introduced road trains – 25% more plants pr. lorry

**We will:** Shift to natural gas and possibly electric propulsion



#### Packaging

**We have already:** Introduced FSC paper sleeves, PCR pots and PCR trays

**We will:** Make kalanchoe waste-based pots and trays. Introduce 100% recycled plastic sleeves



#### Chemicals

We have already: Introduced predatory wasps against aphids and other biological pest controls
- 90% less chemical use

**We will:** Aim for zero artificial chemical use by 2030



921 g CO<sub>2</sub>e per 10.5 cm kalanchoe potted

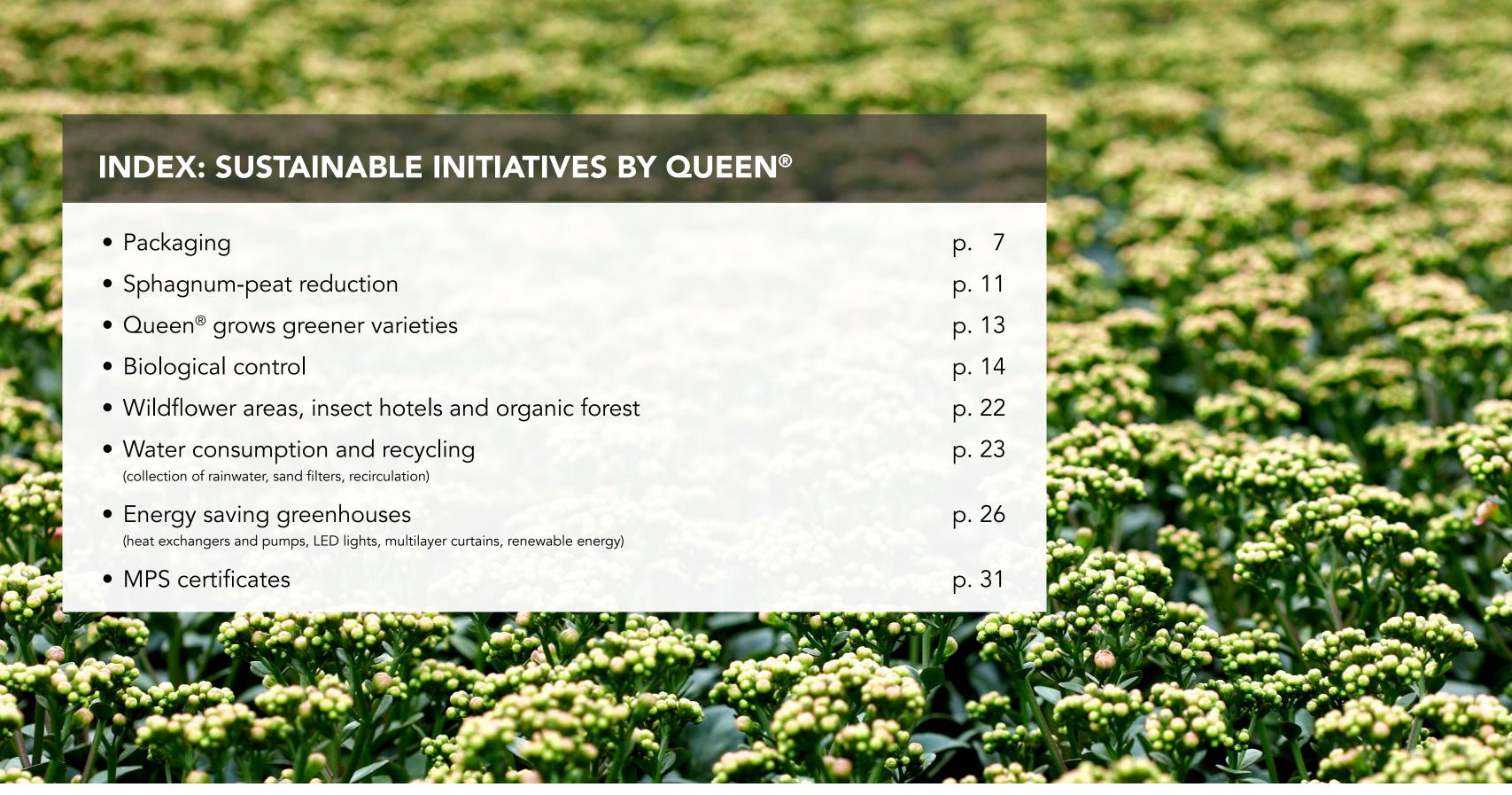
plant produced

6 weeks shelf life

guaranteed equals

22 g CO<sub>2</sub>e per day





#### **PACKAGING**

At Queen® packaging plays a key role in protecting the quality and longevity of our plants. However, we are committed to finding better, sustainable solutions and minimize waste. We aim to use recyclable packaging and have improved the design of our packaging, so it can go through waste handling systems. Over the years, we have increased the amount of recycled materials within, e.g. our pots and trays.



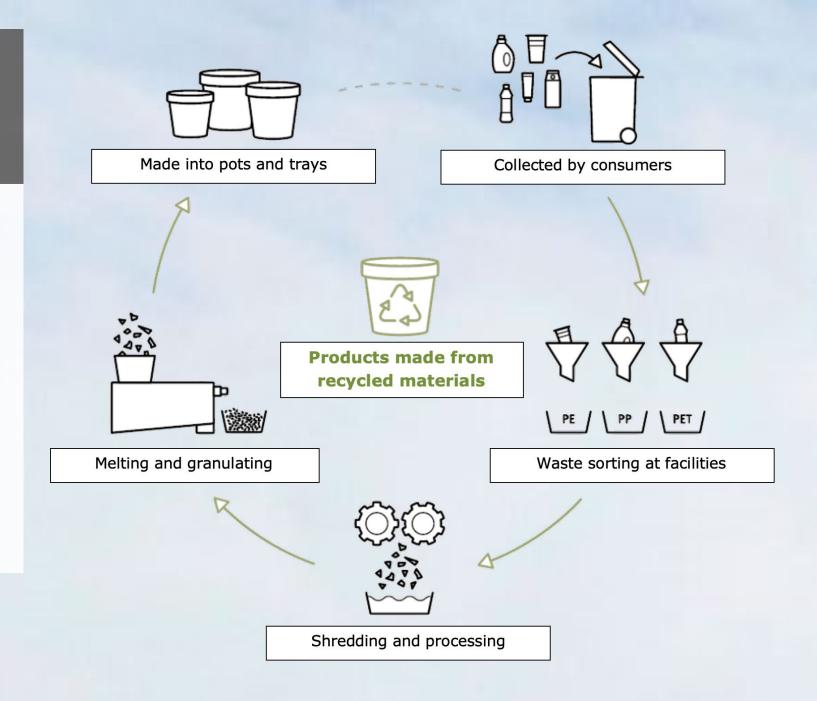
### **PACKAGING**POTS AND TRAYS

All our pots are made of PCR materials (post-consumer recycled plastic). We have changed the material of the pots from black to grey so it can go through waste handling systems.

Cardboard trays and trays made in PCR materials are always possible to choose.

In the future we are looking into more possibilities such as:

• Biodegradable solutions



#### PACKAGING SLEEVES

We collaborate with our packaging supplier who highly prioritise reducing the waste of resources and minimising negative impacts to the environment. By collaborating close with responsible suppliers, we have successfully implemented that all our plastic materials are or will be reusable plastic which once again can be reused at the end of its lifetime.





### **PACKAGING**STRATEGY AND FUTURE INITIATIVES

#### Long term goals 2030:

- Minimize waste in the entire supply chain by continuously optimising our packaging solutions
- Lead the way for sustainable packaging
- Be first movers within the flower industry

Importantly, our materials have to be either:

- Degradable
- Recyclable
- Upcycled leftover materials

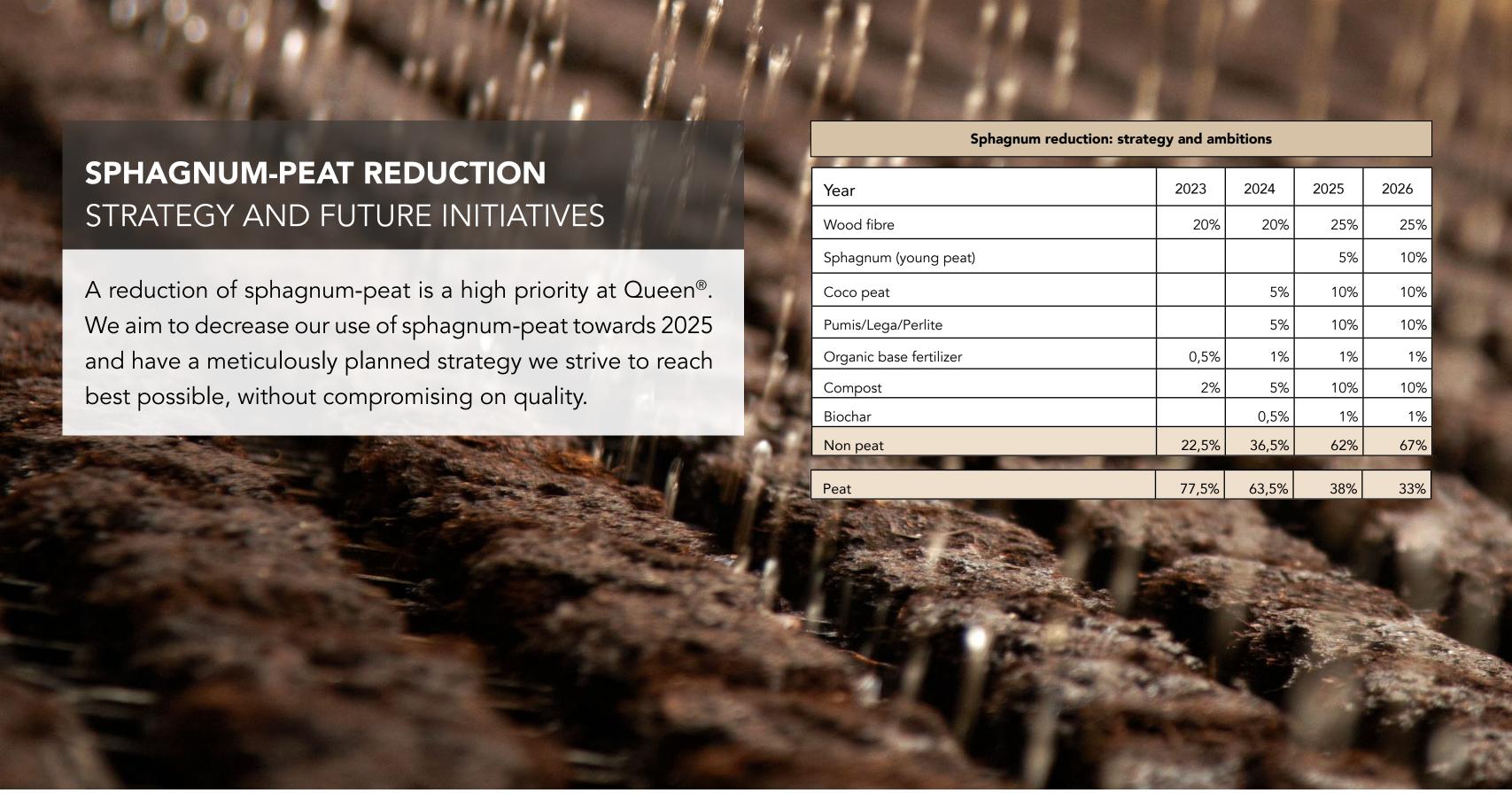


### **SPHAGNUM-PEAT REDUCTION**CURRENT POSITION

Currently, our potting soil consists of approx 80% sphagnum-peat. The growing media we use are raw materials and/or natural, fibrous wood material (FSC-certified) stabilised with peat.

We emphasise that the growing media:

- Meet high quality standards
- Are approved for organic production
- Do not come from or exploits registered, protected areas and nature reserves
- From suppliers that work actively with restoration projects and re-establishing the nature after harvest
- Qualified as growing media





#### QUEEN® GROWS GREENER VARIETIES

As a company, we are full-on committed to growing greener and making new steps towards more sustainable production. Within the next years, we aim to produce varieties of all colours with no use of growth regulators. Our product development will breed beautiful and naturally compact varieties, that will be grown with biological control only. It is an extensive and important focus!

#### PGR and chemical reduction: strategy and ambitions

Year	2023	2024	2025	2026
Conventional production	70%	60%	50%	40%
Production without plant growth regulator (PGR)	30%	40%	50%	60%
Production without any chemical use	15%	20%	25%	30%
Organic production	0%	1%	2%	10%





#### **BIOLOGICAL CONTROL**

We use biological methods to strengthen the plants, as well as combat diseases and pests during production. Biological plant protection meets our desire for sustainability, while at the same time ensures a healthier work environment for our employees. We work with several biological methods, including the use of banker plants, soil mites, insects, beneficial fungi and bacteria.

Additionally, we apply other useful and natural initiatives to strengthen our production and breed strong, healthy and well-formed plants. Among other things, we use different kinds of climate shocks; regulating heat, changing water temperatures and adding various natural nutrients.



### BIOLOGICAL CONTROL QUEEN® BIOPRODUCTION

Queen® has started developing its own biological control to meet best practice in growing flowers. Since 2018, our business unit Queen® Türkiye and EWH BioProduction have had a cooperative business arrangement, combining resources for the production of biological control and beneficials. This joint venture, Queen® BioProduction, is located in Turkey.

The primary purpose of this newly started initiative is to provide biological control to own production. At Queen® BioProduction, we focus on biological control of pests and diseases, so the use of pesticides can be reduced and eliminated. Long-term we aim at supplying natural products to local growers within the flower and food industry worldwide.



### **BIOLOGICAL CONTROL**BENEFICIAL FUNGI

We use a variety of microbiological agents, such as fungi and bacteria, which are used in a preventative manner to strengthen the plants and inhibit the attack of fungal diseases.

One of these invisible helpers is the fungus - Trichoderma harzianum. It is supplied via the irrigation, alongside the nutrients, from where the fungus colonizes the roots of the plants and protects them from attacks by harmful fungi, even after the plant has left the nursery.

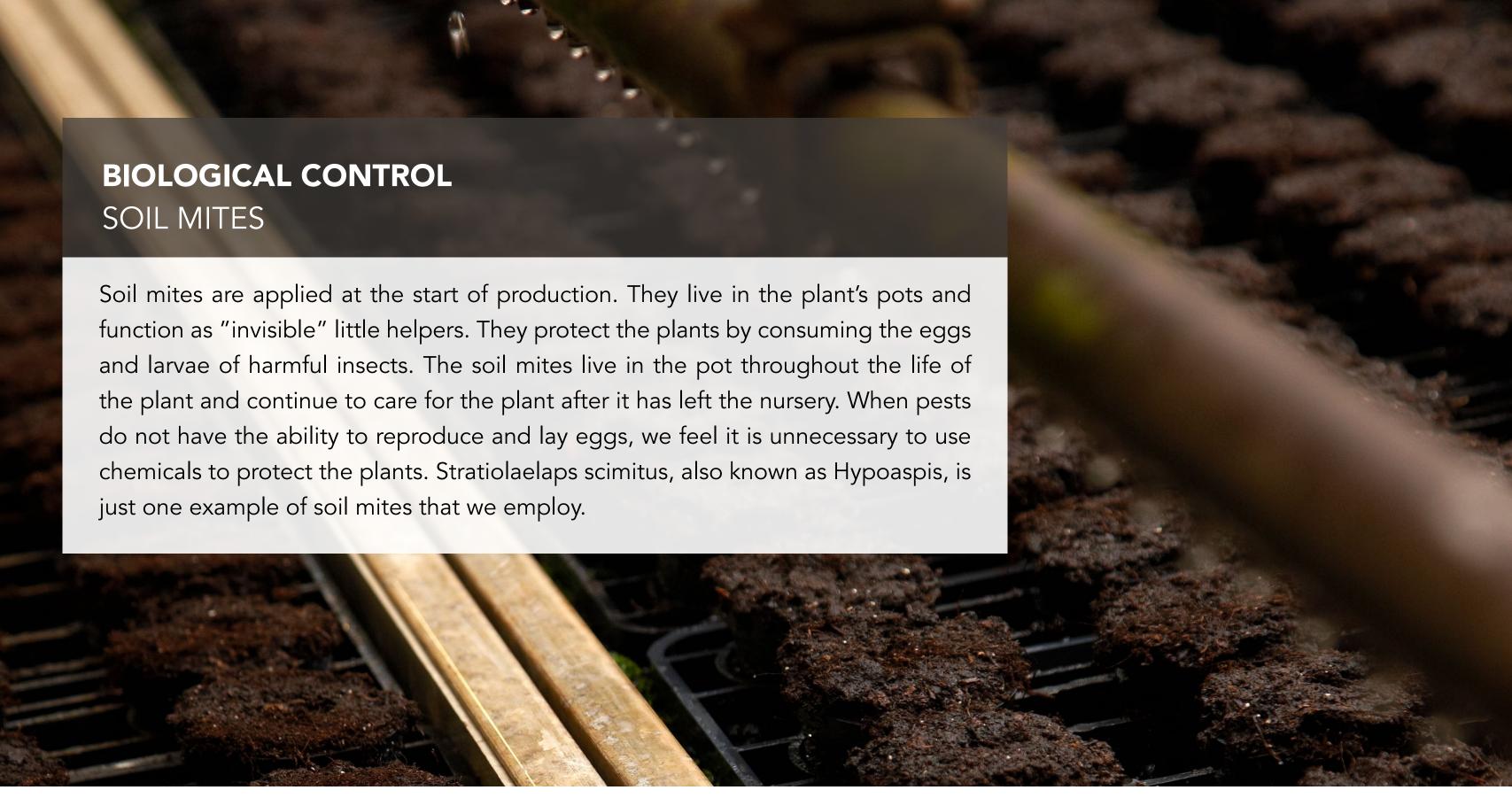
Other types of microbiological agents are sprayed onto the plants to protect the above ground parts in the same way as the Trichoderma fungus protects the roots.

### BIOLOGICAL CONTROL BENEFICIAL BACTERIA

The use of beneficial bacteria is another crucial and sustainable initiative within our production. We take advantage of natural bacteria to keep our plants strong and healthy. The main purpose is to inhibit fungal diseases and to minimize the need for fungicides and pesticides.

We use bacteria in a preventive manner to strengthen the plants. The bacteria protect the plants by infiltrating the soil forming a protective immune system to the roots. This is important, since pathogenic fungal diseases can attack the roots, causing dead plants and a huge waste, if the plants are left unprotected.

In our laboratory we test and cultivate the bacteria. We work hard on improving the initiative and succeeding in using bacteria for all potential plant threats. Using bacteria started as a research project in close collaboration with the University of Copenhagen in 2016. The project "Improving disease control and sustainable production of Kalanchoe by the use of endospore-forming soil bacteria" was successfully accomplished. We were able to find the right and most effective composition of soil bacteria.



### BIOLOGICAL CONTROL BANKER PLANTS

The use of banker plants can become an economical and long-term, sustainable solution to pest control when used correctly. It is used to control insects in our greenhouses.

Simply put, banker plants are wheat infested with a specific type of aphid, which only eats the grass of the wheat plant itself. Therefore, the aphids will not attack our Kalanchoe but sit on the banker plant instead, which acts as a kind of oasis. Our tiny parasitic wasps then seek out this oasis because they want to parasitize the aphids. So the banker plant acts as a surrogate for the wasps. When the parasitic wasp has stung an aphid, it lays an egg inside of it, which then becomes a new little wasp. The more parasitic wasps, the better. They are our own natural and sustainable helpers because they paralyze the aphids that would otherwise attack our Kalanchoe.



### BIOLOGICAL CONTROL BEES

At Queen®, we don't use any plant protection that is harmful to bees. We pay attention to this issue, because bees are of great importance for biodiversity. When bees pollinate flowers and cross-breed varieties, biodiversity is improving and developing.





# ORGANIC FOREST For more than a decade, our property in Denmark has held large areas of planted forest,

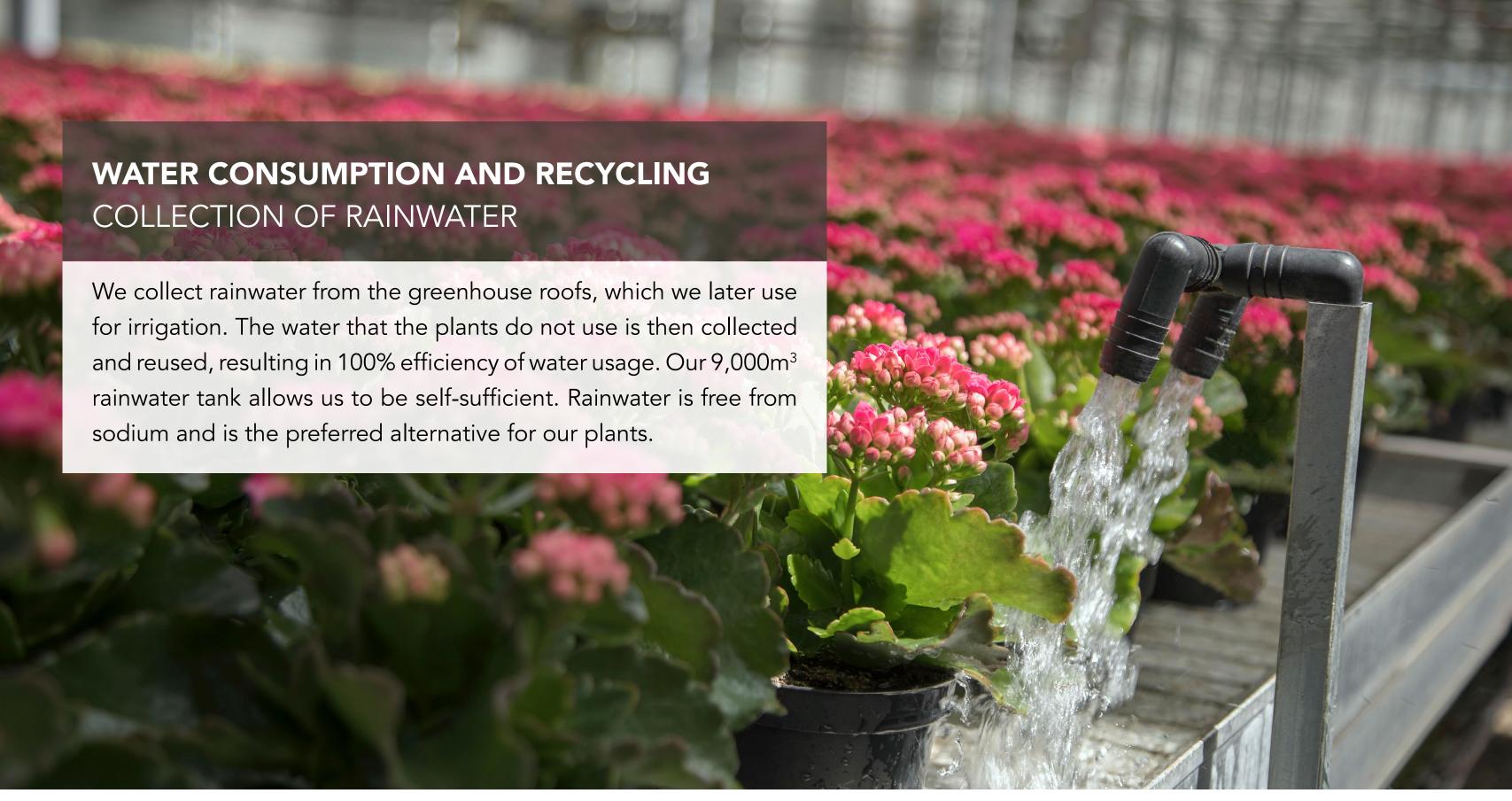
forest for every hectare greenhouse on-site.

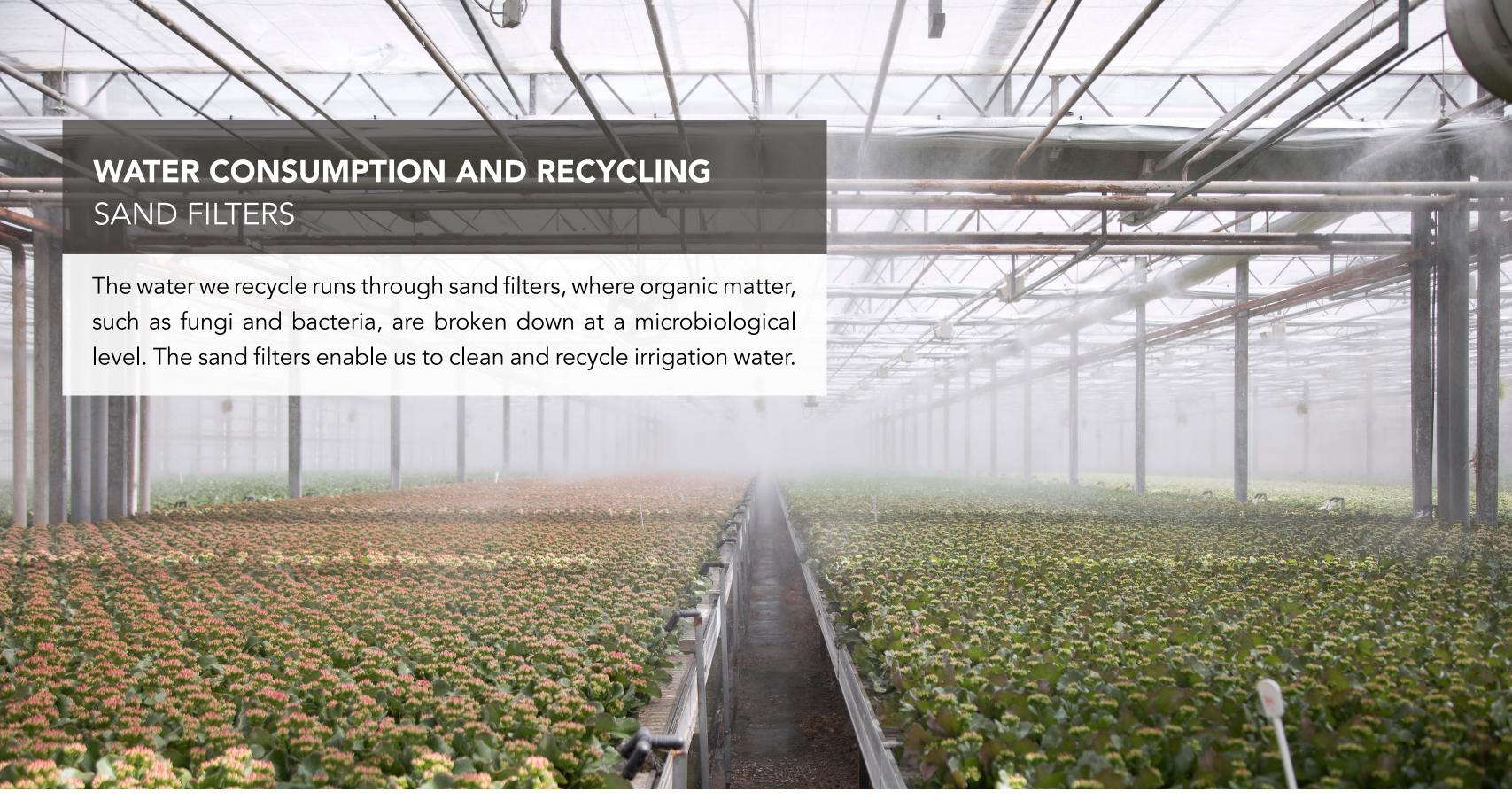
The organic forest counts more than 80 percent of the total forest area, equaling 5 hectares. It was established ten years ago and has over the years become a dense forest, which is rich in wildlife and holds habitats for deer, foxes, hares, insects etc.

including organic forest, windbreak trees and thickets. Today we have half a hectare planted

Forests are a vital and stabilising force for the climate because trees and plants pull vast amounts of carbon dioxide out of the atmosphere during photosynthesis. Generally, every hectare forest absorbs 9 tons of  $CO_2$  on average every year. It means that our organic forest approximately has stored 450 tons of  $CO_2$  since its establishment in 2011.







### WATER CONSUMPTION AND RECYCLING WHAT HAPPENS TO THE WATER IN THE GREENHOUSE?

The plants are watered by flooding the tables that the plants sit on in pots, and here they absorb as much water as they need before it flows back through the sand filters - where it gets stored in large tanks ready for the next watering .The recirculating system is 100% closed. Plants release water into their surroundings just like humans and animals. The plants are the largest contributor to the humidity in the greenhouse; they emit a lot of water in connection with vital processes such as photosynthesis and respiration.

We collect the water which evaporates and condenses on the inside of the glass in the greenhouses. The condensed water is reused, and furthermore we take advantage of the energy in the water via the heat exchangers. When we dehumidify the greenhouses in this way, we avoid the traditional way of dehumidifying, using a combination of heat and ventilation instead, and by avoiding opening the windows we hold in the heat and save energy.



## ENERGY SAVING GREENHOUSES HEAT EXCHANGERS AND HEAT PUMPS

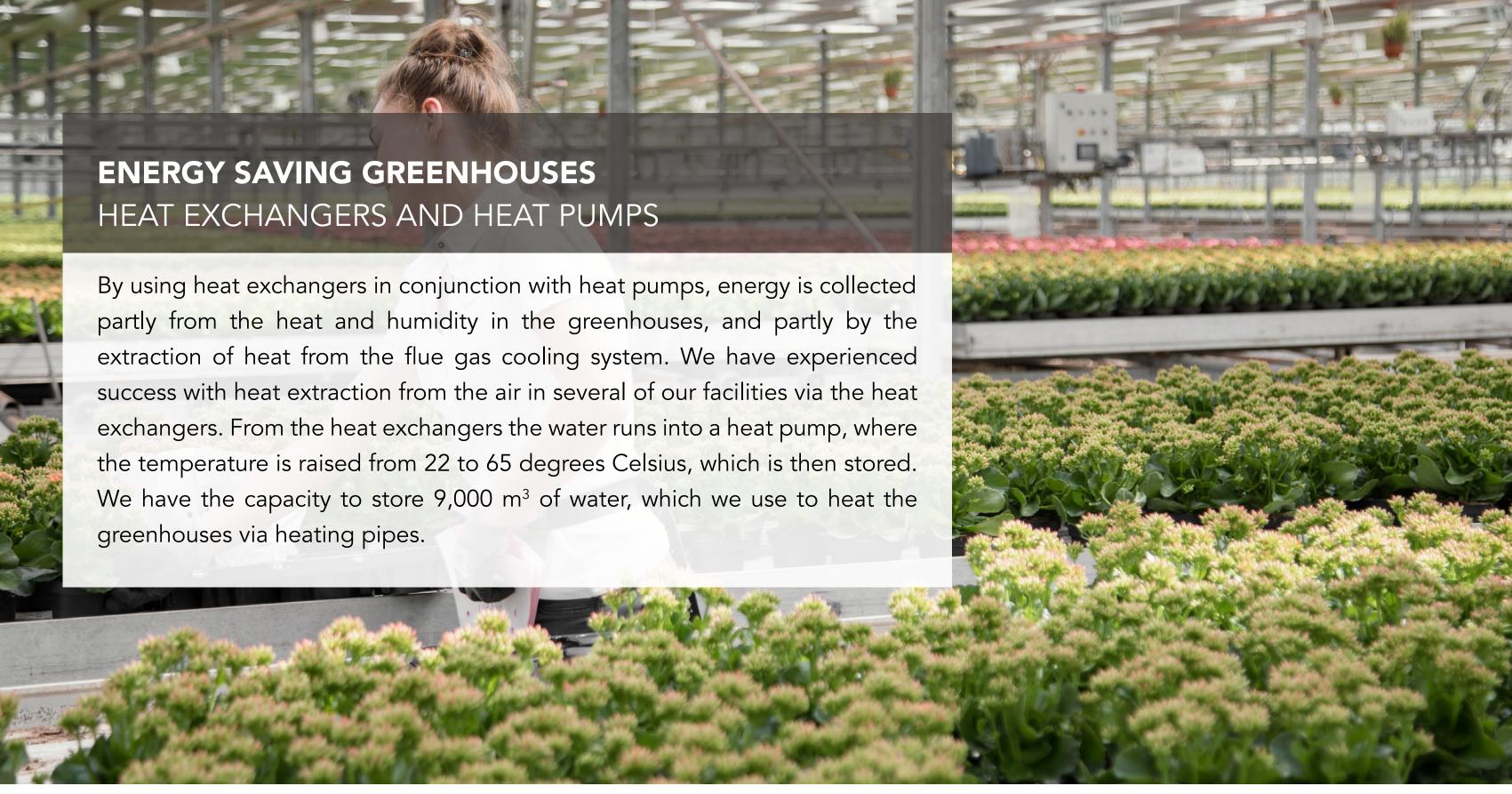
It is important for us to minimize our energy consumption on a day-to day basis; the heat exchangers and heat pumps installed in our facilities contribute to a more energy-neutral greenhouse and a more efficient use of excess heat.

Heat exchangers have two functions:

- Energy extraction when it's hot
- Dehumidification during the night or when it's cold

The heat pumps have two functions:

- Processing the energy from the heat exchangers in the greenhouses
- Cooling the flue gas during the operation of the gas engines or the natural gas boiler



### **ENERGY SAVING GREENHOUSES**GROW LIGHTS AND LEDS

Throughout the years we have replaced the grow lights in the greenhouses, which have reduced energy consumption by 25%. Furthermore, we have invested in a program called DynaGrow. This program calculates how much extra light is needed in the greenhouse relative to the sunlight; plants must have a certain amount of light every day to achieve optimum growth. During the spring and autumn it is particularly important that they do not receive unnecessary light, which further reduces energy consumption. The amount of light supplied is adjusted according to weather forecasts over a five-day period, and this system results in the plants getting exactly the amount of light they need, no more, no less. Light turns on when electricity prices are lowest, and prices are lowest when the wind is blowing and when demand on the electricity grid is low. Consequently, the energy we use for production is primarily wind powered and therefore environmentally friendly.

In the newest production areas and greenhouses we use multi-layer production, this is only possible using LED lights. LEDs consume much less energy to deliver the same amount of light as traditional lighting, so electricity consumption is reduced, while at the same time making it possible to produce more plants using the same, or a lower amount of energy.



### **ENERGY SAVING GREENHOUSES**MULTI-LAYER CURTAINS

In all greenhouses 2-layer insolation curtains are installed: a blackout curtain and a shade curtain. The second of which is used when there is too much sun, or if it is very cold outside; the curtain acts as insulation while allowing light to penetrate into the greenhouse. As the name suggests, a blackout curtain is used at night between the hours 17.00 – 07.00, and when the light drops below a certain level during winter months.

The control of the curtains is determined by the air temperature both above and below them; furthermore, they are affected by the heating pipes' temperature in the greenhouse. It is important to dehumidify under the curtains, this is where heat exchangers or dehumidifiers come into action.



### **ENERGY SAVING GREENHOUSES**GREEN RESSOURCES AND RENEWABLE ENERGY

At our nursery in Denmark, we have implemented district heating at all facilities and the newest installation from November 2021 is connected to a local biomass-fired power plant.

In the near future, we are sourcing 30% of our electricity from renewable sources. By entering a binding agreement (green certified PPA), we are guaranteed that part of our energy supply is covered by renewable energy assets, for example, a wind or a solar farm.

Furthermore, we are looking into the possibilities of investing in wind turbines and continuously trying to find other efficient ways of reducing our use of fossil fuels. Implementing and profiting from green resources is something we take very seriously.



#### **MPS CERTIFICATES**

At Queen®, sustainability and business go hand in hand. The improvements we make for the sake of the environment are documented on a monthly basis, and the reports are sent to Milieu Project Sierteelt (MPS), who have since 1993, administered an environmental registration and certification program. MPS is an international authority which classifies how sustainable and environmentally conscious plant nurseries are. Therefore, at Queen®, we are proud to have earnt the MPS-A, MPS-GAP and MPS-SQ. At Queen® Türkiye we are certified with MPS-A, MPS-GAP and MPS-SQ and our growing partner in Vietnam is also MPS-A, MPS-GAP and MPS-SQ certified.



### MPS CERTIFICATES MPS A

As part of being certified by MPS, Queen® agrees to register its consumption of energy, fertilizers and chemicals in the greenhouses; various other categories of waste are also registered. Each month, members of the MPS program are allocated a number of points depending on whether consumption has fallen or risen relative to the specified limit values. Since Queen® joined the MPS program in 1998, MPS-A certified. Nurseries with more than 70 points are qualified for an MPS-A certificate, and our goal is to stay at the top.

"Today, we pay close attention to our consumption, and continuously test alternative production methods that are kinder to the environment - without compromising on quality," says Frands Jepsen, Managing Director.



### MPS CERTIFICATES MPS GAP

GAP stands for Good Agricultural Practice. Therefore, our MPS-GAP certificate no. 760007 emphasizes the fact that we meet the criteria for safe, sustainable and traceable production at a high-quality level. MPS-ABC is a prerequisite for achieving the MPS-GAP, and in addition, the maintenance of machinery is monitored and registered as well as how the employees handle pesticides and fertilizers. It means a lot to us to have earnt the MPS-GAP certificate, it affirms our safe production methods, and not least demonstrates our focus on continuously improving production and safety standards. Both Queen®, Queen® Türkiye and our partner in Vietnam are MPS-GAP certified.

The MPS-GAP certificate is part of MPS-Florimark Production, which is the leading quality mark for sustainable production.

### MPS CERTIFICATES MPS SQ

Our most recent certificate, the MPS-SQ, includes various health and safety, and employment conditions. SQ stands for Socially Qualified; therefore this certificate testifies that the plants are produced in a healthy working environment. We take responsibility for the safety and well-being of our employees in the workplace and we expect our partners to do the same. Therefore, Queen® Türkiye and our growing partner Dalat Hasfarm LTD in Vietnam are MPS-SQ certified as well.

There is a list of requirements that we must meet, and these requirements deal with employment, discrimination, and equality between women and men as much as it deals with safety and procedures for machines and spraying. At the nursery we have first aid equipment in the form of first aid kits, defibrillators, etc. The list of requirements is long, and since this certificate relates to our employees it is incredibly important to us, as without a doubt, they should have the best working conditions.



