

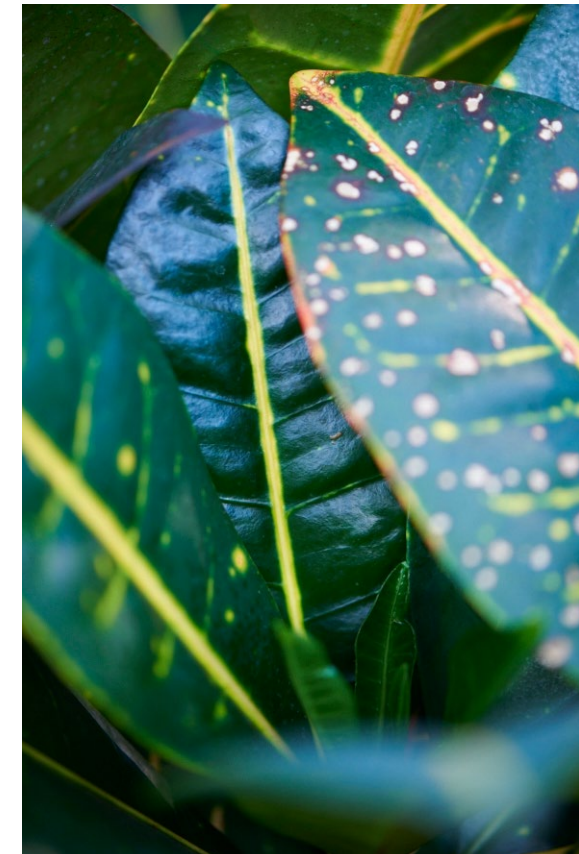


2018

Plantasjen Sustainability Report

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1. Words from CEO

In 2017 Plantasjen set out on a mission to transform our business into a modern and even more sustainable retail company. Retail is changing fast and customers of today are demanding and expect to have immediate access to information, inspiration and an easy, seamless shopping experience whenever, or wherever they choose to shop. Customers value sustainability and at Plantasjen we intend to deliver on those expectations in a transparent way as well as naturally integrated into our business.

Plantasjen is continuously taking steps to adapt to this new retail landscape. During 2018 we formed a new organisation with more and better knowledge in e-commerce, and we have reorganized our internal resources, so that we can work more efficiently to support both our store network and on-line trading. We strive to be even more locally relevant in each market as well as ensuring that we gain scale from our pan-Nordic resources and our new structure will further enable this.

To meet the customer demand, Plantasjen is expanding through e-commerce and have initiated an e-commerce pilot in the Stockholm and Oslo markets to learn, adapt and develop. E-commerce is intended for wider roll out in 2019. Furthermore, the company has strengthened the commercial focus to develop and improve the store concept and customer experience across our network. As part of this we are re-strengthening the assortment in the area of

non-plant products, such as Garden equipment and Garden living products, that has been reduced in the years prior.

Transformation of Plantasjen IT platform is required for the company to be able to move forward as a modern retail company. The modernization includes update of the IT-infrastructure beginning with the roll out of a new Enterprise Resource System (ERP). A new, modern business system will help Plantasjen create a competitive edge for the future. We intend to launch the new ERP system during the latter part of 2019.

A new logistic centre for Plantasjen's plant distribution in Helsingborg, Sweden, was completed during the year. The quality control and packaging of plants to our stores, formerly managed in Germany, Holland, Denmark and Sweden is now centralized in Helsingborg. The aim is besides improved handling and control, to make logistics flow more efficiently and to reduce environmental impact from transportation. First deliveries went out in the 1st week of 2019.

The 2018 financial performance was below our targets and not satisfactory compared to previous years. The result has been impacted by several factors and the weather conditions in 2018 has played a significant negative role for Plantasjen in 2018. A long and frosty winter was replaced by a very hot and dry summer with water restriction leading to lower customer demand. This led to high waste on



perishable goods during the year as commitment on plant volumes can be ordered up to 3 years in advance, due to lead times to grow the product.

We see 2018 as a year of significant transition. Now in 2019, we are well equipped to ensure that we strengthen our position across markets through a capable organisation and attractive assortment, supported by very strong consumer interaction both at store level, as well as in all media channels.

Our business both connects to and depends on nature which makes sustainability central to our business. We have during 2018 taken steps within sustainability and will during 2019 continue the work integrating sustainability into the business strategy as well as operationalizing this in daily actions. Going forward we will also look more into details about how the company can support the UN Sustainable Development Goals.

2. About this report

Plantasjen is pleased to present its second Sustainability Report which summarizes the sustainability actions and progress made during 2018. This report addresses all the material aspects that reflect Plantasjen's significant economic, environmental and social impacts. Those matters were identified and evaluated on the basis of a materiality assessment that involved the company's main stakeholders. It describes Plantasjen's opportunities, risks and progress made in the field of sustainability during 2018. The report covers the global activities of the Plantasjen Group, i.e. Plantasjen Holding AS and its wholly-owned subsidiaries, including Plantasjen stores, offices in Europe, sourcing office in China and the Plantasjen-owned distribution centres in Norway, Sweden, Germany and the Netherlands. The report also covers Plantasjen's distribution centres and cultivation unit in Sweden. The scope of the report excludes Saba Blommor AB, a company first acquired in mid-2017, which has not yet been fully integrated in Plantasjen's sustainability work. The focus in this report lies on Plantasjen's own activities.

The Sustainability Report refers to the period from January 1 to December 31, 2018.

Plantasjen presents its sustainability information with the support of Global Reporting Initiatives' (GRI) standards, core level. The sustainability information presented in the sustainability report for 2018 has not been assured by an external party.



3. About Plantasjen

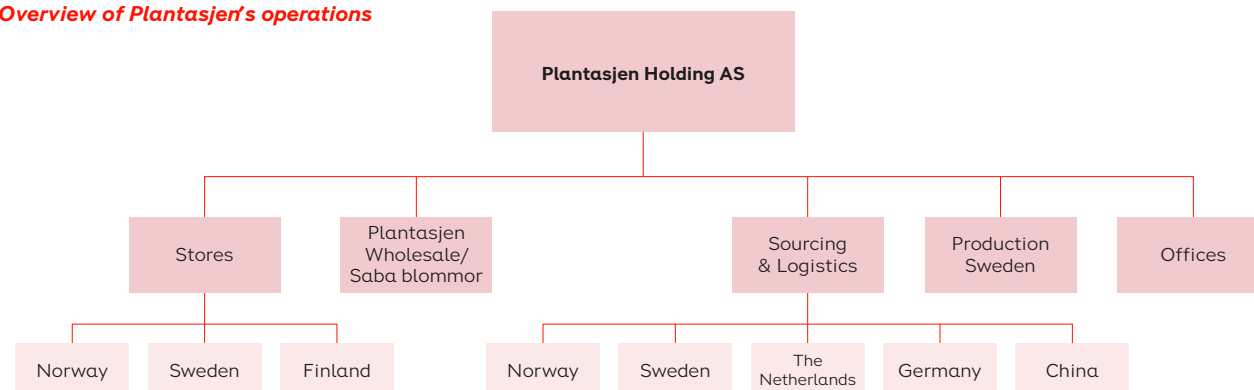
3.1 ABOUT THE COMPANY

Plantasjen Holding AS, hereafter called Plantasjen, is a Nordic garden retailer with sales in the Nordic region (Norway, Sweden and Finland). Plantasjen has more than 140 stores in different formats, mainly garden centers but also smaller shops. Since 2018 a selective range of Plantasjen products are available via online ordering in Oslo and Stockholm area. Plantasjen offers a wide range of plants and solutions for plants, an offering that generated nearly 13 million customer transactions in 2018.

Plantasjen's is a Norwegian limited company owned by the investment company Ratos to 99%. The company is registered in Kongsvinger, Norway where the company was founded in 1986. There are two main chain offices, from where the business is run, located in Skjetten, Oslo and Barkarby, Stockholm. In 2002, Plantasjen acquired the Swedish Växus chain that has been renamed to Plantagen and in 2003 the first store was opened in Finland.

As of 31 December 2018, Plantasjen had 142 stores, with 81 stores in Norway, 47 stores in Sweden and 14 stores in Finland, e-commerce offering in Oslo and Stockholm and a wholesale business in Sweden (SABA Blommar). Besides the sales businesses, Plantasjen operates five sourcing offices and logistics centres in Germany, Netherlands and China, Sweden and Norway as well as a production unit for plants in Sweden.

Overview of Plantasjen's operations

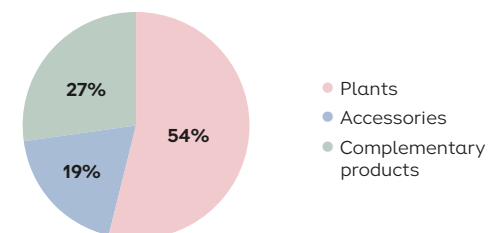


3.1.1 The products

Plantasjen sells a wide range of plants and products used for the garden and for creation of a nice-looking home, outdoors and indoors. Plants for use indoor include green plants and cut flowers. For outdoor use seasonal plants, perennial plants, shrubs and trees are found. Besides plants, Plantasjen sells soil, fertilizers, pots and other accessories. To be able to take care of plants and to enjoy life in the garden Plantasjen also offers a wide range of complementary products such as garden equipment, garden furniture, barbeques and interior decorations. In total, 61 million pieces were sold in 2018.

The product range is similar, but not identical in the three countries to allow for local adaptation. There is wider range of non-plant products in Norway compared to Sweden and Finland. For example, pet products are included in Plantasjen's offer in Norway, but are not sold in Sweden.

Distribution of categories in range based on sales figures



Plant products constitute more than half of the total sales.

Sales of plant products compared to total sales

Plant products	2017	2018
Sales amount of plant products*/total sales	54,9%	53,7%
Pieces of plant products*/total pieces sold	56,9%	53,0%

*Definition of plant products: plants, trees, bulbs and seeds



3.1.2 The people

Plantasjen's success depends upon having motivated, competent and result-oriented employees, who are dedicated to developing themselves and the company. Almost 2000 people were employed by Plantasjen in 2018, of which more than half in Norway. The majority of employees are working in Plantasjen stores and around 170 people are working in offices or logistic centres in Sweden, Norway, Finland, Holland, Germany and China. The full-time equivalents (FTE) for all employees in 2018 were 1039, compared to 1146 in 2017. A high number of employees working part-time explains the difference between the total number of employees and the full-time equivalents. Due to the nature of the business the number of employees varies over the year, peaking in Plantasjen's high-season in spring and summer (+15%).

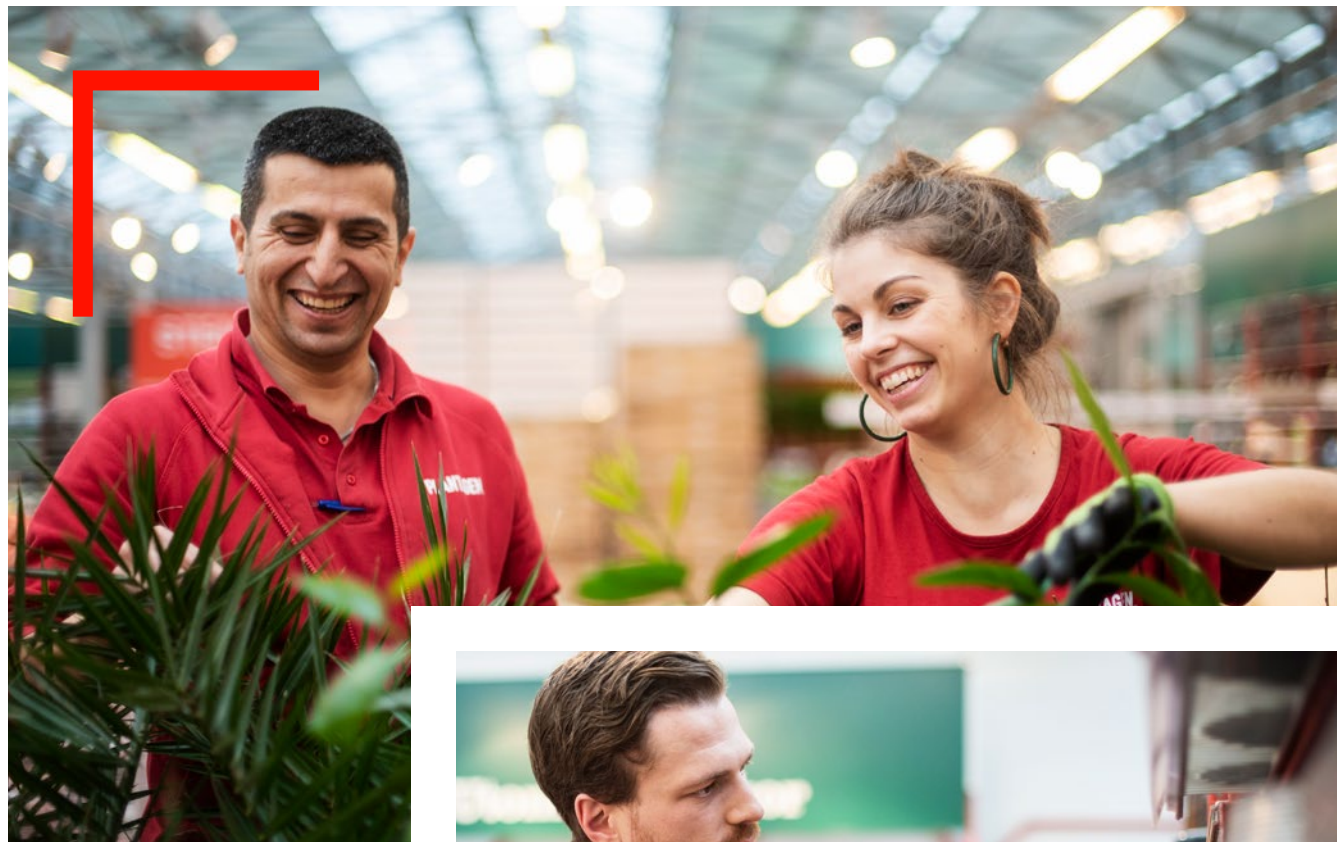
In February 2018, a transformation of Plantasjen's organisation was accomplished, to ensure more efficient work flows and one united culture. The former country-based sales organisations in Norway, Sweden and Finland were exchanged for a Nordic organisation, a change resulting in employees leaving Plantasjen. More information can be found in the Employee section.

Employees

2018	Employees, total	Women/ Men	Women/ Men (%)	Permanent/ Temporary	Part-time/ full-time
Stores Norway	1166	820/346	70/30	867/299	960/206
Stores Sweden	532	396/136	74/26	391/41	338/194
Stores Finland	107	95/12	89/11	104/3	60/47
Other functions*	171	111/60	65/35	159/12	10/161
Total	1976	1422/554	72/28	1521/455	1368/608

*Other functions than store personnel, all regions

Data has been collected from Plantasjen's Human Resources' system.



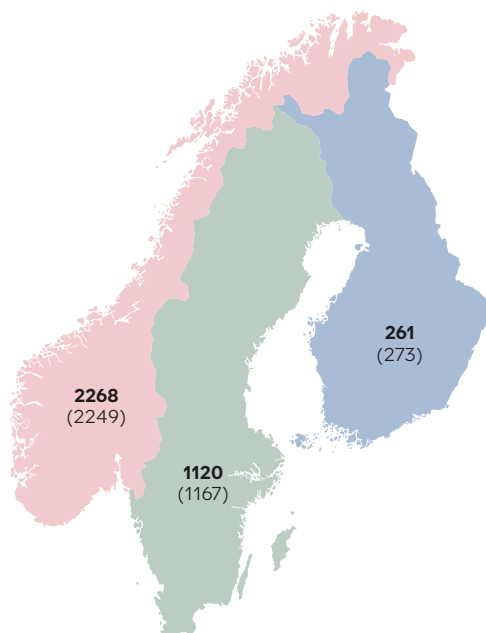
3.1.3 The Business

Economic performance

Plantasjen's financial results are clearly limited to our business, in accordance with financial reporting and accounting laws and rules. The financial performance is of utmost importance for the wellbeing of the company and for sustainable development, to create positive value for shareholders, but also for customers, employees, suppliers and other stakeholders.

Financial information Plantasjen Group

Revenue per country to consumers in NOK million:

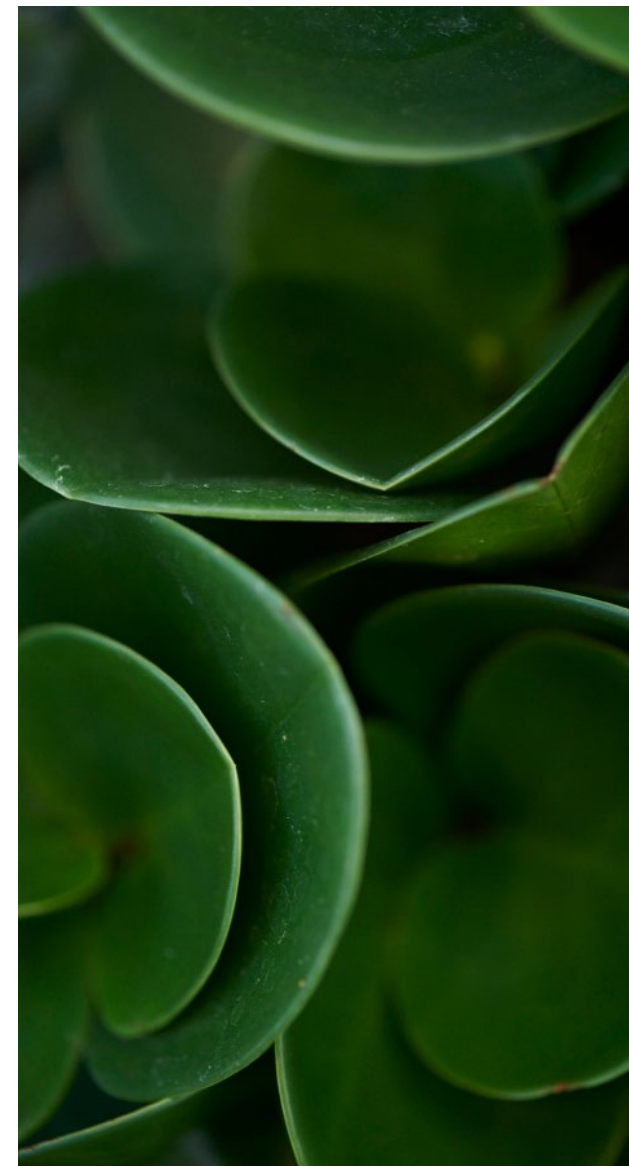


The 2018 financial performance has not been satisfactory compared to previous years and this is a result of unprofitable partnerships, high waste on perishable goods and ongoing turn-around. An increase in waste cost was primarily originated in the summer months, were traffic slumped due to warm weather and watering restrictions leading to declining sales in the main sales season. During the year Plantasjen has also secured new external financing.

Amounts in NOK million for Plantasjen Group (fiscal year 2018 period, incl SABA Blommor AB):

Financial Information	2018	2017
Revenue	3,961	3,881
Cost of goods sold	-2,098	-1,956
Personnel expenses	-829	-766
Other operating expenses	-907	-862
Other operating income	42	20
Profit from associates	0	1
Net gain/loss	10	-2
EBITDA*	179,6	316
Depreciation, amortisation and impairment	-703	-112
Operating profit	-524	205
Net financial items	-171	-156
Profit before tax	-695	49
Income tax expense	6	-24
Profit	-689	26

*Earnings before interest, tax, depreciation and amortization





Vision

**The leading brand
for life with plants**

Mission

**To improve life
with plants**

3.1.4 Business model and strategy

Plantasjen's mission is to improve life with plants, which is done by offering a unique range of plants and plant solutions in over 140 stores, as well as in a pop-up e-commerce and wholesale business.

To enable fulfillment of Plantasjen's mission, to improve life with plants, a three-pillar strategy was outlined five years ago. The strategy outlines how Plantasjen will move from a garden centre concept with focus on plants to the leading brand for plants. Unique offering, disruption of the supply chain and omni-channel¹ solutions will support the change. The Plantasjen strategy will be revisited in 2019 to review whether the current strategy fits with the changing customer and market demand.

In 2018, online activities have been in focus which is well embedded in Plantasjen's strategy aiming at making shopping for plants easier and more convenient. A test for e-commerce has been initiated with the purpose of learning, adapting and developing before a countrywide launch. The test has been initiated in Stockholm and Oslo and the plan for 2019 is to introduce e-commerce in Norway, Sweden and Finland. Work to improve customer experience on Plantasjen's digital platforms as well as more focus on digital channels with informative and inspiring content was also started and will be continued going forward.

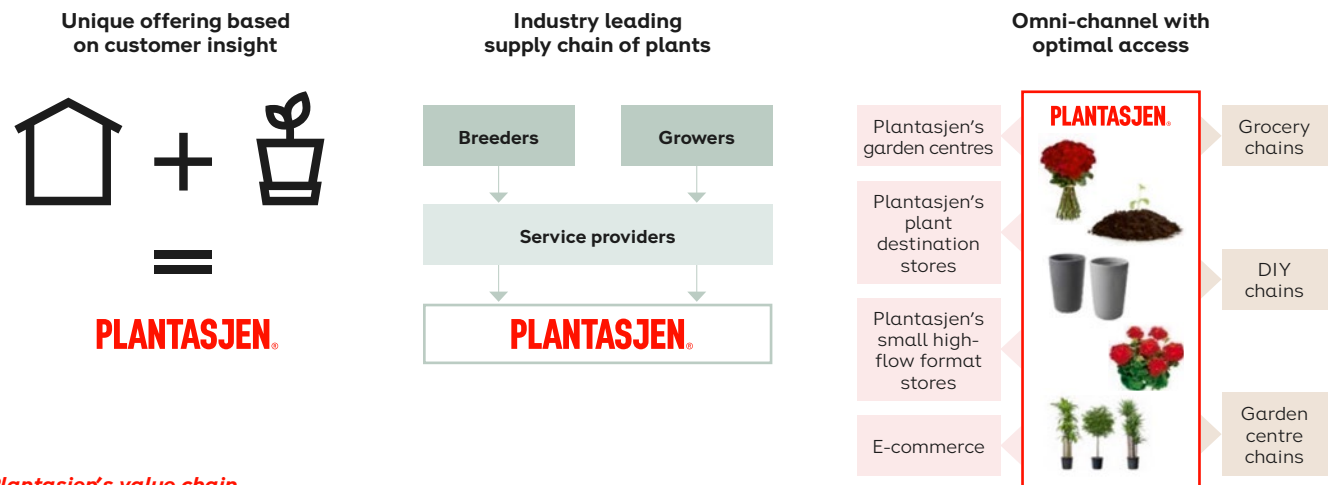
Besides on-line trading the commercial focus in general has been strengthened to improve store concepts and customer experience in Plantasjen stores. Further, a new brand platform has been developed and Plantasjen's visual identity updated in order to create a more unified interface towards customers.

Innovative products are to be found at Plantasjen and in the future a unique offering is not only about products but also solutions and services. A wide and deep range of products is significant for Plantasjen to remain the leading brand for plants. In addition, the

company strives to claim the position "everything you need for your garden". This to be the obvious choice when you are preparing the garden or decorating your home with plants. During the year, the garden range and complementary products assortment has expanded compared to 2017.

Further, an organizational shift was created when centralising functions in order to increase efficiency and shape one united Plantasjen. The changes in organisational structure has brought about an increase in employee turnover, mainly in offices.

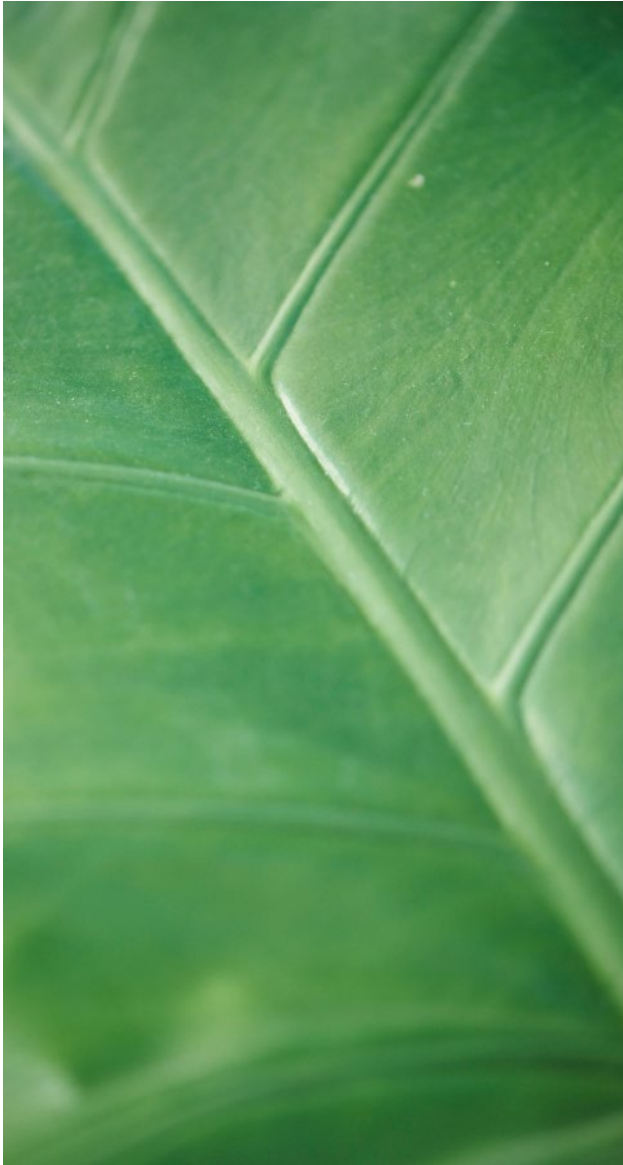
Plantasjen's strategy



Plantasjen's value chain



¹ Combining physical and online sales and marketing to create a seamless customer experience



4. Sustainability at Plantasjen

Plantasjen's business is connected to sustainable development in many ways. The goods produced, transported and sold have an environmental footprint, which impacts the environment negatively. Throughout the value chain Plantasjen's actions creates an impact, both positive and negative. Working with social sustainability in production situated in developing countries can contribute to a positive impact to the individuals employed in the regions. Further, customers can through surrounding themselves or their loved ones with plants or choosing to put pollinator friendly plants in their gardens contribute to positive social, as well as environmental impacts in terms of well-being and biodiversity.

4.1 STAKEHOLDER DIALOGUE

Plantasjen has a wide range of channels to communicate with stakeholders. For example, employees are engaged through employee surveys and performance appraisals. Customer interactions include meetings in the stores, customers service and via social media. During 2018, both employees and customers were invited to participate in a sustainability specific survey to contribute to the improvement of our sustainability work.

With the suppliers Plantasjen connects on a regular basis and sustainability is addressed in the supplier mapping process as well as in factory and farm visits.

Plantasjen's owners (Ratos) are represented in the Plantasjen's Board of Directors and thus active in discussions and steering the company and its sustainability agenda. Plantasjen's key stakeholders are shown in the picture below. Society include authorities, non-governmental organisations (NGOs) and local community.



Stakeholder	Dialogue channel	Stakeholder key topics and concerns	Plantasjen's response
Employees	Employee survey Sustainability survey* Performance appraisals Employee survey for office personnel Service survey to store managers	Health and working environment Competent staff Supplier assessment Sustainable products Plastic & waste	Training in working environment for Swedish store managers. Leadership training programme for regional/office managers.
Customers	Sustainability survey* Customers service Daily interactions in stores Social media	Biodiversity Growing plants Plastic & waste Supplier assessment Competent staff	Ongoing product development, including guidance on plants and seeds that contribute to biodiversity. The system of reusable pots will remain as a service to customers.
Suppliers	Factory and farm visits Ongoing dialogue	Continuity Price, products Agreements	Development of sourcing strategy and updated procedures for supplier assessment is initiated
Owners	Ongoing dialogue Interviews*	Product quality Sustainable products Energy Business ethics	Measuring carbon footprint from energy usage Contracted external support for whistleblowing system
Financial institutions and banks	Regular meetings Ongoing dialogue	Covenants Cash flow Waste Strategy	Amended loan agreements with updated 5-year plan and reduced bank debt
Society, NGOs and authorities	Discussions with several bee protection organisations Discussions with the Norwegian and Swedish Environment agencies Discussions with Norwegian Mattilsynet	Protecting pollinating insects Management of invasive species Plant pest and diseases	Communication about plants that support pollinating insects Further development of the internal control system for invasive species Preparations for training store employees in recognising pest

*During 2018 information was collected specifically to gather input for the sustainability work and the materiality analysis. 106 employees and 674 customers gave their input through the sustainability survey. Office staff and store managers in Norway and Sweden were selected to participate in the survey. The owner perspective on sustainability is communicated regularly and was confirmed in an interview focused on sustainability priorities.

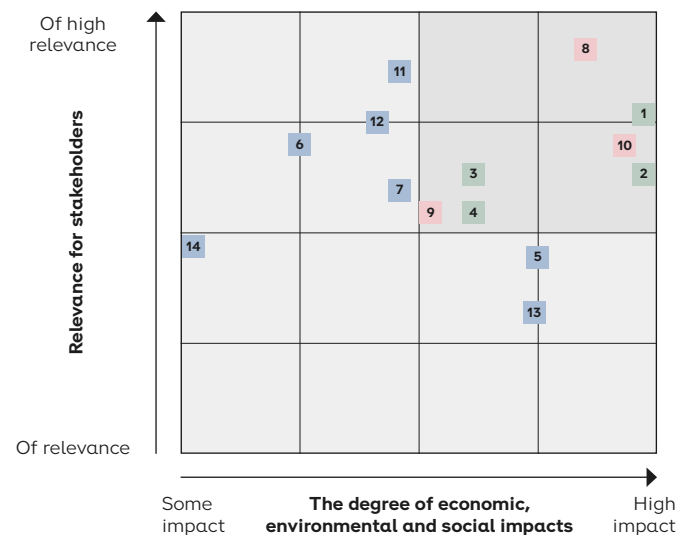
“65% of Plantasjen's customers find it very important that the company works with sustainability.”

4.2 MATERIALITY ANALYSIS

In autumn 2018, Plantasjen conducted a stakeholder dialogue with staff and customers and conducted a materiality assessment to identify and prioritise its material topics. Plantasjen's material topics have been determined through a combination of input from stakeholder dialogues and internal impact assessments. The conclusions have been validated with Plantasjen's management team and Board of Directors.

Altogether 15 issues were considered, including areas of organisational impact, as well as broader trends that affect Plantasjen. The issues are divided into two categories, environment and sustainable products and people and sustainable ways of working. Each category contains a set of material topics. These material topics have been mapped on a "materiality matrix" in accordance with GRI standards materiality principle. The vertical axis of the matrix is "Relevance for Stakeholders," and the horizontal axis is "The degree of economic, environmental and social impacts". An analysis about Plantasjen's materiality and impact related to United Nations Sustainable Development Goals (SDGs) will be performed during the year to come.

Plantasjen's material topics



Environment and sustainable products

Product quality 1
 Production – growing plants 2
 Sustainable products (incl. biodiversity & wellbeing with plants) 3
 Energy 4
 Biodiversity 5
 Transport 6
 Plastic, waste and circularity 7

People and sustainable ways of working

Health and working environment 8
 Ethics and anti-corruption 9
 Supplier assessment 10
 Competent staff 11
 Diversity 12
 Wellbeing with plants 13
 Product origin labelling 14

4.3 RISK MANAGEMENT

Plantasjen's Board is responsible for internal control in accordance with laws and practice. At least once a year the management team review key risks and the efficiency of risk mitigation actions. The risk assessment is presented to the Board of Directors.

Principal risks that may affect Plantasjen's business model, operations, financial performance or the impact of its activities include changes in competition, breaching of financial loan agreements, instable weather conditions, length of store rental agreements and low inventory turnover. To mitigate the risk for new competition an e-commerce solution is being developed and has under the year been piloted in the Stockholm and Oslo region. Continuous forecasting on operating profit as well as strict cost control are measures taken to mitigate risk for breaching financial loan agreements. To avoid negative financial contribution from excess space, sub-leasing is used as a means. The work connected to instable weather conditions and low inventory turnover is shown in table Sustainability Risks.

Type of risk	Significant risk	Description	Mitigation
Environment	Climate change	Energy usage in own operations as well as an indirect energy usage by suppliers impact the climate. Compared to other retailers the energy usage is high due to stores built as green houses. Read more in chapter Energy & Emissions.	Monitor energy usage on monthly basis. Installation of energy monitoring system in Finland. Energy mapping of the Swedish operations to identify possible actions to reduce energy.
	Instable weather conditions	Instable weather conditions impact Plantasjen as the products and sales are tightly connected to weather and season. Supplying the right amount of fresh products in the right time is more difficult when weather is unpredictable.	Increase sourcing flexibility. Increase regional flexibility of seasonality and optimize goods flow. Change meeting structure for better steering.
	Low inventory turnover	Too much stock binding capital and increase risk of goods not being sold, which would be waste of resources.	Improve goods flow for high season. Review ordering- and shipping routines.
	Harmful chemicals	Chemicals enter into all steps of the value chain. In non-plant products chemicals are sometimes used as a raw material or processing aid. For plant products chemicals are sometimes sprayed to control pest and weed. In stores chemicals are sold.	Develop a chemicals restrictions list for plants. Residue analysis testing of products. Phasing out Round-up in stores. Increase number of suppliers holding an environmental certificate.
Social and employee matters	Working environment, Health & Safety	Changes in the organisation in 2018 have resulted in heavy workload and stress for employees.	Employee survey in offices. Education regarding working environment.
	Culture, performance and processes	One united company culture is a foundation of a healthy business. The Plantasjen culture is not well-defined which together with lack of processes have impaired organizational performance.	Process to re-define Plantasjen culture has started.
Human rights	Discrimination	Unethical behaviour connected to gender or other ground of discrimination.	Code of Conduct, reminding of Zero-tolerance, Whistleblowing system.
	Human rights in supply chain	Risk of indirectly violating labour rights and human rights at supplier or sub-supplier.	Social sustainability audits. Code of Conduct included in General Purchasing Agreements.
Corruption	Fraud and corruption	Not categorized as a significant risk for Plantasjen but reported on due requirements in Directive 2014/95/EU on disclosure of non-financial and diversity information and the Swedish Annual Accounts Act.	Code of Ethics, Anti-corruption Policy, Whistleblowing System


5. Environment and Sustainable Products

In the materiality assessment process, the sustainability topics that matter most have been identified (see Plantasjen's material topics). The material topics will in coming chapters be described and information about management of the issues given. Further topics not identified as material will be reported in brief. The material topics connecting to environment and a sustainable assortment are Product quality, Production – Growing plants, Sustainable products and Energy.

5.1 PRODUCT QUALITY

The products are the very basis of a retail business. The range presented in stores and online must be relevant and competitive for Plantasjen to fulfil customer requirements and the company strives to have a high perception of quality. The company has in many ways worked with product quality. Controlling of plant pest and diseases is a central work to ensure plant quality.

Product safety is closely linked to product quality. From a safety perspective management of invasive species is important for Plantasjen. Chemical testing is used as a tool both for plants and complementary products to secure product safety. For complementary products mechanical testing is also performed e.g.



Plantasjen has a close connection to nature as the core product is a piece of nature itself; a living plant.

for furniture. Product quality has, during the materiality assessment process performed late 2018, been identified as a material topic. Plantasjen will develop its procedures connected to measurement, monitoring and management of the issue.

As a promise to its customers Plantasjen has for many years been working with guarantees giving the possibility for customers to return the product if the quality is insufficient. For perennial garden plants (garden plants that live more than two years) there is a 1-year guarantee, whereas for cut flowers there is a 5-day guarantee. A new guarantee for orchids has been introduced/developed guaranteeing the customer that the orchid will flower for at least five weeks after the purchase.

In parallel to the guarantees Plantasjen has during the year developed its Customer Service to make sure that not only the product quality, but also the service level is high.

5.2 SUSTAINABLE PRODUCTS

Plantasjen has an assortment consisting mainly of plants but also complementary products that make life with plants easier. In the Plantasjen range there is a broad variety of products, everything from a bouquet of roses to water hoses and fertilizers. The material the product is made of, as well as the footprint made during manufacturing and the supplier are all connected to sustainable development. Plantasjen is planning to start to guide its customers to facilitate conscious decisions when purchasing in Plantasjen's

stores or online. During 2018, the framework of such a guidance concept has been set and will be further developed during 2019. Among the categories of a future sustainable assortment fair trade and environmentally labelled products will be seen. When such an assortment is launched, sales of the more sustainable products will be monitored.

5.2.1 Biodiversity

As a part of Plantasjen's more sustainable assortment plants that are especially "Good for bees" can be found. Some plants are especially attractive to pollinating insects such as bees, butterflies, bumblebees and hoverflies. These plants provide pollen and nectar necessary for the insects' survival. At Plantasjen they are simply called plants that are good for bees.

During 2018, Plantasjen has internally put focus on plants that are extra good for bees and other pollinating insects (pollinators). There are several studies showing a massive decline in insect population which is a threat to humans as food production depend on pollinators. Therefore, it is of utmost importance to assist the remaining insects and to secure that there is food and shelter available for bees and other pollinators. By informing customers about pollinating insects and guiding consumers to become a part of maintaining biodiversity, Plantasjen aims to create a positive impact on the environment.

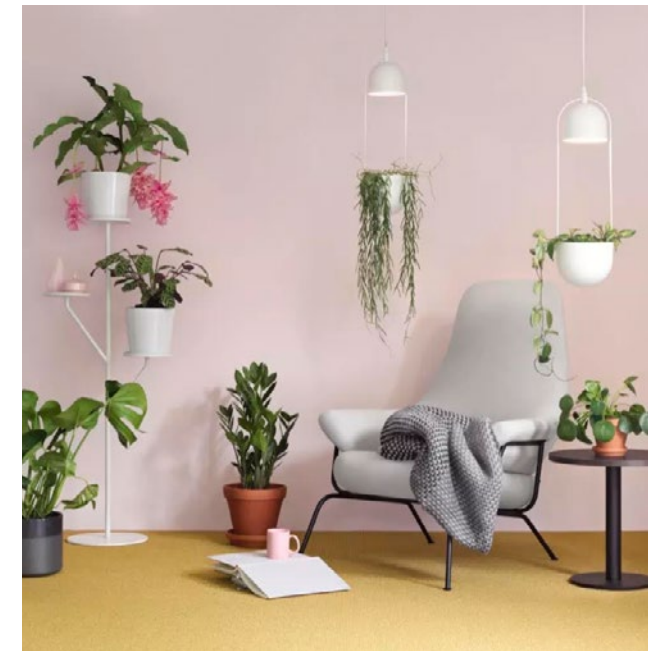
5.2.2 Wellbeing with plants

Plants in general bring benefits in terms of binding carbon dioxide and providing oxygen filled air, which is essential for human life. Being surrounded by plants and green render a better concentration, creativity and help reduce stress. Further, there are some plants

that give even more advantages, i.e. air-purifying plants that help reduce chemicals from indoor air.

Integrate more plants in a new and inventive way

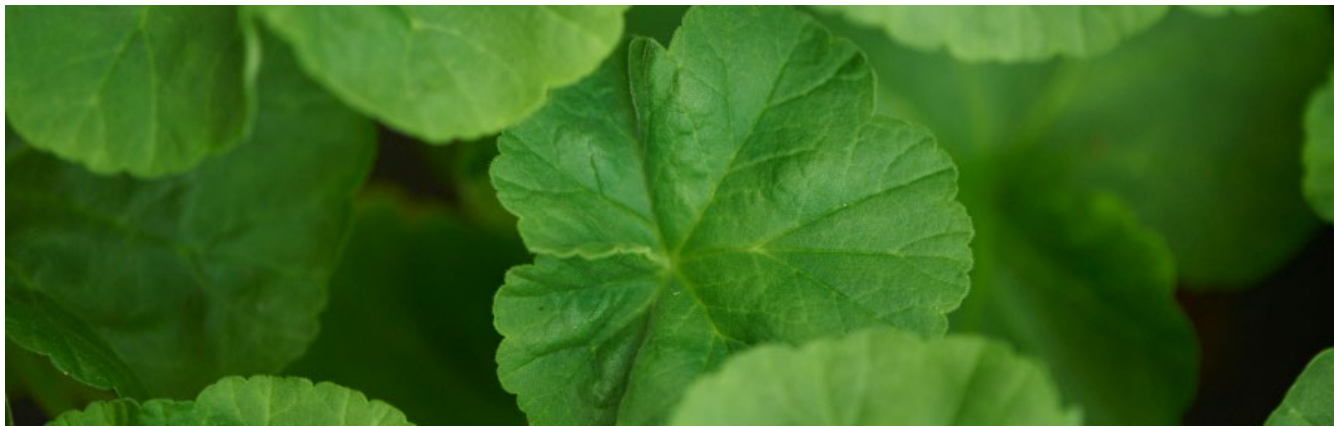
In order to enable people to live with more plants it must be easy to bring the green inside. Plantasjen in collaboration with the Swedish architect and designer Thomas Sandell, has developed a range of functional design products. "Extend your space" is a collection of unique and innovative products such as extendable plants trays and hanging pot lamps that bring the possibility of decorating homes with plants even if the space is limited or lack natural sunlight. The design project is based upon customer insights and research on consumer needs.



5.3 PRODUCTION – GROWING PLANTS

Cultivation of plants is a fundamental element of Plantasjen's business that can create a substantial environmental impact. Energy consumption used for heating in green houses and for assimilation lighting, usage of water and chemicals, as well as land use are all key factors coming to cultivation, related to impacts as well as risks. Most plants that Plantasjen purchases are grown indoors. During 2018, a chemical restrictions list has been developed to facilitate a more progressive approach to chemicals used for plant production. This list will be embedded in agreements with plant suppliers.

Plantasjen has identified an urge to gain better control and understanding of the production of plants handled in the business. Therefore, Plantasjen has decided to increase the share of certified suppliers. The company is in the process of developing a certification plan going forward to extend the reach. During 2018, Plantasjen has mapped and categorised environmental and social sustainability certificates within the horticulture industry as a start to move suppliers towards more sustainable production. There is a variety of certificates used, among which some are country specific and others are more widely used. MPS² is the most commonly used certificate among Plantasjen's plant suppliers, having both environmental (MPS-ABC) and social sustainability (MPS-SQ) certificates. In regions where an environmental scheme is not existing or not considered extensive enough, Plantasjen will explore the opportunity to move the



industry towards more sustainable actions. For example, a dialogue with The Norwegian Agricultural Quality System³ (KSL) in Norway has been initiated. Third party certificates are used to gain better control of suppliers and is efficient due to market recognition and trustworthiness.

Of Plantasjen's direct suppliers 56 % (156 suppliers) have a MPS-ABC certificate. Of these, 85 suppliers have combined this with an MPS-GAP (30 %) certification, where GAP stands for Good Agricultural Practices. Some suppliers work towards other environmental standards than MPS, such as Benefits of Nature and KRAV (Sweden). In total, 61 % of Plantasjen's direct suppliers have an environmental certificate. Further, many suppliers work with standards for product safety and quality such as Global GAP, KSL (Norway) or Svenskt Sigill (Sweden). 83 (out of 324) of Plantasjen's plant suppliers do not have any form of certificate. The share of certified suppliers is similar for indirectly sourced products.

5.4 ENERGY & EMISSIONS

At Plantasjen focus has firstly been put on the own operations, i.e. the energy consumption in stores, offices, own production unit and logistic centres. The ambition for 2019 is to include energy consumption from transportation of goods in Plantasjen's energy and Carbon emission (CO₂) reporting.

5.4.1 Energy usage

Energy usage is one of Plantasjen's material topics. The majority of Plantasjen's stores are built as green houses that are quite energy intensive compared with many other types of retail-oriented operations. Most of the energy is used for heating and lighting as an even air temperature is crucial for the plants wellbeing.

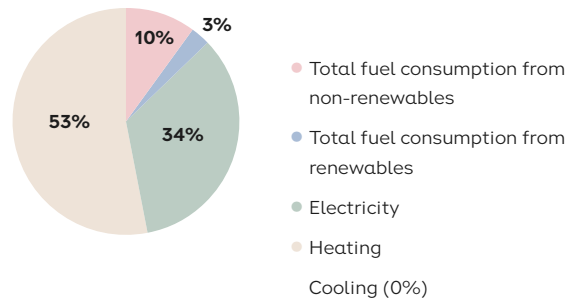
² Milieu Project Sierteelt <https://www.my-mps.com/en/aboutmps>

³ More information about KSL and the other certificates mentioned is found in the GRI-Index

Plantasjen's energy usage is managed and monitored on a national basis. In Sweden, Plantasjen use a system for automated energy monitoring in each store. This provides information about the energy usage and where to focus energy reduction measures. In Finland, a similar system will be installed during 2019 for better control of energy usage. Plantasjen is exploring the possibilities of monitoring energy usage in Norway.

During 2018, Plantasjen conducted an energy mapping, including energy audits, of the Swedish operations in accordance to the Energy Efficiency Directive⁴. The mapping covered stores and owned production unit. The result of the mapping will provide a basis for decisions on future investments to reduce energy use, not only in Sweden but also in Finland and Norway. The mapping will serve as a baseline to set relevant targets for energy reduction going forward.

Total energy consumption 2018



Type of energy consumed	Energy consumption per type and country (MWh) ^E					Total energy consumption per type (MWh)
	Norway	Sweden	Finland ^F	Germany	China	
Total fuel consumption from non-renewables ^A	7739	1735	0	0	0	9474
Total fuel consumption from renewables ^B	0	3224	0	0	0	3224
Electricity ^C	17017	12411	2753	12	25	49218
Heating ^D	23715	20438	6407	41	6	33607
Cooling	0	0	0	0	1	1
Total energy consumption per country	48471	37808	9160	53	32	Total energy consumption^G; 95524

^AFuel consumption from non-renewable sources includes fuels for heating of stores and usage of vehicles owned or controlled by Plantasjen. Fuel types include diesel, petrol, natural gas and propane. All fuel used by vehicles are calculated as non-renewable.

^BFuel consumption from renewable sources includes fuels for heating of greenhouses at owned production unit and the main fuel type is bio-oil. ^COnly a very small part of the purchased electricity (970 MWh) comes from renewable electricity sources with guarantees of origin.

^DIn Norway, approximately 17000 MWh of electricity is used for heating. ^EData on energy consumption is not available for Plantasjen's operations in Holland.

^FData on energy consumption in Finland is based on estimated values.

^GIncludes all electricity consumed in Plantasjen stores, offices and logistics centres by Plantasjen and to a small extent by tenants. No exact data is available but it is estimated the tenants' energy consumption amount to approximately 5 % of the total energy consumption.

A more accurate figure for Plantasjen's own energy consumption estimated to 90750 MWh.



⁴Energy Efficiency Directive (Article 8 and Annex VI), requirements concerning energy audits. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012L0027&from=en>



5.4.2 Plantasjen's emissions

During 2018, Plantasjen started to map its carbon footprint with regards to direct and indirect energy consumption for heating and electricity, distribution of goods and company owned and leased vehicles (cars and forklift trucks). The mapping found that indirect emissions from purchased electricity and heating make up the largest part of Plantasjen's total emissions, whereas emissions from company owned and leased vehicles compose a significantly smaller part of the total emissions. The CO₂ emissions from energy usage (electricity, heating and direct fuel consumption) was 27 747 metric tonnes. The CO₂ emissions from owned and leased vehicles (cars and forklift trucks) was 368 metric tonnes. The mapping of emissions from transport of goods was initiated during 2018 and will be further developed in 2019. Plantasjen reports on emissions from direct fuel consumption (primarily heating oil for heating of Norwegian stores and Swedish production unit for plants) as well as emissions from owned or leased vehicles (scope 1). Plantasjen has significant indirect emissions from purchased electricity and heating (Scope 2).

CO ₂ emissions from energy consumption	CO ₂ emissions (metric tonnes) per country					Total CO ₂ emissions per source (metric tonnes)
	Norway	Sweden	Finland	Germany	China	
Indirect emissions from electricity ^A	18246	4086	727	5	21	9474
Indirect emissions from heating ^B	215	1175	961	8	0	3224
Emissions from direct fuel consumption ^C	1990	312	0	0	0	49218
Emissions from owned or leased cars	108	175	-	22 ^E	-	33607
Emissions from owned or leased forklift-trucks ^D	33	30	-	-	-	1
Total CO₂ emissions per country	20592	5748	1688	35	21	Total CO₂ emissions; 28085

^AWhen consuming electricity, CO₂ emissions are calculated based on national residual mix for 2018. Sources for national residual mix values (g CO₂/kWh) are www.nve.no (Norway), www.ei.se (Sweden), www.energiavirasto.fi (Finland). Emissions from electricity and heating consumed in Germany are based on emission factors from local suppliers. Emissions from electricity consumed in China are calculated based on the electricity grid emission factor for East China electricity grid.

^BDistrict heating is calculated using the national average values for district heating for Sweden (Energiföretagen 2017), Norway (Norsk Fjernvarme 2017) and Finland (Finnish Energy 2018). Due to data restrictions it is not possible to use local emission factors from the specific district heating suppliers which would be more accurate. The intention is to do this for the coming reporting period.

^CCalculations of emissions from direct fuel consumption for heating are based on specific emission factors for respective fuel (Heating oil, Propane, Natural gas and Bio oil) from suppliers or from Emission factors and heating values for 2019 from the Swedish Greenhouse Gas inventories (Swedish Environmental Protection Agency), when specific values have not been available.

^DThe figures only include emissions from forklift trucks used in the operations in Sweden and Norway, which make up the majority of Plantasjen's total operations. Finland and logistics centres in Holland and Germany are not included.

^EIncludes emissions from cars owned or leased in both Germany and Holland.

5.4.3 Transport of goods

During 2018, a new logistics centre has been built in Helsingborg, south Sweden. The logistic centre will support more efficient flow of goods as plants from suppliers all over Europe will be consolidated in Helsingborg. Plantasjen will be in full control of the store packing as people working in the new unit are employed directly by Plantasjen. The logistics centre is designed and constructed in an energy efficient manner, to reduce negative environmental impacts.

Local re-packaging hub in Norway (Larvik) maintains and serve the stores locally. Plantasjen's non-plant products are, as before, shipped from suppliers in the Nordics, Europe and China to a Logistic Centre in Trollhättan, Sweden. For the high season in spring, many direct containers (CFS) carrying goods from various suppliers in Asia are delivered directly to the stores to minimize road transport.

5.5 WASTE, PLASTICS AND CIRCULARITY

Plantasjen aims at increasing the share of waste that is sorted and recycled to create value from waste.

Waste from stores, 2018 in metric tonnes

	Total waste	Combustible	Organic
Norway	4286	1713	806
Sweden	3403	1557	680
Finland	559	288	168
Plantasjen stores, total	8248	1857	1654

The amount of waste from Plantasjen stores is shown in the table below. Plantasjen will further develop the process to monitor and steer its waste handling procedures.

Plastic is a packaging material widely used in the horticulture business and from environmental perspective important even though it has not been identified as a material topic for Plantasjen. Packing for plants need to withstand moisture as a plant needs water during handling and transportation. Plantasjen continuously scans the market for

alternative environmental friendly materials to use, such as cardboard and renewable plastic.

5.5.1 Reuse of pots

For more than ten years Plantasjen has had a return system for plastic pots. A range of perennial plants are planted in a unique blue pot, for which a circular system has been created. The pots returned by customers to store are shipped back to the supplier, who is rinsing the pots and reusing them when planting perennials for coming season.



6. People and sustainable ways of working

Plantasjen has a responsibility for the impact of its organisation on all people it interacts with, producers, staff, customers and communities. Plantasjen's operations affect people where gardening accessories and plants in Asia and Central America are sourced, but also in the offices and stores in the Nordic countries. Plantasjen is in the early stages of working more systematically with human rights and will in 2019 start mapping human rights risks along the value chain to understand the impact on people. In the ongoing work to better understand and manage human rights risks Plantasjen has prioritised suppliers in Asia and Central America.

6.1 SUPPLY CHAIN

Plantasjen sells outdoor and indoor plants as well as complementary products such as garden equipment and interior decorations. The supply chains for plants and complementary products (non-plant products) differ a lot. Plants are mainly purchased in Europe whereas complementary products primarily are sourced in Asia. In total, Plantasjen purchased goods from more than 500 suppliers in 2018. There is a slight increase in the number of suppliers compared to 2017. One explanation is the reinstatement of garden products, formerly phased out. Besides the suppliers

used for central procurement, some stores have procured products from local farms and companies. Hence, it is estimated that 20 suppliers are not included in the statistics.

The main part of Plantasjen's supply stock consists of plant suppliers in Scandinavia and Northern Europe. The suppliers, from which goods are sourced directly, categorized as situated in risk countries⁵ are about 90 and the production facilities in risk countries slightly over 110.

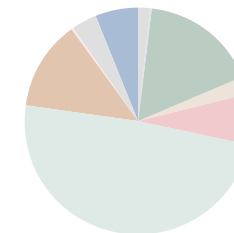
6.1.1 Supply chain management

Many of Plantasjen's complementary products are made in Asia and the company's operations there are managed through purchasing agreements and Plantasjen's code of conduct with support from Plantasjen's office in Ningbo, China. Production sites in risk countries are systematically reviewed through social audits. BSCI or other social sustainability certificate is a prerequisite for starting up new collaborations with producers in risk countries. Plantasjen is since 2010 a member of amfori BSCI (Business Social Compliance Initiative), an organisation aiming to foster better working conditions in global supply chains.

Number of suppliers

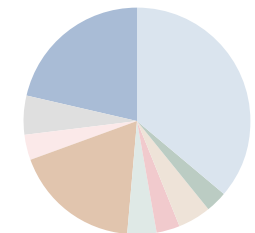
	2017	2018
Suppliers of non-plant products	198	213
Suppliers of plants	294	324
Total number of suppliers	492	537

Plant suppliers



- Central America (6)
- China (1)
- Denmark (54)
- Finland (8)
- Germany (23)
- Netherlands (159)
- Norway (41)
- Other (1)
- Other EU (12)
- Sweden (19)

Non-plant suppliers⁶



- China (77)
- Denmark (7)
- Finland (10)
- Germany (7)
- Netherlands (9)
- Norway (38)
- Other (8)
- Other EU (12)
- Sweden (45)

⁵ Risk countries are China, Honduras, Guatemala, Thailand, Vietnam and India. Definition of risk country according to amfori BSCI, Business Social Compliance Initiative

⁶ Non-plant products include pots, garden equipment, furniture, pet products etc.

Social auditing in risk countries	2017	2018
Share of suppliers* in risk countries** that have been 3rd party socially audited during the year	64,8%	84,8%
Share of suppliers* in risk countries** with a valid 3rd party social audit protocol	70,5%	84,8%
Share of production units (factories/ plantations)* in risk countries** that have been 3rd party socially audited (amfori BSCI, MPS *** or similar)	70,5%	81,7%

*Directly sourced by Plantasjen

**Definition of risk country according to amfori BSCI

***Milieu Project Sierteelt



Yucca farm at Plantasjen's supplier.

A similar approach is under development for the supply chain related to plants in Central America and Asia. A systematic change to how Plantasjen sources green plants were introduced in 2016. Plantasjen has during 2018 had continuous dialogue on sustainability issues with growers in Costa Rica, Honduras and Guatemala to establish relations and increase the ability to influence. As part of this work Plantasjen is developing procedures for assessment and management of working conditions and human rights impact at its suppliers. In several cases, Plantasjen has been the first buyer to enquire about social sustainability in the value chain of plants. It is evident that there is much to be done in the industry and it is Plantasjen's aim to contribute to a positive development. The objective is to conduct regular audits in all high-risk countries.

In China, Plantasjen is systematically working with only selecting suppliers that can demonstrate that they are actively working with social sustainability. Plantasjen has during the last years phased out suppliers that are not fulfilling requirements set, i.e. not having the ambition to become member of BSCI or in other way working with labour rights and sustainability. The overall objective is to only purchase from suppliers and production units that are third-party audited. Today 100% of the direct suppliers in risk countries of non-plant products are audited, the majority through third-party audits and the rest by Plantasjen's internal auditing team. There have been no significant actual or potential impacts identified in the supply chain during 2018.

Taking a further step down the supply chain

During 2018, Plantasjen has mapped its second-tier suppliers, i.e. the suppliers of Plantasjen's suppliers.

The scope was based on a risk assessment of selected suppliers of complementary goods, where Plantasjen is sourcing through a trader that ultimately source in risk countries. Plantasjen has 38 indirect suppliers (174 direct suppliers). The mapping of the 38 indirect suppliers has resulted in deeper knowledge about the supply chain as such and its status regarding social sustainability. It was found that 61% of the production units used by indirect suppliers held some form of sustainability certificate. The work to define action plans and requirements on second-tier suppliers' performance on sustainability will proceed in 2019.

Regarding cut-flowers, where some products are sourced from African countries via trading companies in Europe, Plantasjen has for several years been working systematically with social sustainability. Plantasjen's purchasing agreements set requirements regarding social sustainability. Further, social audit certificates are controlled. During 2018, Plantasjen purchased from 5 suppliers with, in total, 10 farms in Ethiopia and Kenya.

6.1.2 Product origin labelling

Plantasjen has noticed increased customer attention to product origin and information about manufacturing conditions. Locally produced plants are to some extent available at Plantasjen, tulips from Norway and Sweden is one example. When new IT-infrastructure is in place, Plantasjen will have better Product Information Management system (PIM) to enable further product transparency.

6.2 EMPLOYEES

Employees' skills and motivation are important factors for Plantasjen's ability to meet its business goals. It is Plantasjen's aspiration to have a good working environment, where all employees can develop and perform their best. Plantasjen has started a journey developing a corporate culture to create a common mindset based on core values and an understanding of the business across functions, business areas and geographical boundaries. Through workshops, Plantasjen's employees have contributed to the development of the company's values that will be presented in early 2019.

6.2.1 Health and working environment

The working environment is very important for a sustainable business. At Plantasjen both social and physical working environment are of great concern and our management systems include safe handling trucks, fire safety in stores and offices and systematic follow up of incidents. In Norway, the work with health and safety is systematically handled with solid routines. In Sweden, significant work to improve the systematic work on health and safety, including development of Plantasjen's occupational health policy has been conducted. This includes training of most Swedish store managers and regional sales managers during 2018. During the year a new system to handle health and safety issues has been implemented. Common accidents are, besides stress-related symptoms, minor incidents in relation to product restocking and warehousing, including handling of forklift and pallet truck. The overall goal is to have zero serious injuries.

Employee turnover has been used to monitor the effects of the organisational changes made in early 2018. A new and slimmed organisation implemented in the beginning of 2018 implied several employees leaving the company and other employees receiving new tasks or roles. This combined with a large IT-infrastructure project has seen 2018 as a challenging year for many employees. Indications of high workload and stress resulted in that measures were taken in the end of the year conducting an employee survey to evaluate the organizational health in offices and to be able to set right measures. The results showed that the workload was considered high and the company experienced lower scores on areas such as work-life balance than in previous employee surveys. Measures are being developed to address findings and return the balance. As such, health and operational performance is a top priority to the management team going forward. In total, 173 permanent employees left Plantasjen in 2018 and 156 started to work for the company.

In 2017, the latest Employee Survey conducted across the company showed Total Employee Satisfaction Index (ESI) 74 and Leadership Index 75. A new survey will be performed in second half of 2019 and the targets are set to ESI 71 and Leadership Index 72 respectively. The targets are set based on the awareness about current workload and challenges the organisation is facing. In 2020 Plantasjen aims to reach the same index as in 2017.

Plantasjen has conducted a more systematic follow-up on sick-leave, mainly in Norway and Sweden. The routines for monitoring absence due to illness have been strengthened. The sick-leave has decreased during the year. For Plantasjen the long-term sick leave in Norway is the biggest challenge.



Accidents*	2017	2018
Norway	6	7
Sweden	4	4
Finland	5	1
Total**	15	12

*Number of accidents at the workplace requiring one day or more absence from work.

** Total figure includes China, Germany and the Netherlands

Total employees leaving Plantasjen 2018

		By gender		By age group			Rate of employee turnover [%]
		Female	Male	< 30	30–50	Over 50	
Norway	Stores	46	30	38	26	12	8,60
	Offices	3	5	0	7	1	18,18
Sweden	Stores	37	10	10	28	9	12,24
	Offices	18	14	1	23	8	34,04
Finland	Stores & Offices	6	1	1	5	1	6,54
Total*		112	61	65	102	36	11,25

*Total figure includes China, Germany and the Netherlands

Total employees joining Plantasjen 2018

		By gender		By age group			Rate of new employee hires [%]
		Female	Male	< 30	30–50	Over 50	
Norway	Stores	44	21	19	37	9	7,35
	Offices	3	1	0	3	1	9,09
Sweden	Stores	47	13	22	29	9	15,63
	Offices	11	6	3	13	1	18,09
Finland	Stores & Offices	7	2	5	2	2	8,41
Total*		112	44	49	85	22	10,14

*Total figure includes China, Germany and the Netherlands

Sick-leave, permanent employees divided by country

Sick-leave	2016	2017	2018
Norway	7,9	5,6	4,88
Sweden	4,0	4,6	3,75
Finland	3,6	3,9	3,9
Total	6,1	5,0	3,9

6.2.2 Competent staff

With competent co-workers, Plantasjen can enable not only an excellent customer meeting but also sharing of expertise, guiding of customers to the right products and knowledge sharing on more sustainable alternatives in the assortment. Further, Plantasjen can through its employees share information on how customers can create a positive impact, i.e. by choosing plants that are good for bees. Fulfilling customers' needs and expectations is a prerequisite for satisfied customers that lay a foundation to a long-term profitable business.

Education

Plantasjen Business School is the platform for E-learning and skill development at Plantasjen. Digital learning formats play an increasingly important role for Plantasjen in making training opportunities available and efficient. In 2018, training has been focused on leadership, occupational health and safety as well as customer experience. Further, store employees have had training on routines for internal control of plant quality and recognition of pest. In total, the average number of hours per employee (including both seasonal and permanent employees) are nearly 4 hours of training during 2018.

Diversity

To have equal opportunities for employees and to be a workplace where everyone has equal rights to develop regardless of age, ethnicity, gender, transgender identity, sexual orientation or religion is Plantasjen's aim. With a high employee turnover in Plantasjen offices in 2018, the company has not managed to focus on diversity to ensure that diversity is maintained. As most store managers employed are women, the share of women and men in management

position at all levels in the company is at the same equal level as in 2017.

Gender breakdown of employees and managers at all management levels

	2017		2018	
	Women	Men	Women	Men
Total	71%	29%	72%	28%
Managers	55%	45%	53%	47%

Equal rights and non-discrimination

There is zero tolerance for discrimination at Plantasjen, something that is systematically communicated and followed up. It is all managers' responsibility to prevent discrimination and deal with the situation if it arises. Plantasjen's employee survey includes discrimination and 85 % of the respondents consider Plantasjen an equal workplace (employee survey 2017). A lighter version of the employee survey conducted among office staff in 2018 to evaluate organisational changes showed slightly lower rating for equality. The inequalities that are experienced generally relate to gender. Updated policies on recruitment, equality and discrimination are under development. The survey results are followed up by managers with the support by Human Resource department. Plantasjen has had two incidents reported and handled during 2018, both related to gender.

During 2018, a whistleblowing system has been procured that will be fully implemented in 2019.



6.3 BUSINESS ETHICS AND ANTI-CORRUPTION

6.3.1 Governing policies and anti-corruption

Plantasjen strives to act responsibly in relation to its stakeholders and finds solid corporate governance built upon ethical values and legal compliance a good foundation for a successful business. The governing policies are reviewed yearly by Plantasjen's Board of Directors. In 2017, new policies, including an anti-corruption policy, were rolled out in the organisation and a work to follow up the introduction of new policies was conducted. During 2018, there has not been a systematic follow-up on the communication of anti-corruption policy and other governing policies. The routine states all managers shall introduce new employees to the policies relevant for the function (a scheme for which policies are relevant to which function exists). Plantasjen aims at introducing an e-learning and digital monitoring of communication of anti-corruption policy to employees during 2019. Zero cases of corruption have been reported in Plantasjen's internal system during 2018. An external whistle-blowing system has been purchased to enable full secrecy and anonymity as well as GDPR-compliance (The General Data Protection Regulation)⁷. The system is to be implemented in 2019.

The risk of corruption overall within Plantasjen is evaluated as low, but attention is to be paid when purchasing goods and services. For Plantasjen anti-corruption is considered an important topic as non-compliance with legislation on bribery and corruption may lead to extra costs, inefficiencies in

Governing Policies

Corporate Governance
Policy framework, Instructions for Board of Directors and CEO

Ethical Business
Code of Conduct, Code of Ethics, Anti-corruption and Bribery, Data Protection and Trade Sanctions

Delegation of Authority

the business as well as legal and reputational risks. Regarding anti-corruption policy and suppliers, Plantasjen's Code of conduct include ethical business behaviour and states zero-tolerance towards bribery. The Code of conduct is communicated to suppliers when signing a new agreement, either when starting a new business relation or when updates in general agreements are being made. Inspections of factories in risk countries include investigation of anti-corruption and Plantasjen's procedure implies that the business relation is stopped immediately if there is suspicion of bribery.

Data protection

Privacy is a fundamental human right which along with data integrity have long been important to Plantasjen. Safeguarding that both customer and employee personal data is securely protected is vital for the company. During 2018 Plantasjen's Data Protection Policy has been updated to assure compliance with GDPR (The General Data Protection Regulation).

6.3.2 Governance

Ultimately responsible for the Plantasjen's work on sustainability and the highest governance body is

The Board of Directors. In 2018 the Board, that is elected by Ratos, consisted of eight members of which three were employee representatives. There is no specific committee responsible for decision-making on sustainability topics. The gender breakdown of the Board can be seen in the table. The Board has during 2018 had 7 meetings. At two of the board meetings sustainability has been on the agenda. For example, GDPR compliance has been discussed and the Sustainability Report for 2017 has been approved.

Ratos is the largest owner (99%) of Plantasjen and is, as part of the Board, active in steering Plantasjen in how to work with sustainable development. Plantasjen reports to Ratos who, as a listed company, is publicly reporting.

Within the business, overall responsibility rests with Plantasjen's CEO and Management Team. Plantasjen strives to integrate sustainability in all parts of the company. The CR Manager is responsible for leading, coordinating and developing the Corporate Responsibility (CR) agenda within Plantasjen. The business units are responsible for acting responsibly and continuously improving the work on sustainability.

⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1532348683434&uri=CELEX:02016R0679-20160504>

GRI Index

GRI CONTENT INDEX

GRI Standard	Number of Disclosure	Disclosure	Comments	Page number (s) and/or URL(s)
GRI 102: General Disclosures	102-1	Name of the Organisation	Plantasjen Holding AS	5
	102-2	Activities, brands, products and services		5 corporate website http://www.plantasjen.com
	102-3	Location of headquarters		5
	102-4	Location of operations		5
	102-5	Ownership and legal form		5
	102-6	Markets served	Norway, Sweden, Finland	5
	102-7	Scale of the organization		5, 7, 8
	102-8	Information on employees and other workers		7
	102-9	Supply chain		21
	102-10	Significant changes to the organisation and its supply chain	Organizational changes – offices and management. New logistics center built in Helsingborg, Sweden.	20, 23
	102-11	Precautionary Principle or approach	Plantasjen work with implementation of a precautionary approach which this year has resulted in a decision of to fully phase out the weed-control product Round-up, that is sold in Norway and Finland but not in Sweden.	
	102-12	External initiatives	amfori BSCI (Business Social Compliance Initiative)	
	102-13	Membership of associations	amfori BSCI, Svensk Handel (the Swedish Trade Federation), Virke (the Enterprise Federation of Norway), Kauppa (Federation of Finnish Commerce)	
	102-14	Statement from senior decision-maker		3
	102-16	Values, principles, standards and norms of behaviour	The BSCI Code of Conduct is communicated to suppliers. All employees are subject to Plantasjen's Governing Policies.	23, 26
	102-18	Governance structure		26
	102-40	List of stakeholder groups		11
	102-41	Collective bargaining agreements	All employees in Sweden, most in Norway and Finland are covered by collective bargaining agreements (100% in Sweden, 82% in Norway and 92% in Finland).	
	102-42	Identifying and selecting stakeholders		11
	102-43	Approach to stakeholder engagement		11, 12
	102-44	Key topics and concerns raised		12

GRI Standard	Number of Disclosure	Disclosure	Comments	Page number (s) and/or URL(s)
GRI 102: General Disclosures	102-45	Entities included in the consolidated financial statements	Plantasjen has chosen to focus its reporting on the core business, Plantasjen retail. Due to the implementation of a new ERP system at SABA Blommor AB (aquired in 2016) Plantasjen has chosen not to include SABA Blommor AB in this year's report.	
	102-46	Defining report content and topic Boundaries		13
	102-47	List of material topics		13
	102-48	Restatements of information	None	
	102-49	Changes in reporting	A materiality assessment has been conducted that led to an updated list of material topics. New material topics are product quality, production - growing plants and sustainable products. Enable people to live with plants is no longer considered a material topic.	
	102-50	Reporting period	The report concerns the fiscal year 2018.	
	102-51	Date of most recent report	The most recent report was published in spring 2018 of the year 2017.	
	102-52	Reporting cycle	Annual	
	102-53	Contact point for questions regarding the report	sustainability@plantagen.com	33
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option	
	102-55	GRI content index		28
	102-56	External assurance	This report has not been assured by an independent third party. However Plantasjen's accountants have reviewed the report to secure that it meets the legal requirements regarding non-financial reporting.	

Economic standards

GRI Standard	Number of Disclosure	Disclosure	Comments/Omissions	Page number (s)
GRI 201: Economic Performance	103-1	Explanation of the material topic and its Boundary		8
	103-2	The management approach and its components		8
	103-3	Evaluation of the management approach		8
	201-1	Direct economic value generated and distributed	Comment: Tax payments are not reported by country.	8

Material topics

GRI Standard	Number of Disclosure	Disclosure	Comments/Omissions	Page number (s)
GRI 205: Anti-corruption	103-1	Explanation of the material topic and its Boundary	Topic boundary: Within the organisation and through business relations with suppliers of goods sold at Plantasjen. Plantasjen's involvement: It can potentially cause directly, contribute to or be linked to via business relationships.	26
	103-2	The management approach and its components		26
	103-3	Evaluation of the management approach		26
	205-2	Communication and training on anti-corruption policies and procedures	a) and b) Communication of anti-corruption policies and procedures: Estimated number of governing body members and employees to whom the anti-corruption policy have been communicated are in total 1680, which equals approximately 85% of the total number of employees. Omission: Break-down by employee category region is not possible. c) The main business partners to Plantasjen are suppliers of goods sold in stores. Plantasjen has during 2018 been communicating via purchasing agreements and follow up activities (audits) to 73 suppliers in risk countries in Asia. In total Plantasjen has 95 suppliers in risk countries and in total 537 suppliers. All 537 (100%) goods suppliers have signed purchasing agreements where anti-corruption is addressed. d) and e) No governing body member or employee have received training on anti-corruption.	26
	205-3	Confirmed incidents of corruption and actions taken	None	26

Environmental standards

GRI Standard	Number of Disclosure	Disclosure	Comments/Omissions	Page number (s)
GRI 302: Energy	103-1	Explanation of the material topic and its Boundary	Topic boundary: Property owned or used by Plantasjen. Plantasjen's involvement: Heating of glass buildings is more energy intensive than heating of more standard buildings. Direct impact and energy reduction measures can be impacted by Plantasjen to a great extent.	17
	103-2	The management approach and its components		18
	103-3	Evaluation of the management approach		18
	302-1	Energy consumption within the organisation	Comment: The total energy consumption Includes all electricity consumed in Plantasjen stores, offices and logistics centres to a small extent also tenants. No exact data is available but it is estimated the tenant's energy consumption amount to approximately 5 % of the total energy consumption. A more accurate figure for Plantasjen's own energy consumption estimated to 90750 MWh. Comment: Data on energy consumption is not available for Plantasjen's operations in Holland. Comment: Data on energy consumption in Finland is based on estimated values.	18

Social standards

GRI Standard	Number of Disclosure	Disclosure	Comments/Omissions	Page number (s)
GRI 401: Employment	103-1	Explanation of the material topic and its Boundary	Occupational health and safety (especially in stores) and organisational working environment are two important topics for Plantasjen. Due to the organisational changes in 2018, the employee turnover is in focus to manage occupational health issues as well as retainment of competent employees. Topic boundary: All permanent employees Plantasjen's involvement: Plantasjen causes the impact on employee turnover. A sound employee turnover is a prerequisite for Plantasjen's stability and long-term profitability.	23
	103-2	The management approach and its components		23
	103-3	Evaluation of the management approach		23
	401-1	New employee hires and employee turnover	Rate of employee turnover and rate of new employee hires is reported on aggregated level.	24
GRI 414: Supplier Social Assessment	103-1	Explanation of the material topic and its Boundary	Topic boundary: Supplier in risk country from which Plantasjen purchases directly Plantasjen's involvement: Plantasjen is not directly causing any potential impact on labour standards amongst its suppliers in high risk countries but can potentially contribute to an impact.	21, 22
	103-2	The management approach and its components		21, 22
	103-3	Evaluation of the management approach		22
	414-2	Negative social impacts in the supply chain and actions taken		22

Own topics

GRI Standard	Number of Disclosure	Disclosure	Comments/Omissions	Page number (s)
Own topic: Product quality	103-1	Explanation of the material topic and its Boundary	Topic boundary: All products sold Plantasjen's involvement: Plantasjen can potentially cause negative impact on environment or human health due to insufficient product quality and safety.	15
	103-2	The management approach and its components		15, 16
	103-3	Evaluation of the management approach		16
	Own topic	Product quality	Indicator to be selected.	
Own topic: Sustainable products	103-1	Explanation of the material topic and its Boundary	Topic boundary: Plantasjen's entire value chain as well as society (human well-being) and nature in large (biodiversity) Plantasjen's involvement: Plantasjen is contributing to, linking to and causing positive impact though having sustainable products in range and communicating the benefits thereof.	16
	103-2	The management approach and its components		16
	103-3	Evaluation of the management approach		16
	Own topic	Sustainable products	Own indicator to be reported 2019: Share of sustainable products of total sales	16
Own topic: Cultivation of products	103-1	Explanation of the material topic and its Boundary	Topic boundary: Plantasjen's plant suppliers Plantasjen's involvement: Plantasjen is not directly causing any potential impact on environmental footprint amongst its plant suppliers but can potentially contribute to an impact. Comment: More information about sustainable certificates is found here: https://www.my-mps.com/en/aboutmps https://www.matmerk.no/no/ksl https://www.globalgap.org/uk_en/ https://www.krav.se/in-english/ https://www.benefitsofnature.eu/en/ http://sigill.se/IP-STANDARD/CERTIFIERING-ENLIGT-IP/CERTIFIERING-ENLIGT-IP-IN-ENGLISH/	17
	103-2	The management approach and its components		17
	103-3	Evaluation of the management approach		17
	Own topic	Cultivation of plants	Own indicator: Share of plant suppliers with environmental certificate	17

* All disclosures used in the GRI Content Index correspond to the GRI Standards of 2016.



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A modern outdoor dining area featuring a wooden table and four grey upholstered chairs. The table is set with a wicker basket of herbs, a tray, and two lit lanterns. The chairs are adorned with a light blue throw and a green blanket. The background includes a concrete wall with a built-in planter box holding various potted plants and a string of colorful lights. A large potted plant and another lantern are in the foreground.

PLANTASJEN®