

Communication on Progress 2021



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Statement of Continued Support

We are pleased to confirm that Home & Garden Solutions reaffirms its support to the UN Global Compact and its ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In the last year Home & Garden Solutions - has taken bold steps on the road to develop and build sustainable and circular business practices at her companies in line with the global UNGC and SDG goals, one of the first in our sector of the European Industry.

At Verasol we have initiated projects on 3 key themes: 1. 'circular' business practices with regard to material re(use), 2. energy use and 3. people orientation along our complete value chain. We are proud for example to have introduced this first year a 'chain of custody' principle with our supply base through the introduction of H&GS Code of Conduct. We are delighted that 98% of our suppliers have undersigned.

We are actively extending the development of the 3 themes at our other group companies; Gardendreams, Sunmaster and Montage Master. We have invited and encourage all of our employees, partners and stakeholders to contribute as everyone can play a role and add value in our journey towards sustainable business operations.

Going forward focus will be given to understanding our impact and improvements through fact-based data insights and dashboards, so that we can understand our progress and create dedicated Sustainability reporting as part of our Annual Report cycle.

We commit to sharing this information with our stakeholders through our first publication of our 'Communication on Progress' report and through using our primary channels of communication. We welcome feedback on its contents.

Aart J. Roos

CEO

Home & Garden Solutions





Home & Garden Solutions

Home & Garden Solutions is the holding company of a group of four European brands: Verasol, Gardendreams, Sunmaster and Montage Master. Together, these companies design, produce and sell high-quality and durable living solutions for home and garden. Our broad geographic coverage and complementary areas of expertise are the drivers for our growth in this high-potential sector.

Verasol and Gardendreams are international manufacturers that design, produce and sell made-to-order verandas, garden rooms, glass sliding wall systems and carports. Both companies deliver their products through various distribution channels across Europe. Founded in 2001 in the Dutch city of Helmond, Verasol can rely on twenty years of experience in outdoor living solutions. Verasol has its production facilities in Wachtendonk (Germany). Gardendreams is a professional B2B supplier and is situated in Emsbüren (Germany).

Sunmaster, with a production facility in Nijkerk (the Netherlands) contributes nearly 50 years of experience in high-quality sun protection solutions, from outdoor screens and shutters to outdoor sun protection products.

Montage Master handles planning, measuring, placement and services for Verasol and Gardendreams. It works with customers on-site to provide competent advice, excellent installation and placement. It also provides its expert services to a range of companies and customers outside the Group.

Home & Garden Solutions strives to ensure that our companies make a positive contribution to society and our world. We drive our companies to respond proactively to challenges involving the environment, climate and resources, to comply with all regulations and to be a reliable and responsible employer and business partner.











ESG within Home & Garden Solutions

In the spring of 2021 the Home & Garden Solutions group has taken a new step on the road to develop and built sustainable and circular business practices at her companies in line with the global ESG and SDG goals by joining and undersigning the **UN Global Compact charter** as an ESG management framework in the strategy and business execution. We have defined three fundamental streams in which initiatives to further innovate and develop our 'circular' business practices along our complete value chain are being developed:

- Products / Materials
- Energy
- People Orientation

We act on the materials we use, how products are designed, encouraging sustainable consumption, how waste is prevented and materials re-used, with a strong focus on healthy people in a healthy environment. We appreciate all initiatives that are addressed by our stakeholders, partners and especially our employees. All initiatives are coordinated by our ESG Steering Committee. We elaborate our initiatives within our four companies. Our investor, AAC Capital, is challenging us yearly with an ESG audit in which they monitor our results but also set new focus for the upcoming years.



Fundamental Streams

With signing up to the United Nations Global Compact charter we committed ourselves to the **Ten Principles** of the UNGC and to actively help improving the world in terms of the environment, social (working-) conditions and safety, as concisely expressed in the Sustainable Development Goals of the UN. This promise goes further than just within the four company walls of the H&GS subsidiaries Gardendreams, Sunmaster, Verasol and Montage Master, it affects our complete supply chain.

We have incorporated the Ten Principles of the UNGC into our three fundamental streams and defined our objectives for each of these streams.

Products / Materials

Recycling and reuse are becoming a basic principle at H&GS. Sourcing, use and reuse of sustainable raw materials, materials and products is a fixed element in our thinking and acting.

Goals & Objectives:

- Product Development and Production Processes based on reuse principles
- Minimize use of virgin materials in our products
- > All our products to be recyclable by use of positively defined materials
- Initiating circular and integrated business models in the supply chain

Energy

Renewable and green energy are the standard for our energy consumption.

Goals & Objectives:

- > Production and offices become 'energy positive'
- ➤ No energy from fossil sources, maximum use of renewable energy
- Awareness in energy consumption



People Orientation

Transparent and sustainable business operations with management commitment and focus on CSR practices in the interest of all stakeholders.

Goals & Objectives:

- > Transparency throughout the chain > externally disseminate commitment
- > Employee / stakeholder engagement & motivation



Achievements and future initiatives

The three fundamental streams and the objectives that are defined for these streams, have led to the implementation of various initiatives that were addressed. In order to extend these three fundamental streams, further initiatives are planned to be implemented in the coming period.

Products / Materials

Achievements:

- Optimal separation of all waste streams at Verasol Production: Wood Paper Plastic – Aluminum 100% recycled
- ➤ All Paper & Cardboard 100% FSC certified

Future initiatives:

- > Optimize transport planning: less tour based transport but include return freights
- > Implement quality improvements on aluminum products down the supply chain
- > Implement EPR Registration: consumption of cardboard packaging

Energy

Achievements:

- Closed open passage between two production areas
- > Implementation of LED lighting throughout the Verasol facility and all Retail stores
- > Transport of aluminum by boat / rail instead of by road
- Creation airlock at one of the entrances to the production area
- Equip warehouse lighting with smart sensors

Future initiatives:

- > Introduction of daily shutdown protocol, switching off lighting and equipment
- Solar panels on the roofs of the Verasol facilities in Wachtendonk
- > Charging facilities for cars of employees and visitors at Verasol and Gardendreams



People Orientation

Achievements:

- ➤ Installation of lifting aid for heavy components at production lines
- Ergonomic workplaces at office (electric desks and chairs)
- Establishment of core values and rules for collaboration
- Encourage employees to adopt a healthy lifestyle free fruit baskets, non-smoking policy extended
- > Collaboration with educational institutions (Buitengewoon and 't Windveld)
- ➤ Implementation of extensive H&GS ESG Supplier commitment, including a Sustainable Sourcing Policy Statement, a Code of Conduct and a Modern Slavery Act

Future initiatives:

- > Implement roller track for production of glass sliding walls and Smartline production
- > Roll out of core values and rules for collaboration
- > Create work places for employees with a distance to the labour market
- > Implement a whistleblower policy
- > Implement a zero-tolerance policy regarding anti-corruption for all our partners



Contact

Home & Garden Solutions B.V. Geldropseweg 22, 5706 LT Helmond The Netherlands info@home-garden-solutions.com

