



SUSTAINABLE
DEVELOPMENT

2021 - 2022

CORPORATE • SOCIAL • RESPONSABILITY



Forward

Nearly 10 years ago, our first Corporate Social Responsibility report highlighted our endeavors to reach environmental sustainability. This yearly introspection means a lot to all of us; we're thrilled to engage with you again now!

Indeed, more than ever, drought and heat waves remind us of the reality of climate change. We're doubling down on our current low-carbon strategy, aiming to do what's best for our beautiful planet and all its inhabitants.

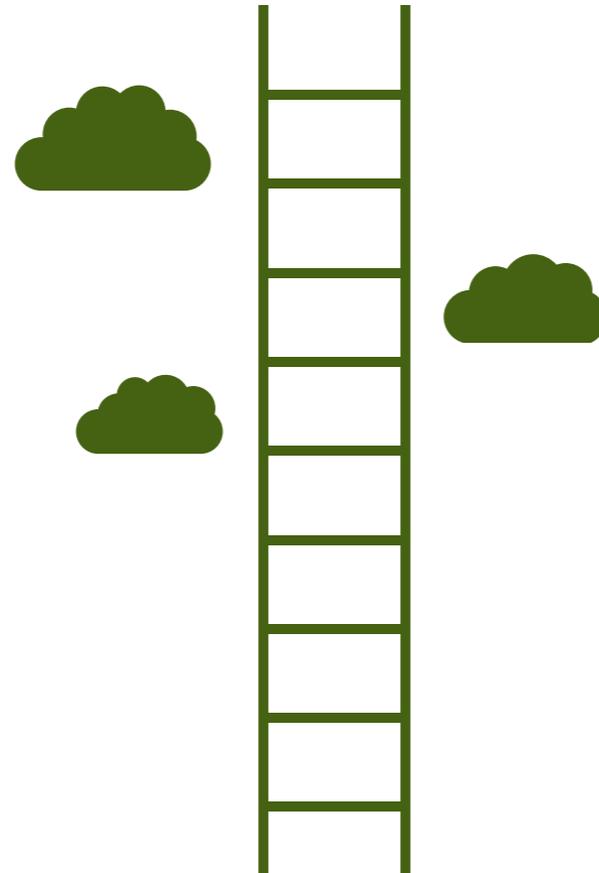
We're not in this alone: your support is essential! Reach out, whatever your role: employee, customer, stakeholder, partner... **Acting together makes us stronger.**

Our aim is true and our targets well defined. Innovating with local and renewable raw materials is more than ever the focus of our efforts. It's already paying out: our soil mix range has the lowest carbon footprint on the market. An encouraging trend is emerging: our end users increasingly relate to this vision, which is great for both us and the entire bioeconomy sector.

Many additional low-carbon initiatives have been implemented, further reducing Florentaise's footprint on the environment. You'll learn about them in this report.

We wish you an uplifting read,

The editorial team



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Our low-carbon strategy IS BEARING FRUIT

OUR COMMITMENT IS MAKING HEADLINES

Florentaise was awarded multiple times within the 2021-2022 timeframe (June to June). We're proud to see the efforts of past years crowned with success!

CEGOS and its partner university MINES ParisTech launched a yearly CSR and Sustainability benchmark four years ago. Experts single out and showcase companies that back CSR commitments with actual projects. Florentaise is among the **4 finalists in the "AUDACE" category, nominated for boldly implementing innovating sustainable processes**, receiving the prize end of June 2021.

Early November 2021, **Florentaise won the "2021 Climate Champions"** contest hosted by the Challenges magazine. The dataset collected by Challenges and Statista includes scope 1 and 2 greenhouse emissions from 2017 to 2020 for volunteer businesses in addition to all CAC 40 companies.

Since the scale of each business is different, a single key indicator was measured across the board to ensure fairness: annual percentage reduction in carbon emission intensity. This reduction, measured over 3 years, is weighted in relation to overall turnover for the period. It's represented as a percentage.

Only companies that succeeded in reducing their carbon emission intensity by more 3% were included for this benchmark. Florentaise placed 53rd, lowering its greenhouse gas emission intensity by 8%.



A surprising consequence was being nominated by the Financial Times as one of the European Climate Champions!

Candidates for this particular list matched the same criteria as for the Challenges magazine contest. It included 400 European companies (52 of them French) that had a turnover of over €40 million.

Financial Times and Statista added an extra criteria: they disqualified businesses with poor eco-friendly practices to begin with, so as not to let them claim the glory of being a "climate leader".

Such international acclaim is a great source of motivation for our teams as they face the challenges of each new day!



RAMPING UP OUR LOW-CARBON STRATEGY

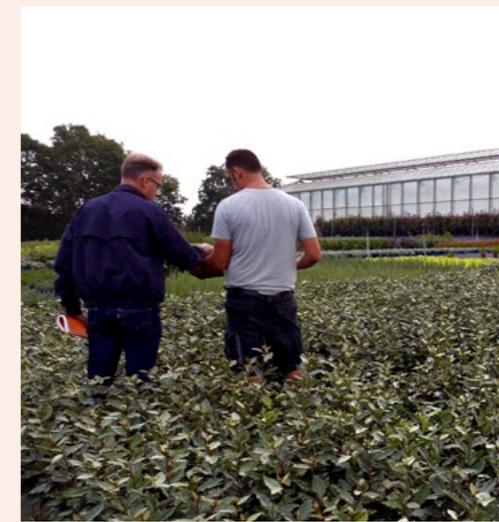
It's crucial for us to increase our pioneering lead on carbon accounting. Many businesses are following suit, in some sectors the topic is now a required marketing pitch. We aim to stay ahead of the fray and increase transparency on the matter.

In last year's report, you discovered how we aimed to raise awareness downstream to our customers and prospective clients. This mission has matured and branched out with both our professional accounts and our retail end-users. Each of our urban projects is a treasure trove of creativity, with our sales team working wonders to explain the benefits of using locally sourced and renewable substrates, actually made in France. These criteria qualify us for the stringent Biodiversity label, among others.

Horticulturists, nurseries and market gardeners give us constant feedback, helping tweak our recipes to provide the perfect substrate: reliable, efficient, affordable, and environment-friendly. Every year, we set up countless trial runs and more and more clients switch to 100% peat-free products. Such growing substrates are completely in sync with the French "Plante bleue" label.

Our ambition is to teach end users as much as we can on the fragile balance of nature, and how their choices matter. That's why we work so much with our professional clients. We deployed a toolbox to compute the carbon footprint for each growing substrate we manufacture. We also co-author specific messages to include in their labeling, and create engaging key visual indicators to help them rate and explain how planet-friendly each product is.

This humble work, a constant day-after-day grind diligently performed by our teams, is the foundation of our strategy: not only do we ourselves lower our carbon emissions, but our partners do, too.



A peek into our daily life:
NEW COMPANY HEADQUARTERS

The company is growing, and management at Florentaise was hoping to find the perfect spot for its new headquarters. It had to welcome more staff in-house, and also express the company's brand and strategy. The ideal spot has been found! An ancient manor, parts of which are over 400 years old, is at a stone's throw from our R&D center at Saint-Mars-du-Désert (near Nantes). History whispers along its corridors, and botanical references abound in this building which will need a little makeover before we can officially move in. 2024 is when our first employees should settle in. We will of course keep you updated when major milestones are reached!





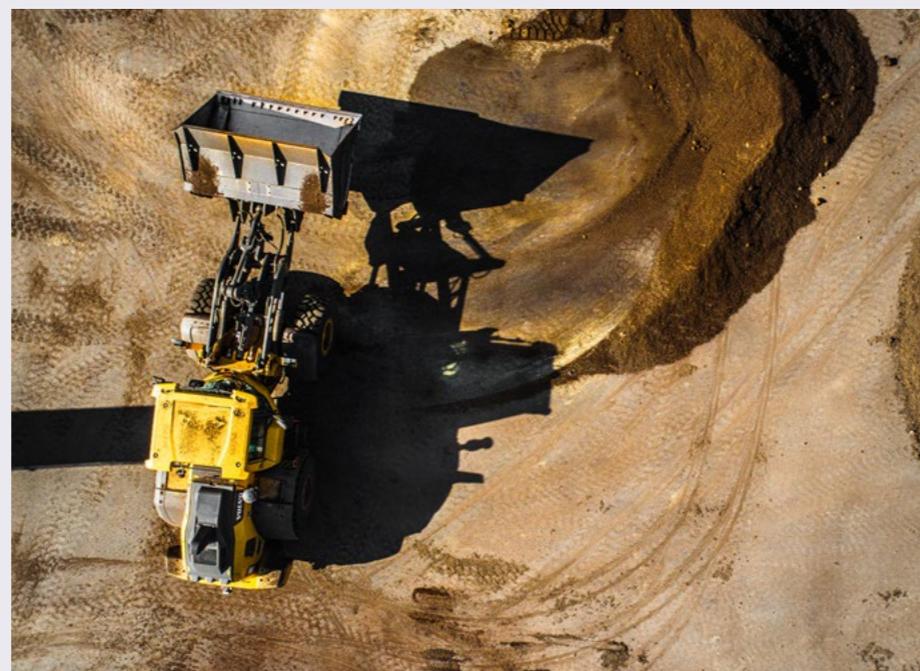
WHAT WE DO to keep improving

Working to reduce our carbon impact is only possible thanks to our teams: their motivation is essential. Last year, we presented our initiatives to increase awareness in CSR and carbon accounting. It is an integral part of everyone's day-to-day activities now. This year, we would like to showcase a few projects that prove our commitment to continually improve our work environment.

UPGRADING OUR EQUIPMENT AND TOOLS

Reorganizing our worksites

Team motivation depends a lot on the well-being of our collaborators, and changing the set-up of our production sites is one way forward. Every year, we invest around €3 million to upgrade our sites. We replace obsolete equipment, set up new packaging lines, and add storage and warehouse space. These investments increase productivity, of course, but we also carry them out with the goal of enhancing comfort for all our workers.



ERGONOMICS ON PACKAGING PRODUCTION LINES: BETTER WORKSTATIONS

To delve into this field, we recruited Justine, a work-study student specializing in ergonomics. Over a two-year period, she will analyze workstations to make sure employee workstations are more comfortable.

Can you introduce yourself? What brought you here?

My name is Justine PINET. I started my ergonomics apprenticeship with Florentaise in October 2021, as part of a two-year Master's Degree in Ergonomics with the Nantes CNAM.

Originally, I was interested in both sports and understanding challenges handicapped persons face. I first obtained a STAPS degree in Health and Adapted Physical Activity. It sparked my interest in the field of ergonomics.

What is ergonomics about? What does this mean for your work at Florentaise?

In my view, ergonomics is the art of adapting work to people. An ergonomist observes work on the field to adapt work stations and tasks. The main driver is safety and actively protecting the health of workers involved. Two goals must be reconciled: health and performance.

As this first year draws to a close, my analysis of the Saint-Mars-du-Désert packaging line team is ready. Next up is assessing health risks and performance opportunities, and optimizing tasks for both. A secondary mission I am tasked with is helping Julie, our HR manager, oversee site safety.

Can you give us a few examples of what you noticed on the field?

I studied several situations (fifteen, to be accurate) along the packaging line on the Saint-Mars-du-Désert factory site. Understanding tasks performed at each station and interactions as a whole is crucial.

I then researched more specific use cases with a per-person observation grid. I followed one person and jotted down what they did, where they went, events that changed their routine... and I took note of body postures for each task. Each worker has a different way of getting things done, and I wanted to see them all.

Nonetheless, observation alone isn't enough for an ergonomist: a major input is what people themselves say about what they're doing. That's why I also interviewed staff and created a focus group.

Another analysis focused on the Lavilledieu packagine line, in Ardèche.

Do you think these processes be improved? If so, can you give us a couple ideas?

Now that the diagnostic has been wrapped up, I see several options to make things better. Each idea still needs to mature with the focus group together. As an ergonomist, I'm not an expert on the job itself! The persons doing the tasks are in



a much better position to imagine how to transform their own working environment. I'm just there to help the company move forward on these evolutions and provide counsel.

What do you find most difficult in your work?

At Florentaise, an obstacle that hinders my work is access to data. I feel that many random events make work along the packaging line unpredictable, often because things aren't happening the way they should. So I don't get to witness "ideal run" sequences, which are crucial for me to perform my job well. My only resource in this case it to take people's word for it, which isn't ideal. I cannot predict what is going to happen.

What is it that you like doing most?

In everything I've studied so far, I've always appreciated helping out, feeling that I made a difference. But I also like switching from office tasks to going on the field.

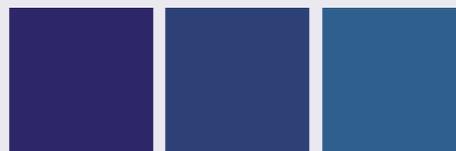
REVAMPING INTERNAL COMMUNICATIONS

Optimizing the way we communicate with our employees is one way to increase their well-being: higher quality and better relevance for each snippet of information.



Laying out the groundwork: employee surveys

December 2021: we decided to launch a business-wide investigation focusing on our internal communication. Each employee was invited to respond. This initiative hoped to clarify how top-down information was perceived, be the originator a part of management, a team leader, or part of the communication team. Multiple-choice questions set the foundation for the survey, but it also included open questions where collaborators could express new ideas. This exercise helped pinpoint what needed to change, and even provided us with new ideas to experiment with.



Making work worthwhile

Thanks to this in-depth analysis, new ways of communicating were set up in Q1 and Q2 of 2022.

FLASH'COM BECOMES A MONTHLY PUBLICATION

An unexpected insight of this survey was that our internal newsletter was the primary source of information for most of our staff. As a result, we now publish our Flash'com every month instead of every 2 or 3 months.

On top of this, a new section interviews a team or employee and shares their experience through the newsletter. Since the company is growing and on-boarding new persons, it's important to foster mutual understanding and increase team spirit.

NEW TIERED COMMUNICATION BILLBOARDS IN FACTORY WORKSITES

We decided to set up identical communication boards in each of our factories. It's a tool that helps share information. Team meeting schedules appear on this board, and information reaches all workers in the same manner. These billboards have 4 sections:

- **Safety:** depending on required safety guidelines, this part lists mandatory safety equipment and tallies information on workplace incidents
- **Production:** this section deals with production and quality KPIs (key performance indicators)
- **HR and Communication:** this is where HR publishes information, and where everyone can pick up their Flash'com and Social and Economic Committee reports
- **Site-specific information:** here, the site director can add information on a daily basis, the content is his or her prerogative

Directors and production managers can rely on the information published and updated monthly for their team meetings.



MORE TRAINING OPPORTUNITIES FOR STAFF

Though already a topic of importance, this survey confirmed that many were interested in pursuing new training opportunities.

Previously, team leaders benefitted from trainings to unlock management competences. This is maintained, and now new groups involve employees who are members of the Young Managers Club. These employees, if they wanted, could take time to follow courses on topics such as time management, market expansion, and management skills. Providing a different venue for learning helped group members confront their ways of working, often leading to new, better solutions to problems they were faced with.



Leveraging insider know-how

Our field and ways of working are unique. To keep growing our business, it's imperative to rely on our current workforce to identify needed talent and skills. We wish to promote talented persons who are already part of the business before considering outside candidates.

To illustrate this, we're happy to share Marlène's experience. She started off as a packaging line operator on our Labouheyre worksite (Landes), and worked her way up to St-Mars-du-Désert (Loire-Atlantique) site production manager, effective this September 2022.

What brought you to Florentaise, and how did you become the Labouheyre production manager?

Back in 2005 I decided to leave Paris for the Landes area. Before working for Florentaise, I worked for different factories for short-term contracts: plastics, wood-working, and a few others. The agency I was working for sent me here to work on the packaging line. My station was on a semi-automatic production line, and I had to stack sacs on pallets all day.

After a while, Jérôme Cowper, the Labouheyre site director, asked me whether I'd like to try out for site secretary. I'm naturally curious, so I accepted even though I didn't know anything about the job. Since the site had just been set up, I had to learn fast, and Jérôme taught me a lot. We worked really well together, bringing the site up to speed. On the side, I trained as a forklift operator: I learned to drive all types of machines so I could help in more ways!

And then one day, during my performance review, Jérôme asked if I was interested in becoming production manager. I accepted immediately. Yet again, I felt I didn't know much about the products themselves and the

processes to make them. But many people helped me out, I got a grasp on things and I learned a lot about the company as a whole. In then end, I'm 100% behind the strategy and ideals of Florentaise.

How did you learn of these opportunities?

It's my personal ambition to just keep learning. During performance reviews, I often asked to be given new challenges. I was open to change, but the final decision belongs to the business.

Fast-forward to September 2022: you are now production manager for the St-Mars-du-Désert site. Not only is this a work promotion: it entails moving to a new region of France. What are the challenges you expect for this new job?

It's true, I'm part of the "Martian" team since September 2022! This promotion is very interesting for me, and I'm grateful that my personal life makes it possible: my children are all grown up.

I'm there to help, listen, and work on solutions - but every step along the way must be taken as a team. The St Mars team is very trustworthy, they know their job well and want things to change, too.

From your point of view, what are the benefits of this internal promotion strategy?

Clearly a motivation for everyone! Indeed, navigating through the structure of a single business increases the feeling that you're part of it. Internal promotion guarantees that the company remembers its roots, which is the key to growing well. Staff are given the chance to thrive while still adhering to the company's values.



€ REWARDING WORK

Increasing workstation comfort and ensuring fluid communication are of course important, but a major factor in employee well-being is proper compensation for work.

Several actions were undertaken to make sure work is financially rewarding as well:

An across-the-board wage increase, indexed on inflation, demonstrates the company's enduring will to counter the forces of rising expenses. For instance, in February 2022, a 2% increase on monthly wages was rolled out for all non-management employees.

Individual wage increases, relative to the basic gross monthly wage, as an incentive for workers who went above and beyond in their duties.

A "Coach bonus" for employees qualified to on-board and train new employees.

Renewal of the PEPA bonus, a tax-free incentive, set at 900€ for July 2021.

In addition, an **exceptional profit-sharing bonus 3 times greater** than last year's was shared, materializing 2021's excellent overall performance.

A peek into our daily life:
GENDER GAP

The professional equality index paints the picture of how women and men fare within a given business entity. It's rated over 100, and is based on 5 key indicators:

- Wage gap
- How wage increases were shared
- Promotions to new positions
- Gender ratio for the 10 highest wages
- The number of wage increases for mothers returning from maternity leave

In 2020, our score was 92/100. In 2021, it dropped by 9 points to 83/100. The main cause of this is somewhat paradoxical: a majority of wage increases and promotions in 2021 was offered to women, meaning the gender gap index is reversed for this year.



A peek into our daily life:
SOCCER: A BETTER'S TOURNAMENT



Riding on the Euro 2021 soccer tournament hype, Florentaise launched an internal betting competition. Employees tried to predict game outcomes. The goal was to get as close as possible to actual final scores, earning points to get ahead of their colleagues. We added a little pizzazz with prizes for the top 3 "football experts"!

For Florentaise, this fun challenge was important to increase networking across all our sites. It worked out better than expected, because quite a few employees joined in on the fun, even those who weren't keen on football!

End of 2022, we'll start betting again for the soccer World Cup.



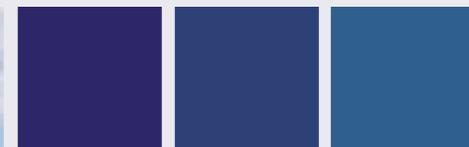
A peek into our daily life:
SEASON'S END GET-TOGETHER

Summer is the time for our traditional get-together outings for our sites, and 2022 was no exception. A great chance to spend time with colleagues after the peak spring season. Such a relaxing day is perfect to pitch off the summer holidays!



A peek into our daily life:
PEOPLE, THE HEART OF OUR BUSINESS

Over the course of 2021, we traveled from site to site filming our professionals. We wanted to showcase staff expertise and know-how and present the products they create day in and day out. The best pictures were included in a photo album printed and shared on all our sites. Pictures are worth a thousand words, and this album bound our teams together, bridging distances across all of France. They discovered and re-discovered the people that make our business the success it is today.





FOSTERING awareness ABOUT LOW CARBON

Reducing our own impact and that of our industry on the planet is one thing, but we take it one step further: outreach. We foster opportunities to teach the public at large about climate challenges. We believe that, as a business, we must intervene and work together to implement positive change. Florentaise set up events within the circles we operate from: internally with our employees, with our immediate partners like clients and their teams, and with end users in retail.



Training for us and for our clients

Fully one-fourth of our employees has already participated in a training by La Fresque du Climat. This workshop helps participants relate to the topic of climate change. La Fresque du Climat aims to increase global climate change awareness, without any guilt-tripping, by visualizing cause-and-effect relationships. This strikes a chord with us, here at Florentaise. We also involve our customers and their teams in such workshops when we host major events.

Through local networking:

Our business is deeply enmeshed in the economic activity of the Pays de la Loire region. Florentaise is involved through participation in Manager's clubs, such as the Dirigeants Responsables de l'Ouest (DRO), the Club des Jeunes Dirigeants (CJD), and other networks like the Mouvement Français Qualité et Management (MFQM). More than just managers, a portion of our staff is active in commissions, organizing visits, and local associations.

Through an animated film:

A short feature animation video called "Why buy peat-free soil mix" is shared for free to our customers and partners. This short film shows how problematic peat mining is, and touts engaging low-carbon solutions to correct the issue.



Through the media:

Florentaise is the world leader of peat-free soil mixes. Journalists from around the world frequently rely on us to gain understanding on problems peat bogs face. It isn't an easy topic to breach, but the public is eager to learn more about it.

Repeated articles in the press feature our expertise. In spring 2022, we were thrust to the front scene with an on-site visit by France 5 teams filming a special gardening report. Such prime-time exposure on a national TV station was a great chance to present issues related to peat, especially the crucial point of peat extraction which releases vast amounts of CO₂.

Our name was associated with the novel solutions that will help solve the peat crisis by inventing innovative substitutes.



Through our partnerships:

For the past few years, Florentaise as a business has been supporting many local and national initiatives led by associations and individuals.

Nearer to us, we support the St-Mars-du-Désert (Loire-Atlantique) soccer club and the Morcenx handball club (Landes). Also, Florentaise donates soil mix to St-Mars-du-Désert school parent associations for yearly school landscaping events.

Reaching out on a broader scale, our company has been partnering with the Cagnolles Farm and the Happy Cultors association for years. In 2021, the Sourciers organic hydroponic micro-farm was added as a new partner. They visited us again in June 2022 to share about peat-free soil mix solutions and opportunities they present. A summary featured on their Youtube channel educates followers and reminds them of this criteria for shopping. For us, it's vital to get involved in the information flows our end users absorb, because they're the ones changing the way our sector works - voting with their wallets.



FOCUS ON low-carbon

An in-depth analysis on raw material carbon accounting

We want to set high standards for the entire industry. We are the first growing medium manufacturers to publish our full carbon footprint on a publicly available website, that of the French ADEME. This pioneering initiative positions us as de-facto experts on the topic. We are the benchmark others measure themselves against.

On-boarding a carbon accounting coordinator was a key driver on many topics, particularly those related to computing carbon emissions for specific raw materials like peat.

Laying out the complete product life-cycle helped determine the exact contribution of peat to greenhouse gases, and we forwarded our proposal to ADEME. They subsequently updated their public emission factors database to include peat. After checking our math, our data, and underlying assumptions, ADEME validated our computed value and now recommends it for use to others.



OUR VISION: INCREASING OUR LEAD ON PRODUCTS BUILT TO RESPECT THE ENVIRONMENT EVER MORE

A highly competitive market

20 years ago, we launched Hortifibre®, our patented wood fiber technology. With this innovation, we could replace peat in our soil mix recipes. People thought us "crazy"!

One thing we knew: we were right. But major powerhouses in the agro-horticultural sector weren't convinced, and we faced setbacks and strong headwinds of doubt. In 2015 we went fully peat-free, with our Turbofibre® soil mix range derived from bark fiber.

Today, over fifty different retail brands of soil mix claim to be peat-free. A vindication of our former intuition that we were on the right path – and now our peers have understood it as well!

We don't feel bitter in the least: creating "good for the planet" trends is part of our DNA!

A question, though, remains: since many others now offer this type of product on the market, how can we stay ahead?



Maximizing our key asset: experience

For over a quarter-century, our Research and Development teams have been pursuing all possible alternatives to peat in soil mix. Coconut fiber came first in the year 2000 with Hortifibre®, then further innovation led to fully peat-free products in 2015 with Turbofibre®.

These patented, one-of-a-kind raw materials built our reputation in France – and abroad, too. Hortifibre® is currently the only wood fiber mix compatible with 100% usage for certain crops and plants.

On top of their high efficiency, these substitutes are sourced from local raw materials. In the spirit of "going local", we recover waste from nearby sawmills and transform it in local production centers. Short distances lead to a lower carbon footprint: the lowest on the market.

A wide range of products of unmatched quality, that we alone have to offer – globally.



Laying out our expertise as a resource for clients

Since 2021, we created an open-access calculator to compute the carbon footprint for each product. This easy-to-use and accurate tool not only provides results for our own products, it also calculates carbon use for our distributors. When our clients establish carbon accounting indexes for products they source, we encourage and teach them to adjust their production recipes so that the end result is as carbon-neutral as can be.

CLIENT CASE STUDY: SWITCHING FROM A TRADITIONAL PEAT-CONTAINING SOIL MIX TO A ZERO-PEAT MIX



Transparency and Open Data

Using our carbon accounting calculator, we established the exact carbon footprint for every single one of our products. Our Terre & Nature brand catalogues highlight these values. We're among the very first companies in the world overall to present the true carbon footprint for every item, and definitely first in our own field and market.

Our experience, openness and efficiency are key attributes that reassure and convince our clients, leading them to try out and progressively implement fully peat-free recipes.

Innovating again and again as a virtuous cycle

One step ahead? Check. Florentaise is already planning yet another important step: plastic. To this day, all our products are wrapped in plastic. Over 16 million single-use plastic bags are needed every year, nearly 900 tons of coextruded polyethylene film. So far, we've succeeded in including recycled materials to produce it, varying from a 30 to 50% ratio.

13% of our products' CO₂ emissions come from these plastic bags, so reducing their weight or eliminating them entirely is something we've been working on for

a few years already. We plan to replace them outright, with paper bags. Initially, we target switching 10% of our sales from plastic to paper in 2023. To meet this target, we need to invest nearly €2.3 million. This includes major modifications to 2 packing machines on our St-Mars-du-Désert (Loire-Atlantique) and Lavilledieu (Ardèche) sites, secondary equipment and labor.



As part of France Relance, a French endeavor to control carbon, ADEME will grant us 35% of our paper bagging project, amounting to €680 000. Local politicians visited us in May 2022 on this occasion: Pierre Chaleur, sub-prefect of Chateaubriant-Ancenis; Johann Faure, sub-prefect dedicated to the Relance project; and Luc Geismar, representative for Loire-Atlantique. They discovered our business, celebrated ongoing worksite investments, and witnessed the setting up of our new paper bagging equipment.



Focus:

GREENCHAR®

Developing green coal is a priority for our R&D. GreenChar is now added to 10% of our retail peat-less soil mix products, and we can claim those products are carbon-neutral.

Biochar is among the most significant innovation leads for the future of Florentaise, and a great way to compensate human-generated carbon worldwide.



A peek into our daily life:

OUR PLONEVEZ SITE: TOURIST SPOT FOR SWALLOWS

Imagine the look of surprise on our Plonevez-du-Faou's team when they discovered a number of bank swallow nests dug out in their pile of sand. They immediately set up a protective perimeter to make sure these new tenants wouldn't be disturbed!



FLORENTEISE steps up its strategy AND EXPANDS ITS MARKET

We'll mention it one more time, though you've heard and read it before: Florentaise is the #1 manufacturer of peat-free products in France. We reached this pinnacle thanks to decades of hard work and an excellent understanding of the market.

Today, 28% of our French production is assembled using 100% renewable products. And we don't plan to stop now: we aim to quickly become the first growing medium manufacturer to completely abandon peat as a raw material.



FLORENTEISE INCREASES ITS LEAD FOR PEAT-FREE AND LOW-CARBON PRODUCTS IN FRANCE

We listen to our clients

Satisfying our clients is what drives us to keep getting better. That's why, for the second year in a row, we've sought their feedback with a survey: results highlight main concerns and potential enhancements.

This data also helps us understand what image we project to the world at large.

For our retail customers, Florentaise is overwhelmingly considered an innovative company that truly has sustainable practices at heart.

67% of our clients mention sustainable development as an important criteria when selecting suppliers.

A trait attributed to our business is telling and meaningful: our teams are highly reactive and truly caring of interpersonal relationships.

For our professional customers, a majority again considers us an innovative company, especially regarding peat alternatives.

91% of our B2B customers declare that the product quality and performance has convinced them.

Here's how they describe our strengths:

"Clearly at the forefront on researching peat substitutes"

"Always there to answer our needs and develop new product recipes to match our crops"

"Excellent work on zero-peat products, the whole range stands out from the competition"

To dig into details and fine-tune our products, the marketing team often visits customers with the sales team to stay rooted in reality.

We listen to the market

The market is constantly evolving with new needs for clients and end users. Every year, we develop new products, both for B2B clients and for retail.

Such a development is why early 2022, Florentaise launched its newest soil mix under the Terre au Naturel brand: **Eco-responsible Universel**. Retail distributors increasingly consider it important to preserve natural resources, protect the environment, and know where products come from. We found it highly relevant to introduce a new product line that answered these concerns.

The cherry on the top? This soil mix won the "Top Value" prize in the eco-friendly product category during the Journée des Collections event. It also earned silver in the Jard'innov competition, in the "Soil mix and soil amendments" category! What won the juries over was a simple statistic: the carbon footprint of our product is 4 times lower than that of peat-containing soil mixes.



One major B2B milestone was reached when Florentaise started supplying urban landscapers with **URBA1200 ST**, the very first green-roofing substrate with no peat at all. It's now possible to create intensive green roofs in cities without destroying peat bogs! This sustainable substrate is specifically designed for planting and landscaping: leisure and vegetable gardens are risk-free and easy to maintain on rooftops and balconies. Indeed, it's 100% produced from renewable raw materials recovered from the local economy: nothing travels more than 200 km (125 miles) to reach the factory! This product is an excellent eco-friendly low-carbon alternative to peat and pozzolana-based products, both of which are non-renewable and loaded with heavy carbon emissions. Thanks to URBA1200 ST, landscaping businesses in urban settings can now go the route of fully sustainable services. Using local, renewable resources is what makes it possible for URBA1200 ST to have a carbon footprint 10 times lower than other peat and pozzolana-containing products.



Hear it from our producers

Nelly JOULIN, production manager for the City of Angers, converted a major portion of ornamentals to peat-free substrates.

"We moved to peat-free soil mixes first of all to get ready for the announced closing of peat bog mines. It also made sense to go local and renewable, and of course the environmental value was high.

It takes a while to adapt from peat to no-peat growing, and I wanted us to have a head start on that. Others will have to convert in very little time, they're signing up for a hectic future!

We tested the VERH zero-peat soil mix last year on several plant varieties in different categories like annuals, biennials, a few perennials, and tried it out on different pot sizes, too. We saw no difference at all. All we did was adjust our fertilizing a bit, and this year we're 100% peat-free and the outlook is great!

Today, the only peat-containing products we use are for leaf plants and seedlings; we're hoping for a peat-free product that will be as effective for these specific uses.



Hear it from our producers

Jérôme DENIS specializes in perennials and produces plants for the Jardins de Loire group (and brand). He's working in Maine et Loire, near Angers.

For the past 3 years, Jérôme has been steadily increasing the portion planted in peat-free soil mix to nearly 85%.

When we asked him why he shifted to zero-peat growing mediums, this is what he answered:

"At first, I just wanted to stand out from my competition, but then it really became a decision for the environment. Retail customers are now searching for plants that are grown in smarter ways, more local, etc.

Today, everyone knows about peat, what it is and where it comes from. It grows over thousands of years and doesn't regenerate fast, so if we can avoid using it and hurting the environment, we should do so.

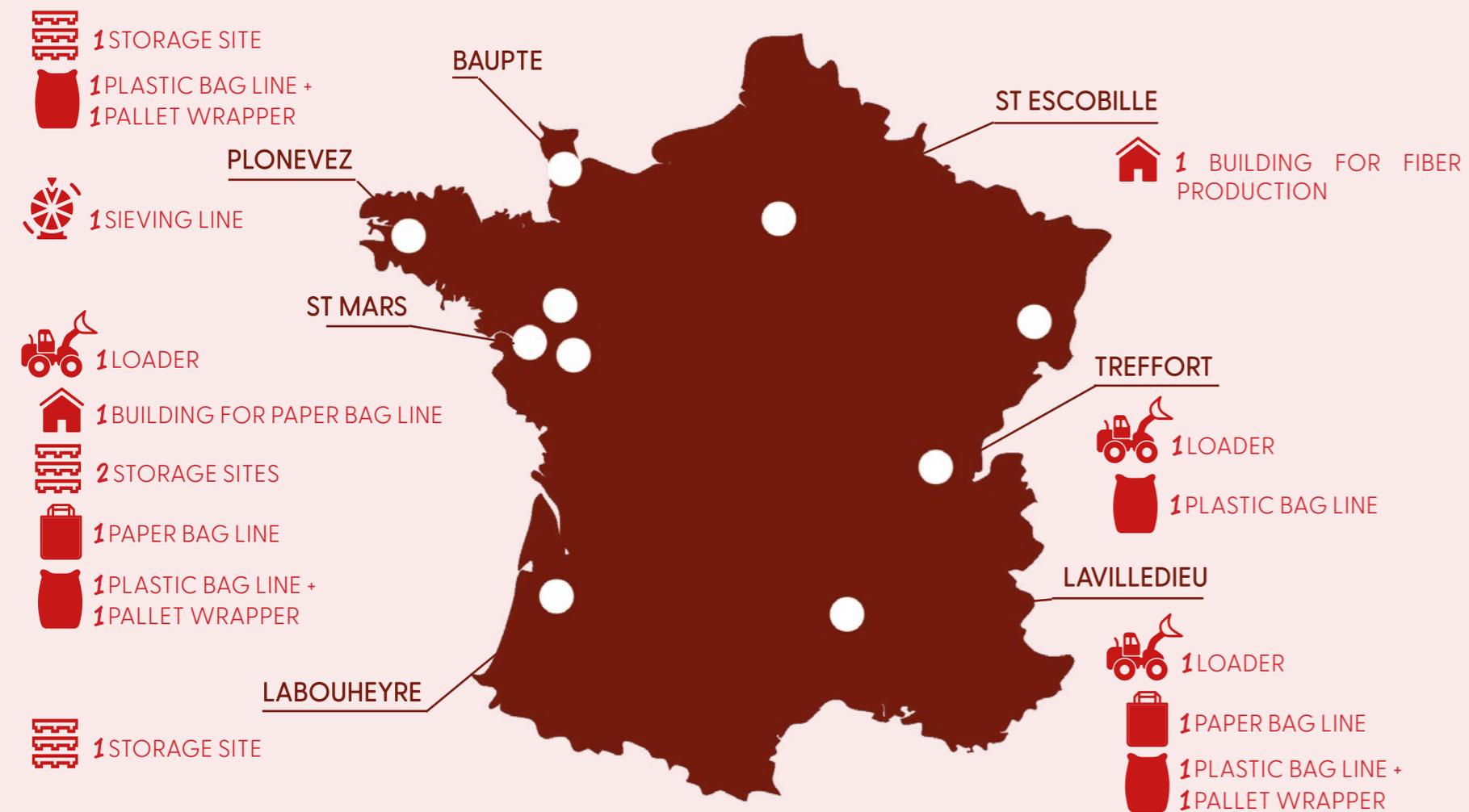
It's been 3 years since we started switching to peat-free products. For 10 trucks of soil mix we order, about 1½ still contain peat because for certain crops like vegetable seedlings sold in nursery pots, we haven't yet found the right substitute. Three years later, in terms of performance, I can tell you that I see strictly no difference between soil mixes with and without peat."





This trend is driving us to increase our production throughout the country.

Increased demand requires additional production capacity, with state-of-the-art machinery. To produce more, and better, we invested in quite a few upgrades and projects from June 2021 to June 2022.



INTERNATIONAL EXPANSION

Our pioneering expertise, over 20 years' worth for some raw materials such as Hortifibre®, together with unmatched quality, explains why demand for our peat substitute is increasing not only in France but across the planet!



"Our wood fiber products, Hortifibre® and Turbofibre® are triggering a lot of interest on the part of our soil-mix manufacturing peers in Europe and the USA. We are more than doubling our current pool of BIVIS machines over the next 12 months, and have leads for at least a year after that. Today, our main challenge is generating more capacity to meet demand, both in wood fiber and in BIVIS machines.

Antoine CHUPIN

One solution to accomplish this challenge was to create an international installation and maintenance hub dedicated to our BIVIS wood-fiber machines. Maximilien LEFFRAY manages this entity.

Can you tell us about how the BIVIS team is organized?

We're just getting the service up and running. Its role is to manage the industrial implementation when installing new wood fiber production lines that involve a BIVIS machine. We do this directly with customers internationally, and in France we're supporting our Florentaise sites all the way to the first run. Since our team is specifically trained and works on this full-time, we can support local production teams on-site in France and at our internal customer's to standardize installations, for a smoother launch and run.

Our technical team numbers 5 persons: 2 team leaders who deal with scheduled maintenance and new installations, and 2 project leaders who organize schedules together with production sites and write specs up for new machines. They track the assembly and installation processes. Part of their job is to make sure regulations and safety procedures are implemented. Lastly, there's me: I'm in charge of organizing this department to anticipate short and long-term needs.



How will your department respond to growing demand in exports and in France in the future?

The wood fiber (or bark fiber) industry is a straightforward one. Machines are highly efficient and there's no competition on this front. Materials produced are noble and beneficial - both for the environment and in the economic sense. I have proof for you: today, 6 BIVIS are up and running in the United Kingdom (+7 by end of 2022); 1 is in the Netherlands; 3 in France (+2 in 2023 in Treffort) and +4 more in 4 different countries in 2023.

And we haven't even begun to explore the entire range of fibers these machines can produce!



IN EUROPE:

+ 188%

HORTIFIBRE SALES COMPARED TO N-1, WITH 56,000 M³ SOLD TO SPAIN, ITALY AND THE NETHERLANDS

IN ASIA:

109,000 m³

GROWING MEDIUM SOLD IN CHINA IN 2021

36,000 m³

WOOD FIBER EXPORTED TO CHINA IN 2021



REMINDER: WOOD FIBER GENERATES 54 TIMES LESS CARBON COMPARED TO BROWN PEAT.

Focus:

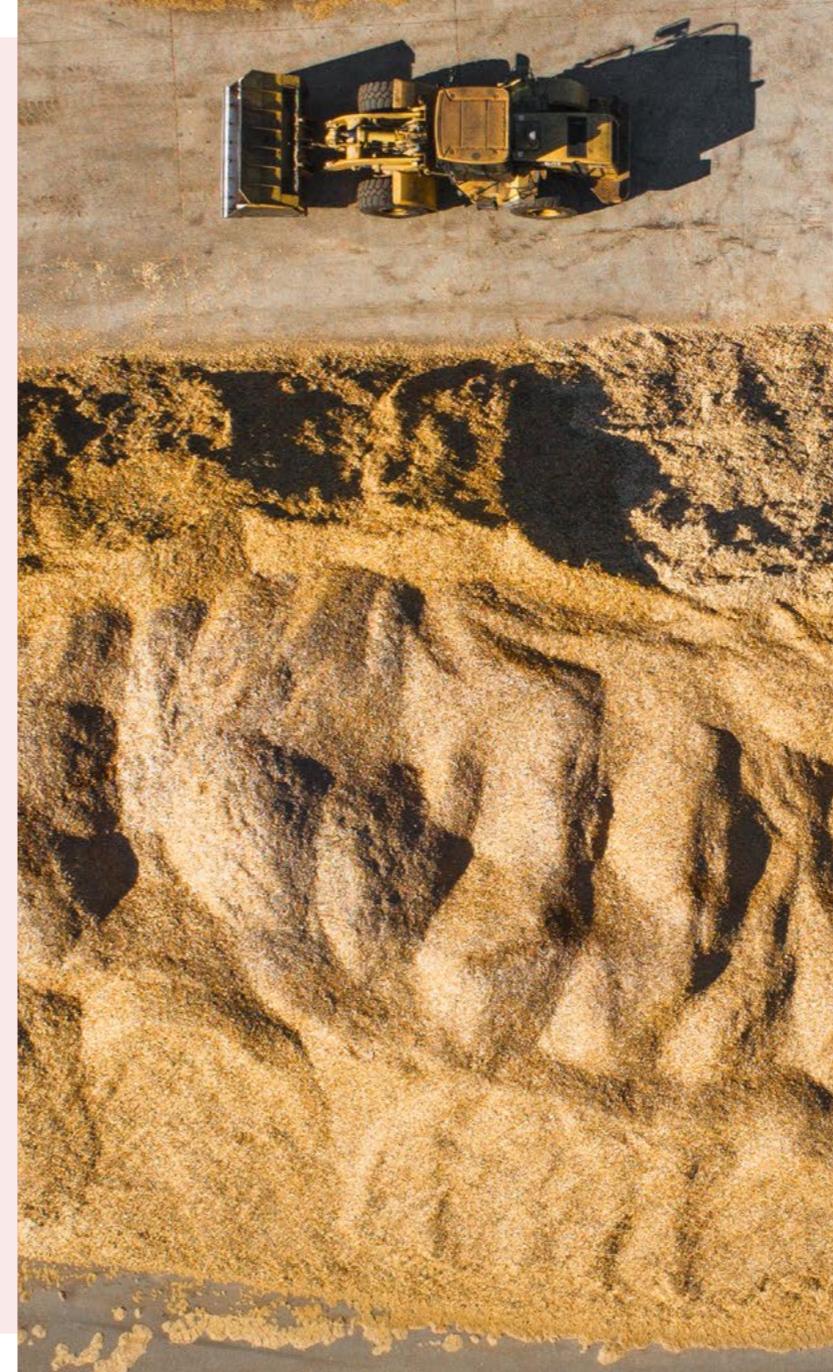
ACROSS THE GLOBE

International expansion for soil mix:

"In China, Fulan (Florentaise, in Chinese) is the leading professional soil mix manufacturer for the Chinese market, with 2 factories as of now. We plan to open 3 more factories within 5 years in order to serve all Chinese production sites locally.

In India, we will continue to produce Woodpeat (a blend of Hortifibre® and coconut fiber) for the Chinese market."

Antoine CHUPIN



This 2021-2022 year was again different. **Evolving is the key to success.**

We got through the pandemic without too many difficulties, but the situation of the world today – politically and economically – shows we're still in hard times. That's why we keep innovating, as you've seen in the pages of this report. Giving rise to ever-more sustainable and local solutions on our market is our aim. Thanks to this creativity, our company grew. We now have two feathers in our hat: leading manufacturer in France of peat-free soil mixes, and international supplier of renewable raw materials for our foreign peers.

My duty as leader for the company is to introduce the next phase: performance. We must turn these ambitions into real-world results to guarantee our future as a business, and jobs for our teams.

Florentaise is a sustainable company that has found its purpose, its value, and its aspirations. **We have a mission: make the soil mix industry go carbon-neutral – globally.**

The times of limitless resources is over. Degrowth isn't the only path left open, though. Producing better, relying on common sense with meaningful products that make the world a better place: environmentally, for individuals and the whole of society. That's our mission.

We know social challenges await. Attracting tomorrow's talents is the true battleground for many businesses. I believe the mission and values driving Florentaise and each one of us in this beautiful enterprise have such force that they will help us, once again, reap the fruits of our sowing.

Chloé Chupin



Le Grand Pâtis

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