



RESPONSIBILITY PLEDGE



FOREWORD

Dear Reader,

To lastingly enhance the life of every single person with more greenery and strengthen their unity with nature and the environment is our vision. Day after day, it drives more than 800 employees at over 25 locations across Europe to develop sustainable, quality products and solutions. Our diverse range of products is geared towards the specific needs of hobby gardeners and their plants, focusing on one thing in particular: Nature. To strengthen it, to protect it, and to give something back to it.

Responsible action and sustainable management are central parts of COMPO's DNA. Long before sustainability became a topic that was present in society as a whole, COMPO was already offering organic products. As interest grew, the next logical step was to consistently expand the full range of organic products across Europe. In this way, we created the basic conditions for gardening with ecological balance at an early stage.

But as a leading supplier of branded products for plants in the home and garden we have set ourselves the task of going much further: Looking forward – the next step is reinventing successful, traditional products and making them into those of organic quality. Our comprehensive, company-wide process to manifest our commitment to sustainability and all associated ecological, social and social business activities in a holistic context was launched early on: COMPO's Responsibility Pledge.

Our Responsibility Pledge represents our all encompassing understanding of sustainability, which includes environmental aspects as well as social issues, responsible corporate governance and COMPO's role as an employer. It places the topic of sustainability at the centre and links it with the principles of quality, transparency

and partnerships. We are convinced that we can only achieve our vision through a balanced system.

To date, COMPO has already reached many important milestones that have enabled us to continuously reduce our footprint and steadily grow our handprint. You can find out how we are achieving this in detail on the following pages.

At this point, it is important for us to emphasise that the document you are holding in your hands does not claim to be a sustainability report. Rather, it goes beyond that. It marks the continuation of a long – and certainly challenging – journey that we as a company began years ago and on which we would like you to accompany us from now on.

In this and subsequent publications we will provide detailed reports in which we will make the current situation and our efforts relating to sustainability transparent. You will also learn about future goals, such as the company-wide sustainability declaration, the CO₂-reduction plan and ambitious targets that we have set ourselves and that we will strive to achieve in the coming years.

We have prepared ourselves well for this journey. From regional raw materials, which are sourced from the circular economy wherever possible, a sophisticated decentralisation strategy, and an award-winning packaging concept to a broad range of products and supplementary services for retailers and consumers. Sustainability is already firmly rooted in our value chain at COMPO and an essential part of our preparatory work was the establishment of the ESG House of Competence and its interdisciplinary team, which has been integrated into COMPO's organisational structure.



We are convinced that green leadership, as we as a company practice it, can never be an end in itself but is always the manifestation of shared responsibility – for our customers, for our employees and for our nature.



Yours

A handwritten signature in black ink, appearing to read "Stephan Engster".

Stephan Engster, CEO

Yours

A handwritten signature in black ink, appearing to read "Anton Staals".

Anton Staals, CFO



We have always been aware of our responsibility for the environment. Responsible and sustainable solutions are firmly rooted at COMPO.

Stephan Engster, CEO



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COMPO is Europe's leading supplier
of branded products for plants in the
home and garden.**

Anton Staals, CFO



ABOUT COMPO

YEAR ESTABLISHED

1956

HEADQUARTERS

Münster

EMPLOYEES

> 800

SHAREHOLDER

Duke Street

MANAGEMENT



Stephan Engster (CEO)

Anton Staals (CFO)

COMPANIES

> 25

among them in Austria, Belgium, France, Italy, Poland, Switzerland, Spain

PRODUCT RANGE

Focusing on organic, our versatile range comprises soil and compost, fertiliser and plant care, lawn care, plant protection and pest control products

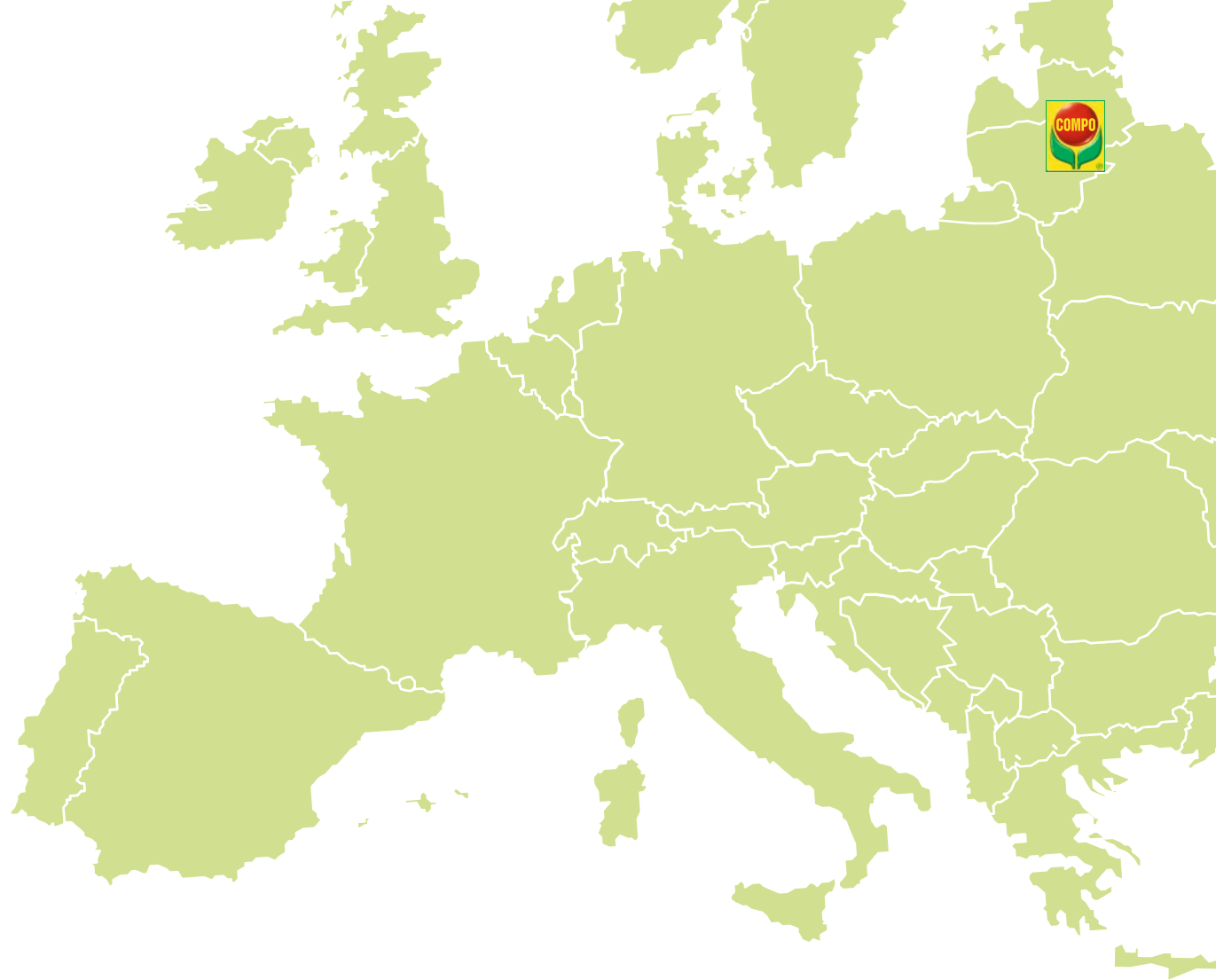
MARKET LEADERSHIP

in Germany, Austria, Switzerland, Italy, Spain, Belgium



COMPO is Europe's leading supplier of branded products for plants in the home and garden. Hobby gardeners will find everything they need to care for their plants in our range – from potting soil and fertilisers to lawn seed, pest control and plant protection products, with a focus on organic.

It all began in 1956 with the launch of the first potting soil in consumer-friendly packaging – the well known and to date multi-award-winning brand COMPO SANA. Day in, day out, more than 800 employees from at least 25 sites are now working on the development of a diverse range of sustainable quality products and solutions.



1956



1967



1975



1993



1999



2005



2012



2019

WE WANT TO LASTINGLY ENHANCE THE LIFE OF EVERY SINGLE PERSON WITH MORE GREENERY AND STRENGTHEN THEIR UNITY WITH NATURE AND THE ENVIRONMENT.

MILESTONES

Much has happened since the company was founded in 1956. COMPO has continually developed over time and set new standards in the industry.

Discover what has happened since 1956 here:



RESPONSIBLE CORPORATE GOVERNANCE

Responsible corporate governance and control form the pillars of long-term success at COMPO. Clear principles, internal guidelines and responsible business relations are always in line with the corporate values of quality, reliability, responsibility, innovation and joy of life, thus creating the framework for cooperation and action with integrity and responsibility.



In addition to responding to each new development it encounters, COMPO proactively exceeds legal requirements and economic obligations across the entire value chain.

Stephan Engster, CEO





CORPORATE VALUES

An uncompromising commitment to high quality has been the foundation of COMPO's success from the very beginning. All products work, are safe, and are easy to use. This means that everyone can rely on getting the most out of their plants and achieving the best outcome, regardless of whether they have green fingers or two left hands.



COMPO always keeps its promise and assists and inspires garden owners and plant lovers in designing their green habitat. With many years' knowledge and a wealth of experience, COMPO is there to assist you.

Gardening in harmony with nature and the environment is pure happiness. Green oases compensate perfectly for the hustle and bustle of everyday life, at the same time giving countless opportunities to make the most of them.



Innovative drive is the basis for developing efficient sustainable solutions and maximum performance. The diversity that can be seen in COMPO's range provides answers to each individual gardening requirement, giving rise to new potential.

COMPO takes responsibility for its employees, partners, customers – and for a greener world. The extensive range of sustainable and natural products helps everyone to develop the full potential of their plants and strengthens the bond with nature and the environment.



COMPO OFFERS A VARIETY OF QUALITY PRODUCTS AND SOLUTIONS.

BRANDS

COMPO has developed into a strong international brand since its foundation in 1956 and as one of the few full-range suppliers of plant care products for the home and garden is market leader in many European countries.

Today, more than 60 percent of the company's services are provided internationally. In particular, the share of organic is growing rapidly and steadily.

COMPO

The COMPO brand offers a variety of quality products, solutions and services for every plant and gardening challenge. All products work, are safe, and are easy to use. The wide range of products offers both mineral-based and organic solutions that are equally beneficial for human beings, animals and nature.

ORGANIC RANGE

Organic quality products have a long tradition at COMPO. We focused on this forward-looking segment early on and have consistently expanded it ever since. The COMPO organic range is aimed at hobby gardeners who use organic solutions and want to work organically with them. The broad organic product range stands for natural, fully effective performance.

ORGANIC & RECYCLED

'Organic & Recycled' sees COMPO offer an integrated concept comprising ingredients and packaging made from recycled raw materials for the first time. COMPO is the first company in the industry to consistently implement the idea of a resource-saving product cycle.

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Organic products enjoy a share of more than 30 percent of the European market. This share will rise to more than 50 percent in the medium term. Organic is becoming the new normal and has long been rooted at the core of COMPO's strategy.

Stephan Engster, CEO



RANGE



THE BASIS – POTTING SOIL

Potting soils are one of the most important ranges. Whether universal or speciality soil, COMPO has an excellent understanding of the needs of the various plants and puts together substrates that are perfectly tailored to their specific requirements. The share of organic soil has doubled since 2020. The use of raw materials such as green compost or wood chips and the regional site concept has significantly reduced their carbon footprint.



FOR PLANT HEALTH – PLANT PROTECTION

A variety of diseases and pests can affect plant health. COMPO offers a broad range of products that work both rapidly and effectively. In particular, plant-based environmentally friendly solutions are used.



OFF INTO THE GREEN – LAWN CARE

Many lawn owners dream of a healthy lawn that's deep green in colour. Directed at the specific requirements, the seeds form the basis of a healthy lawn. To ensure the lawn withstands the stresses of everyday gardening, it needs to be supplied with nutrients regularly. COMPO is continuously expanding its lawn range with organic formulations to provide owners with perfectly harmonised organic products throughout the year.



UNINVITED GUESTS – BIOCIDES

Even though they are beneficial and fulfil important tasks in nature, they have no place in the home. Whether it be ants, midges, wasps or rats and mice, the COMPO range offers efficient solutions to combat these uninvited guests.



ON TRACK FOR GROWTH – FERTILISER

Only when plants receive sufficient nutrients are they able to develop healthily. As part of the company-wide sustainability strategy, organic liquid fertilisers are just one of the segments in which COMPO consistently continues its growth course.



SERVICES

In addition to the product range, COMPO also offers and is continuously expanding a broad spectrum of services – from the online training academy and a podcast to WhatsApp and video tutorials.



The aim is to be a reliable expert on gardening topics for trade partners and consumers through all channels at all times.

Anton Staals, CFO



Find out more about COMPO's broad range of brands and products here.





**“
COMPO TAKES RESPONSIBILITY FOR ITS
EMPLOYEES, PARTNERS, CUSTOMERS
– AND FOR A GREENER WORLD.**

Stephan Engster, CEO

COMPO'S SUSTAINABILITY STRATEGY BECOMES COMPO'S RESPONSIBILITY PLEDGE

Responsible action and sustainable management are central requirements for COMPO on all levels. Thanks to a high level of innovation, a responsible value chain process and a unique logistics concept, COMPO has been creating sustainable, natural and responsible solutions, services and products for years.

3 QUESTIONS FOR STEPHAN ENGSTER, CEO

COMPO's sustainability strategy becomes the 'Responsibility Pledge' – what exactly does that mean?

We have always been keenly aware of our responsibility for the environment. Sustainable and responsible solutions have been firmly rooted at COMPO for many years. COMPO launched its first organic products long before sustainability was an issue for society as a whole, and then quickly launched and has consistently expanded its full range of organic products at European level. One aspect we have yet to focus on is pooling all our efforts in a holistic, company-wide strategy – one that is just as consistent with the COMPO quality promise as it is with the requirements of our partnerships – and discussing it both internally and externally.

COMPO's Responsibility Pledge goes beyond sustainability?

First of all, it is important to emphasise that we are taking an even broader view of sustainability and making it more transparent. At COMPO, sustainability includes environmental aspects as well as important social issues, responsible corporate governance and COMPO's role as an employer, which we also report about in our declaration of conformity with the German Sustainability Code, for example. In addition, COMPO's Responsibility Pledge also takes into account the principles of quality, transparency and responsible partnerships. Only through the interaction with sustainability is it actually possible to improve our own footprint.

What does implementation look like?

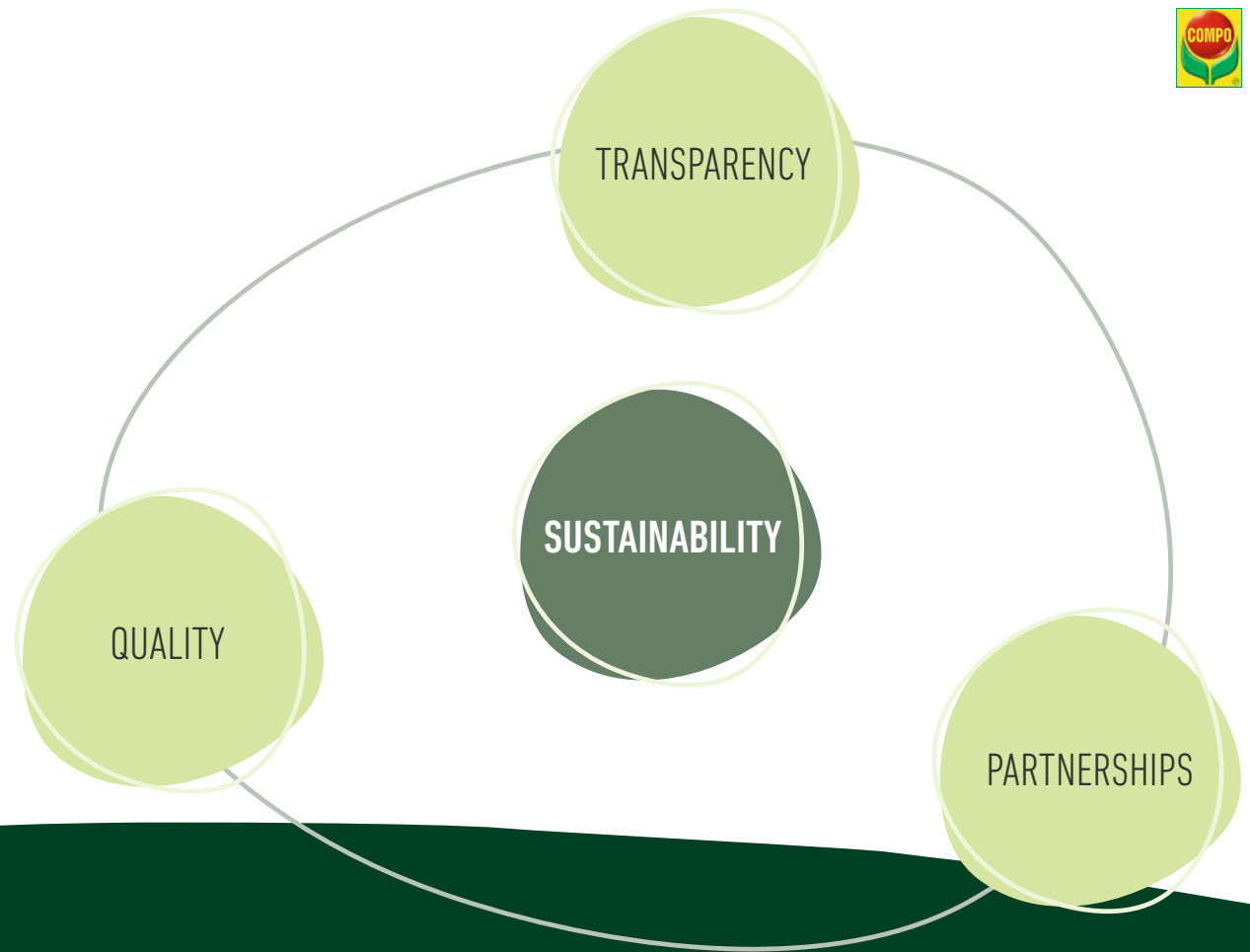
What we do has a solid foundation. It is of the highest quality, which has been certified for decades through external and internal audits and confirmed by numerous awards. Our internal research work enables us to consistently unify the requirements of the market, consumers and nature and to develop our sustainable solutions and services. At the same time, we do not centre our measures on sustainability so as to artificially record progress but rather commit ourselves to the highest standards, such as the German Sustainability Code, which bases its performance indicators on the Global Reporting Initiative (GRI).



In 2022, COMPO integrated its commitment to sustainability and all associated activities into an overarching sustainability strategy based on a comprehensive, company-wide process.

Peter Bali, Head of Corporate Development

Four overarching principles put responsible behaviour and sustainable management at COMPO into concrete form:



THE PRINCIPLE OF SUSTAINABILITY STANDS AT THE CENTRE OF COMPO'S RESPONSIBILITY PLEDGE

Sustainability is firmly rooted in COMPO's own vision of responsible action. The focus on using local raw materials, preferably obtained from the circular economy, or the consistent curtailing of delivery

routes contributes towards noticeably reducing emissions in exactly the same way as the sustainable packaging concept does.

ESG HOUSE OF COMPETENCE

As part of the sustainability strategy process, the responsibilities and structures for consistently pursuing sustainability at COMPO were reorganised.

The cross-functional and cross-company core team covers all business areas and fields relevant to the sustainability strategy.

It supports and coordinates sustainability activities in the various business units.

Depending on the issue at hand, other employees are involved in working on the respective areas of activity.



The establishment of the ESG House of Competence is an important step towards doing justice to the strategic importance of sustainability at COMPO and jointly realising ambitious short-term and long-term goals.

Peter Bali, Head of Corporate Development

SUSTAINABLY RECOGNISED STANDARDS AND AMBITIOUS GOALS

After the kick-off for the pooling and amplification of all our sustainability measures in 2022, it was immediately clear that just like the quality of products and solutions, COMPO also has the highest standards when it comes to our company-wide commitment to sustainability. To ensure consistency, transparency and comparability, COMPO's sustainability strategy is based on the German Sustainability Code transparency standards and thus also on the GRI's performance indicators, which those standards reference. The Sustainability Code also ensures that the company-wide sustainability standards are highly

visible and comparable with its own publication platform and at the same time that comprehensive internal and external transparency prevails. COMPO's first Sustainability Code declaration has been available on the platform since September 2023. COMPO also uses the holistic CSR assessment by the internationally recognised rating agency EcoVadis, where it has achieved silver status. COMPO has also been certified in accordance with DIN EN ISO 9001 for two decades and is now planning for additional certification in accordance with DIN EN ISO 14001.



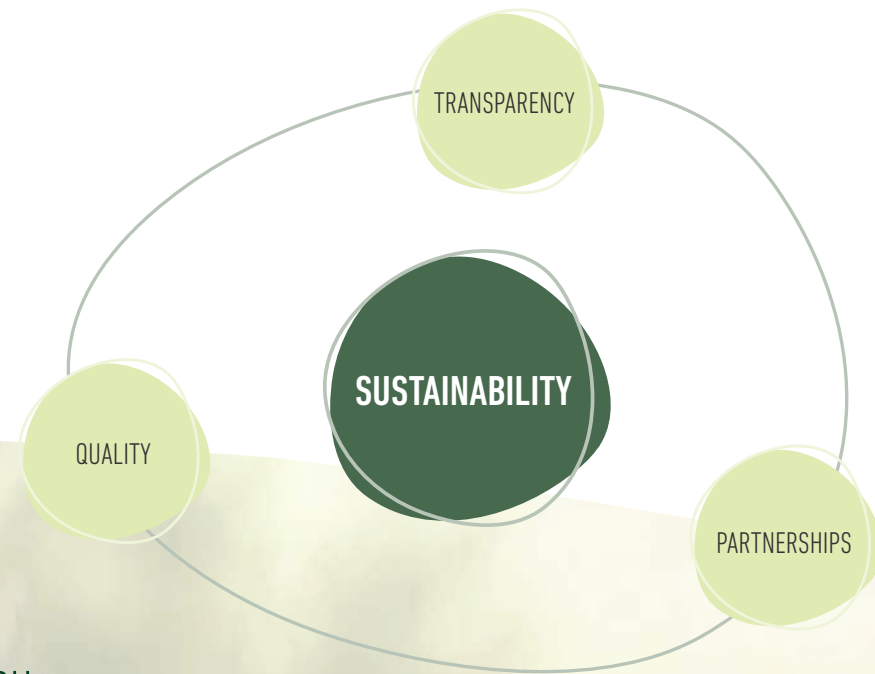
Although planting trees and setting up beehives is important and good, it is not a genuine sustainability strategy. Much more is needed in this regard. COMPO is committed to the highest recognised standards of sustainability and transparency and the development of ambitious reduction targets.

Stephan Engster, CEO

To further increase transparency in relation to the targets already attained and those in the future, a greenhouse gas balance sheet with a package of measures for a clear reduction plan is being presented.

REACHING THE GOAL WITH AN EXPERIENCED PARTNER

By partnering with B.A.U.M. Consult GmbH, COMPO has at its side a renowned consulting firm that focuses on the sustainability projects of companies, municipalities and regions. B.A.U.M. has provided advice and support for COMPO's ESG programme from the very outset.



3 QUESTIONS FOR GUDRUN ENGELHARDT, HEAD OF SUSTAINABLE MANAGEMENT AT B.A.U.M. CONSULT GMBH

How was the cooperation with COMPO?

We enjoyed supporting the extensive strategy process with the cross-functional COMPO team from the baseline situation and materiality analysis to the final roadmap. A series of discursive workshops were supplemented by expert interviews, stocktaking and analyses. The UN's 17 Sustainable Development Goals for a fairer and more sustainable world provided the framework for the sustainability strategy, as well as for the identification of COMPO's key action areas.

Why do the SDGs provide a framework for sustainable action at COMPO?

Since they are highly recognised as a globally valid package of goals rooted in the 2030 agenda to promote sustainable peace and prosperity and to protect our planet, the SDGs have also become part of corporate sustainability and are an excellent communication tool. CheckN is a method that we have developed at B.A.U.M. for determining key sustainability issues in relation to the SDGs and using them as a transparent and comparable basis for the development of the central strategic goals. We were delighted to lead, monitor and assist in this process in tandem with COMPO's dedicated and competent team.

Triple P or 3P is often mentioned in the sustainability debate. What is it all about?

The 'Triple P approach' (planet, people and performance), or 3P approach for short, is an excellent method for developing a company in a holistic and structured way in all three dimensions of sustainability in terms of sustainable management. It was also used at COMPO as part of the strategy process, primarily as an important guiding principle in the strategy team's workshops and initially focusing on the topics of planet and people, for which strategic goals were developed. In addition to the ecology and social responsibility action areas, targets are now also being systematically aligned with the topic of performance.

CENTRAL FIELDS OF ACTION AND GOALS

The Sustainable Development Goals form the guidelines for the further development of the strategy.



As part of a materiality analysis (CheckN), the key SDGs for COMPO were identified and targets and action plans were developed for them. In this way, the COMPO sustainability strategy was gradually put into concrete form in a long-term roadmap.



3 GOOD HEALTH AND WELL-BEING



We are a responsible and forward-looking employer.

We are characterised by a pleasant working atmosphere, teamwork and a flat hierarchy.

We offer all employees a safe workplace in a working environment where all essential health and safety measures are in place.

4 QUALITY EDUCATION



We have created a framework for professional and personal development, thereby strengthening the expertise of our employees.

We record our sustainability initiatives and regularly publish a sustainability report in accordance with recognised standards.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



We are pioneers in circular value creation through strategic partnerships in the raw materials and packaging sector of the green industry.

We promote organic gardening by transferring knowledge to specific target groups via all our communication channels and with our products.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



We are establishing ourselves as a 'green leader' in the category with a sustainable product range that enables consumers to lead a responsible lifestyle and through resource-conserving production.

We have defined consistent assessment criteria for sustainability and apply these consistently to the entire product portfolio.

13 CLIMATE ACTION



Our product portfolio is ecologically compatible, meeting the highest quality standards and the requirements of all customer groups.

We are focusing on decarbonising our production sites and at the same time reducing our transport routes through regional sourcing.

We develop strategies to create permanent carbon sinks.

15 LIFE ON LAND



We are consistently switching to more organic materials and thus improving biodiversity in gardens.

IN CONTINUOUS DIALOGUE WITH INTERNAL AND EXTERNAL STAKEHOLDERS

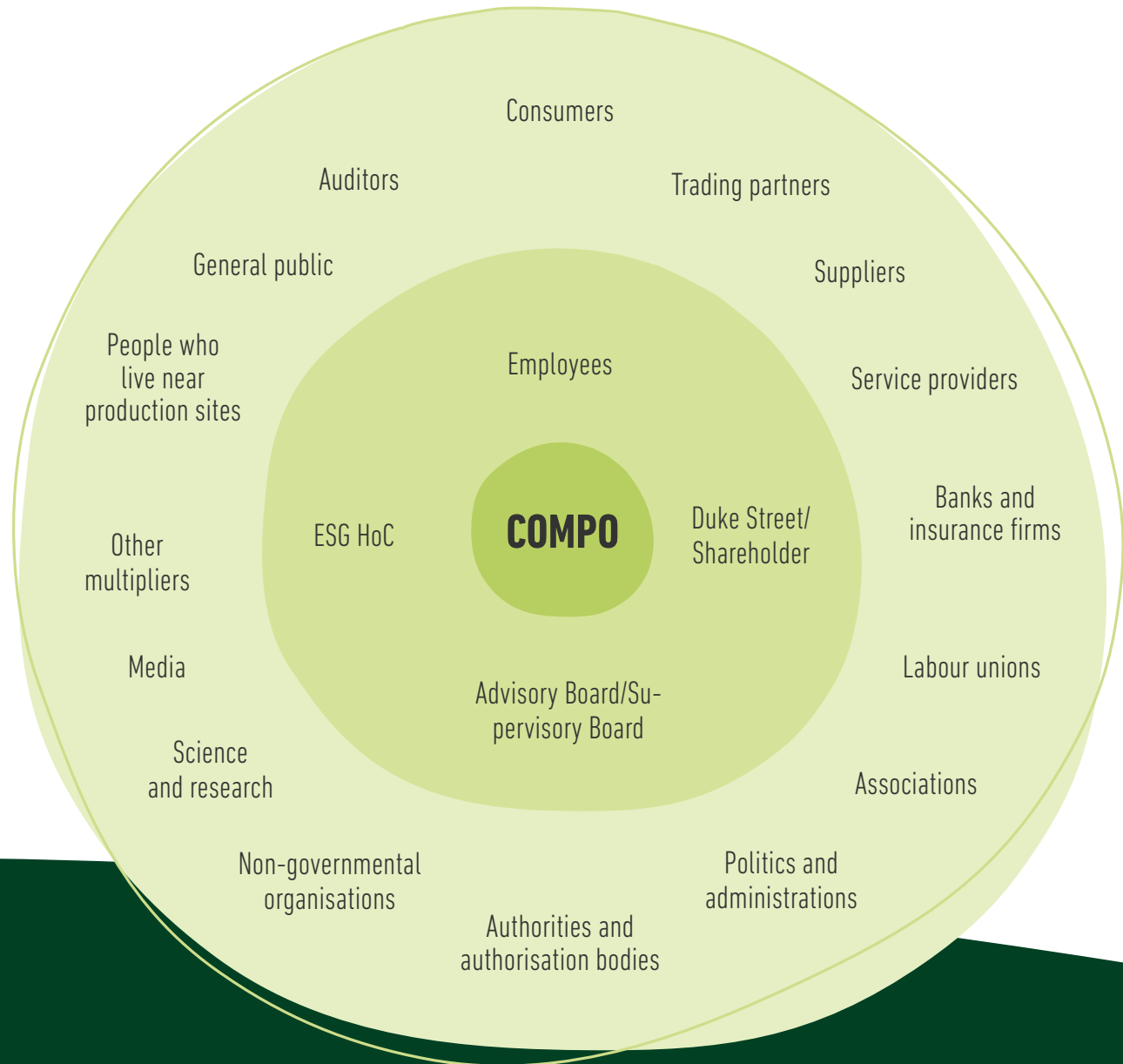
It is only through joint commitment that COMPO can achieve its vision: To sustainably enrich everyone's life with more greenery and to strengthen their unity with nature and the environment.

COMPO therefore attaches great importance to maintaining a continuous dialogue with all relevant stakeholders so as to drive forward and further develop the company-wide sustainability strategy from a stakeholder perspective.



COMPO seeks and maintains an active dialogue with internal and external target groups arising from its core business.

Holger Otto Vox, COO PS



STAKEHOLDER DIALOGUE

Employees

Employees are involved in the sustainability process from the very outset and encouraged to play an active role in shaping it. Direct dialogue with the respective manager and regular feedback meetings take place on an ongoing basis. In addition to these dialogue formats, COMPO also provides information on progress in the sustainability process via the intranet, newsletters and corporate social media channels.



Long-term success can only be achieved in the sustainability process and sustainability firmly established in everyday corporate life if backed by every employee.

Anton Staals, CFO

Consumers

COMPO offers numerous different channels and services, from gardening advice at the POS to social media and WhatsApp services, so that customers can easily enter into dialogue with COMPO. This has proven its worth and provides important impetus for business decisions, which is why the service and dialogue offering is being systematically optimised and expanded, and the further development of the product range is always tailored to current customer needs and long-term consumer trends and plant requirements.

Trading partners and suppliers

Responsible procurement is achieved within the framework of value-orientated partnerships with trading or cooperation partners. To this end, COMPO has firmly established a continuous personal dialogue with retail partners and suppliers, which also focuses on environmental issues, such as short transport routes, and social issues. Retail partners have a wide range of services at their disposal, including the retailer portal, specialist retail training courses and newsletters, to help them achieve their own sustainability goals.

Political commitment

COMPO supports the formation of political opinions on all important topics to create a clear political framework that recognises the importance of products in key areas of life and ensures the sustainable development of the industry. Political involvement takes the form of memberships and participation in associations and organisations such as the Industrieverband Garten (IVG), Growing Media Europe (GME) or the 'Verband Deutscher Gartencenter' (VDG). COMPO is in direct dialogue with politicians and actively participates in the form of statements and position papers on legislative and consultation processes.

COMPO also proactively seeks dialogue with all other stakeholder groups as required.



SUSTAINABILITY IS FIRMLY EMBEDDED AS AN ATTITUDE IN COMPO'S CORPORATE CULTURE

COMPO's corporate culture summarises the company-wide values and standards. It governs how decisions are made and how actions are taken, applying equally to management, senior executives and employees. It also forms the basis for relationships with line managers, colleagues and partners. COMPO's corporate culture is characterised by a pleasant working atmosphere, teamwork and a flat hierarchy.

Code of Conduct

As a company agreement, the Code of Conduct provides the legal and ethical framework for employee behaviour and defines the basic rules of conduct within the company and in relation to the company's business partners and the general public. The Code of Conduct also reflects the fundamental values relevant to COMPO, in particular integrity, fairness and respect, compliance with regulations and the law, employment, occupational health and safety, production safety and quality, and environmental protection. It provides that the business transactions and business relationships at COMPO are conducted in accordance with the sustainability goals, all laws and regulations, and high ethical standards. This is because only such business behaviour simultaneously serves social interests and ensures the continued existence and long-term success of the company.

The Code of Conduct is supplemented by both an anti-corruption policy and the internal whistleblower system.

Anti-corruption policy

The anti-corruption policy is another important component of the company's rules and principles, enabling COMPO to safeguard its reputation risk and position itself as a business partner that has integrity and is committed to fair competition. Its adoption as a company agreement means it is binding for all COMPO employees.

Internal whistleblower system

All violations of applicable law or the COMPO compliance system are not tolerated and consistently penalised. Employees, business partners and third parties have the opportunity to report irregular behaviour at any time via our internal whistleblower system, anonymously if desired.



The dual control principle ensures transparency in relation to all important assignments, contracts and invoices. This reduces the risk of errors and misuse. The dual control principle is supplemented by a transparent company-wide grading system for signatory authorisations.

Stefanie Bielevelt, Head of Legal

Compliance management

Compliance with legal and the company's internal regulations is an integral part of the internal value system and core values at COMPO. The binding framework for legal and ethical behaviour, as well as for compliance with legal requirements and ethical issues is clearly defined in the compliance system. It forms the basis for the implementation of internal and external requirements. To sensitise all employees to behaviour that complies with legislation and guidelines, compliance is an integral part of the mandatory web-based training courses that must be completed annually.

Human rights

It goes without saying that COMPO respects human rights in all its business activities, without exception. Moreover, the Code of Conduct stipulates that forced labour, child labour and discrimination are not tolerated in any form – neither at COMPO nor at the company's business partners. COMPO follows the 'equal pay for work of equal value' principle. COMPO also requires that its business partners comply with all applicable laws on the remuneration of labour, as well as with the statutory provisions on working hours.



Employee rights

Employee rights are also enshrined in the Code of Conduct. COMPO is committed to providing all employees with a safe and healthy working environment and aspires to improve this on an ongoing basis. Each line manager is responsible for ensuring that employees are informed about the specific risks associated with their work or workplace and that regular training is provided on the topics of occupational health and safety. All protective equipment required for occupational safety is provided by COMPO.

Equal opportunities and diversity

COMPO offers equal employment opportunities for all employees. Unlawful discrimination against employees is not tolerated. The Code of Conduct stipulates that no employee may discriminate against another employee or business partner because of their ethnic background, culture or religion, age, disability, gender, sexual orientation or ideology.

Involvement of employees in the company

Participation of all employees is expressly desired at COMPO. COMPO has Works Councils that advocate for the interests of employees covered by collective agreements and those not covered by collective agreements on site. They are in regular dialogue with the management in a spirit of trust. Works agreements address aspects of the employer/employee relationship that are not formulated in legislation. Moreover, the uncomplicated company suggestion scheme encourages employees to contribute their own ideas and suggestions for improvement in relation to how COMPO can work in a more efficient, future-proof and environmentally friendly manner.

Appropriate remuneration

The IG BCE collective agreement and non-tariff agreements reached in consultation with the Works Council ensure that all employees receive appropriate and fair pay above the statutory minimum wage. In addition, all COMPO employees receive holiday and annual benefits. Capital-forming benefits are paid and contributions made to the company pension scheme. Depending on the location, they also enjoy other corporate benefits.

Work-life balance

COMPO offers employees a wide range of flexible working time models to help them reconcile work and family, care or other extraordinary life situations and has significantly expanded mobile working to enable even more flexible working time models in the wake of the COVID-19 pandemic.



The company-wide sustainability strategy will only be successful if all employees contribute to it.

Peter Bali, Head of Corporate Development

To facilitate and ensure this, both the strategy team, which was responsible for the further development of the sustainability strategy in 2022, and the ESG HoC represent a cross-section of all departments and areas of work at COMPO. Other employees are involved depending on the issue at hand and regular reports on the topic of sustainability are provided via internal communication channels.

RESPONSIBLE ACTION AT ALL STAGES OF THE VALUE CREATION PROCESS

COMPO's Code of Conduct ensures that responsible behaviour and sustainable business practices are key requirements at all levels of the value chain.

Research and Product Development

The internal research work drives product innovations forward. At the company's research centre in Münster, a multidisciplinary team investigates how each individual product can be made even more effective, safe, environmentally friendly and user friendly. In addition to searching for new raw materials, our experts create new formulations and continuously develop product recipes. The successful completion of authorisation procedures plays an important role. All products are tested rigorously both internally and externally before they are launched on the market.

Production Process and Regionalisation Strategy

The regional provision and processing of raw materials ensures shorter delivery times and routes and therefore a significant reduction in emissions. It also enables COMPO to guarantee greater reliability and flexibility in the supply chain, as well as to ensure better control of quality and volume flows. In particular, this is essential when production volumes in the product category increase significantly and continue to grow steadily.

Raw Material Selection and Procurement

The selection and plant-specific composition of the right raw materials forms the basis for the success of COMPO's products. The focus here is on high-quality and renewable raw materials that are sourced regionally and come from the circular economy wherever possible.

Supply Chain and Sales Processes

COMPO only enters into business relationships that are in line with the fundamental values of integrity, fairness and respect, compliance with regulations and the law, employment, occupational health and safety, production safety and quality, and environmental protection. The Code of Conduct states that COMPO must conduct business and maintain business relationships in compliance with all laws and regulations and in accordance with high ethical standards.



Targeted investments, cooperations and integrations are consistently driving forward the organic growth strategy and the regionalisation concept.

Anton Staals, CFO



Sustainable Packaging

COMPO's packaging made from recycled materials sets industry standards and has already won several prestigious international awards. It is not a conventional reusable solution but rather a packaging concept based on complete recyclability in addition to recycled content. The packaging is used for all product categories, i.e. foil bags, bottles, buckets and folding cartons.

www.blauer-engel.de/uz30a

- Folie zu mindestens 80% aus Recycling-Kunststoff
- Begrenzung von Schadstoffen

DE-UZ 30a/34382



Depending on product line, up to 80 % of the potting soil packaging is made from recycled plastic.



Liquid fertilizer bottles have a recycled content of 90 %. The manufacturing process in which the resulting plastic waste is reprocessed is unique in the fertilizer industry to date.



COMPO's collapsible boxes consist of 100 % recycled paper.



COMPO's buckets consist of 90 % recycled materials¹.

¹Contain small additions of virgin material, such as additives and colour

Sustainable Product Range

Since plants have different needs depending on the region, the product range is tailored to the specific requirements – and extremely successfully. Examples of special innovations:



Produkt
des Jahres
2022/2023
BaumarktManager
Sieger
Kategorie Garten

COMPO BIO BLUE FERTILISER
COMPO BIO Blue Fertiliser sees
COMPO translate the positive

and much-lauded properties of the traditional product Blaukorn® into organic quality. Naturally powerful, the COMPO BIO Blue fertiliser has ingredients with a particularly high nutrient content. The organic universal fertiliser supplies fruit, vegetables and garden plants quickly and reliably with all the important nutrients and ensures healthy plant growth and a high-yield harvest.



COMPO BIO GRANUPLANT®

COMPO BIO GRANUPLANT® is COMPO's answer to the significant increase in demand for products for the drainage layer. Unlike expanded clay, which has an unacceptable carbon footprint and pollutes due to its energy-intensive manufacturing process, GRANUPLANT® offers a sustainable and innovative organic alternative. This particularly environmentally conscious solution has 96 % lower carbon emissions than conventional expanded clay and is highly durable and versatile. The innovation will be complemented by a holistic indoor concept from 2024.

ORGANIC SOILS

As part of its consistent organic growth strategy, COMPO has been continuously expanding its organic soil range for years. All COMPO BIO soils and soil improvers are 100 percent peat-free. COMPO's comprehensive sustainability promise also includes the product packaging.



Sustainability is also a top priority for COMPO SANA® soil. The soil consists of over 50 % sustainable raw materials. We only process wood fibres and green compost at regional production sites. Any peat contained is RPP-certified.

Holger Otto Vox, COO PS

RAISED BED SYSTEM

Interest in home-grown fruit and vegetables has been unbroken for years – and raised beds are extremely popular. COMPO offers organic products for every raised bed layer, as well as 100 % natural and vegan fertilisers. COMPO BIO Raised Bed Activator sees COMPO achieve another innovation. Made from completely natural ingredients, just one application of the product activates the soil life in a raised bed, improves the soil structure, promotes aeration of the raised bed layers and thus creates the optimum conditions for a productive harvest. This applies to layers from the previous season, as well as to much older ones. Hobby gardeners can use COMPO BIO Raised Bed Activator to reactivate a raised bed whose last harvest was some time ago. Apart from reducing cost, this contributes in particular to sustainable gardening.



FULL RANGE OF ORGANIC LAWN CARE PRODUCTS

The systematic expansion of the COMPO BIO lawn care range is COMPO's answer to the growing demand for innovative and environmentally friendly lawn care for the entire gardening year. The perfectly coordinated natural lawn care products are suitable for organic farming, consist of 100 % natural ingredients and are harmless to humans, animals and nature.

ORGANIC SLOW-RELEASE FERTILISER WITH SHEEP'S WOOL

COMPO's sheep's wool fertilisers were the first slow-release organic fertilisers to be placed on the market. Sheep's wool is a sustainable and valuable raw material. It impresses the user with both its high nutrient content and the enormous water storage capacity. Obtained exclusively from sheep's wool waste, the wool it contains releases nutrients slowly, making it extremely gentle on the plants.



SINGLE DOSE

COMPO's successful single-dose concept focuses on uncomplicated and sustainable plant protection. Since the practical single-dose bottles are designed for standard spray liquid quantities, there is no need to make complicated measurements or calculations and active substance residues do not have to be disposed of.



Find out more about the sustainable product range here.

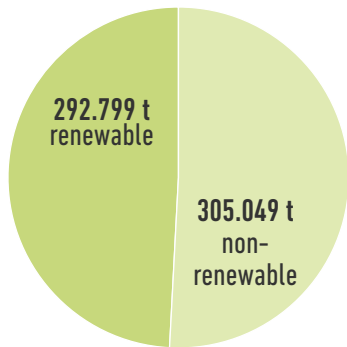
USE OF NATURAL RESOURCES AND RESOURCE MANAGEMENT IN FIGURES¹

One of the central objectives of COMPO's sustainability strategy is to further establish its pioneering role in circular value creation in the raw materials and packaging sector of the green industry through strategic partnerships. In terms of both raw materials and the packaging materials used, the focus is on

regional, renewable raw materials that originate from the circular economy wherever possible. The environmentally friendly selection of raw materials and the most economical and responsible use of these are being continuously developed, which means that raw materials are used as efficiently as possible in

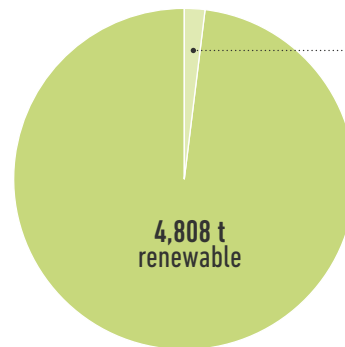
production, returned directly to the cycle wherever possible, water and energy requirements are minimised and waste is avoided as far as possible.

Raw Materials Used



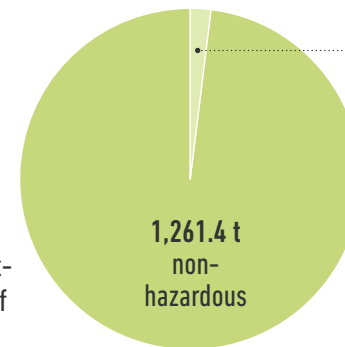
Today, almost 50 % of the raw materials used are already renewable.

Packaging Material Used



Renewable resources currently account for around 98 % of packaging materials.

Waste Balance²



Of all waste, which is collected separately and disposed of or recycled properly by the disposal companies, approx. 98 % is classified as non-hazardous.

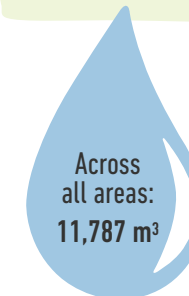
Use of Renewable Energies

In-house energy production is being planned and the switch to green electricity for all locations was implemented in 2023. This means that the electricity purchased is carbon neutral. The development of an electric company car strategy and e-charging points at the sites complement this area.

Total Energy Consumption³

Electricity	4,980,837 kWh
including from renewable energy sources	1,497,150 kWh
Natural gas	4,171,300 kWh
Heating oil	158,519 litres
Liquid gas	47,596 litres
Diesel	1,005,917 litres

Water Withdrawal in 2022





Scope 1 – Direct

Assessment of Climate-Relevant Emissions

A complete and comprehensive corporate carbon footprint assessment of all of COMPO's international production sites will be carried out for the first time in 2022

in accordance with the internationally recognised Greenhouse Gas Protocol with the aim of reducing CO₂ emissions as much as possible.

Scope 1 – Direct

HEATING	PRODUCTION GASES	MOBILITY	PEAT PRODUCTION
For example, <ul style="list-style-type: none"> • natural gas • heating oil • pellets 	For example, <ul style="list-style-type: none"> • propane • oxygen • mixed gases 	<ul style="list-style-type: none"> • petrol • diesel (cars and production vehicles) • liquid gas (mobility) 	<ul style="list-style-type: none"> • field emissions • storage

Scope 2 – Indirect

ENERGY PURCHASED	
<ul style="list-style-type: none"> • electricity at Burgheim • electricity at Gnarrenburg • electricity at Münster • electricity at Nauen • electricity at Rain 	<ul style="list-style-type: none"> • electricity at Ravenna • electricity at Roche • electricity at Saldus • electricity at Uchte • electricity at Vienna



With regard to the current situation in the company, only complete transparency will create the conditions needed for subsequently identifying the principal CO₂-emission drivers. This assessment should be completed in 2023.

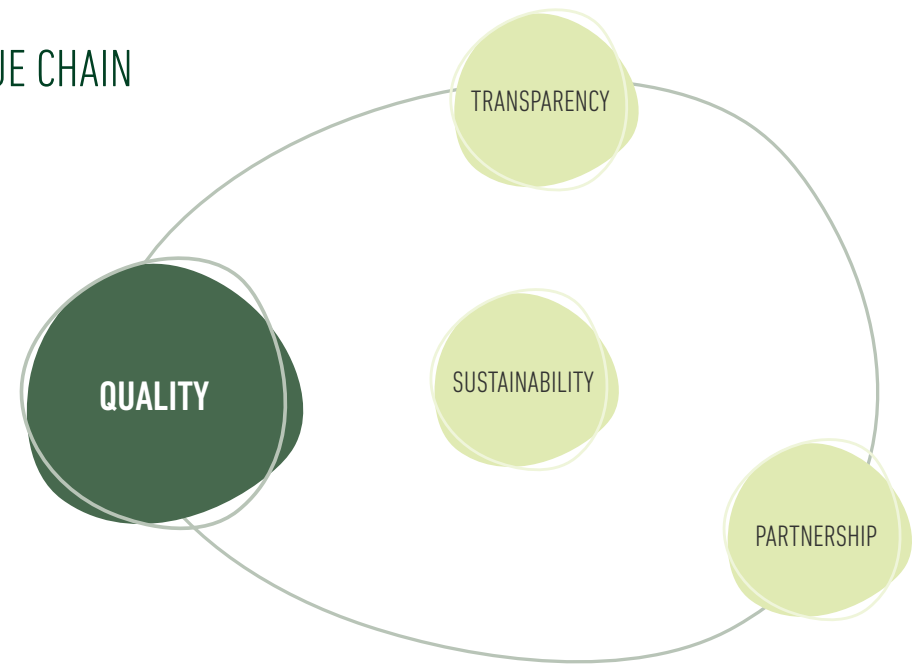
Peter Bali, Head of Corporate Development

Scope 3 – Indirect

RAW MATERIALS	PACKAGING MATERIAL
For example, for <ul style="list-style-type: none"> • mineral fertiliser • organic fertiliser • plant protection • seeds • potting soil 	For example, <ul style="list-style-type: none"> • recycled plastics • non-recycled plastics • composites • cardboard boxes

THE PRINCIPLE OF QUALITY AS A CONSTANT COMPANION IN THE VALUE CHAIN

COMPO's quality promise applies both to the international product range and to company-wide solutions and services. They must function reliably, be uncomplicated, and be safe to use. The high standards of sustainability, from raw materials to logistics, are always in line with COMPO's quality promise.



Research and Product Development

COMPO's own demand for the highest quality in products, solutions and services begins with the very first step. To ensure that COMPO's quality promise prevails, the team of experts at the company's research centre in Münster is already asking itself the essential question of how products can be designed to be as effective and user friendly as possible.

Raw Material Selection and Procurement

COMPO's quality promise also means that the products are optimised to meet the needs of different crops. To ensure this, they are composed of a variety of different high-quality raw materials and subject to continuous quality controls, which are carried out both in advance by the suppliers and finally by our in-house quality management team.

Production and Regionalisation

The quality promise must also be guaranteed in COMPO's production process. COMPO's regional location concept makes an important contribution to both reducing emissions and controlling quality.

Supply Chain and Sales Processes

Maximum production and delivery quality are two of COMPO's key requirements for all business relationships – as set out in the Code of Conduct. This ensures that the reliable availability of goods is guaranteed in accordance with the highest quality standards.

Packaging

The high packaging sustainability standards are always harmonised with user friendliness. All packaging is tested thoroughly before use.

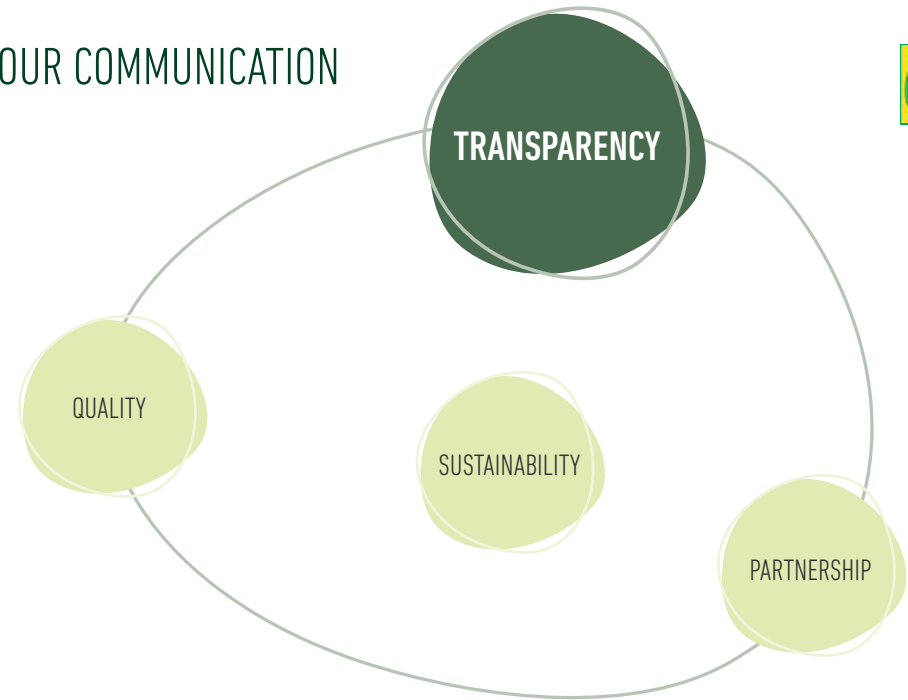
Services

The quality promise extends far beyond all products. The comprehensive range of services for retail partners and consumers must also always meet the standards we have set ourselves. Moreover, teams of experts and partners work continuously on optimising digital and employee advice services in this area.

THE PRINCIPLE OF TRANSPARENCY AS A CONSTANT FEATURE OF OUR COMMUNICATION



COMPO's responsible action also includes the timely and comprehensive provision of information. COMPO has therefore made a commitment to communicate transparently, both internally and externally. The principles of ecological, social and societal management, as well as corresponding corporate activities are presented comprehensively and transparently.



Sustainability Code Declaration

Initially officially published in Germany, COMPO's Sustainability Code declaration has been available since September 2023. Reporting in accordance with the German Sustainability Code ensures that COMPO is prepared for the upcoming EU reporting requirements. The declaration is based on the standards of the GRI. The Sustainability Code is appreciated and used by companies of every size and in all sectors, from retail to banking and insurance. It increases internal transparency significantly and ensures a high degree of visibility and comparability of the company-wide sustainability standards with its own publication platform.

Labels and Pictograms

Labels and pictograms on COMPO's packaging and communication tools indicate the special qualities and characteristics of COMPO products. Here is a selection:



Find out all the background information about COMPO's labels and pictograms here.

Certifications

To demonstrate compliance with the exacting standards through official certifications, COMPO undergoes regular quality controls for its global product range and company-wide solutions, services and processes.

Here is a selection:



DIN EN ISO 9001

Process-driven quality management system

From development and production to administration and logistics, COMPO is certified in accordance with DIN EN ISO 9001.



RPP – 100 % sustainable peat extraction

For all substrates containing peat, the peat is certified by the European multi-stakeholder organisation "Responsibly Produced Peat. This organisation has established a transparent certification system for the responsible harvesting of peat, which includes strict criteria with regard to the selection of sites, peat harvesting and subsequent use of the land. For example, COMPO only uses peatland that has already been used for agricultural purposes or has degenerated and is no longer of high ecological value. Intact peatlands remain untouched to protect the flora and fauna. All areas harvested are subsequently rewetted and renaturalised. As soon as the area is completely saturated with water again, plants typical of raised bogs, such as cotton grasses and peat mosses, can colonise in the following years and then serve as a habitat for animals living in this vegetation. By the end of 2021, COMPO had already successfully rewetted over 1,000 hectares and secured them as peatland sites for the long term.

www.blauer-engel.de/uz30a

- Folie zu mindestens 80% aus Recycling-Kunststoff
- Begrenzung von Schadstoffen

DE-UZ 30a/34382

Blue Angel

The relevance of recycling, resource conservation and sustainable consumption is constantly increasing. For this reason, the packaging of all COMPO BIO Soils, which consists of up to 80 % recycled plastic, is Blue Angel certified.



Sustainable and controlled

The wood contained in COMPO's soil protection products comes from sustainably managed forests, recycling and controlled sources.



CO₂-neutral website

To offset the CO₂ emissions of web technologies, COMPO has joined the CO₂-neutral website initiative.

INTERNATIONAL AWARDS UNDERLINE THE MARKET CONFIDENCE IN AND SUSTAINABILITY OF THE COMPO BRAND – SOME EXAMPLES:



TASPO Award

At the renowned TASPO Awards, COMPO won over the expert jury, receiving the award for **COMPO BIO GRANUPLANT®** in the 'Best Product Idea B2C' category. The jury was especially impressed by the sustainability of the product and the excellent drainage properties of GRANUPLANT®.



C de Comunicación Awards

The exacting quality standards of COMPO products are also recognised internationally. In 2023, COMPO was honoured at the C de Comunicación Awards with the prize for Innovation and Quality in the Fertilisers and Plant Protection Products category.

Plastic Recycling Award

Together with 'Kunststoff Recycling Grünstadt', the recycled content of the liquid fertiliser bottle was increased to 100 %. This won over the jury of experts at the 'Plastics Recycling Awards 2023', who honoured the bottles with the award in the 'Plastic Packaging Product' category.



Industry Winner for 'Sustainability'

DEUTSCHLAND TEST and the Hamburg Institute for Management & Economic Research performed an analysis to determine which German organisation demonstrates the greatest ecological, economic and social responsibility. COMPO is recognised as by far the most sustainable brand in the garden care category, setting the benchmark for all companies surveyed and being named the industry winner for sustainability.



JARDINPLUS Award

The JARDINPLUS Award recognises the best garden supplier in France every year. Extensive criteria such as innovation, logistics, communication and customer service are taken into account and in 2023 'Algoflash Engrais bleu' was honoured with the JARDINPLUS Award in gold. In addition to the gold award, COMPO was also delighted to receive the silver award for 'Algoflash Engrais Portager' and the bronze award in the biocides category.

Product of the Year

COMPO translates the positive and much-lauded properties of the traditional product Blaukorn® into organic quality, creating a product innovation with the **COMPO BIO Blue fertiliser**. Our progress has been rewarded – the innovation wins over the jury and in so doing comes first in the Garden category.



COMPO öko balance is a holistic concept for environmentally friendly plant care in which both the ingredients and the packaging are made from recycled raw materials. The internationally available line, which is considered pioneering in the industry, was honoured as Product of the Year in 2020.



Life & Living Award

COMPO is one of the most popular suppliers of garden care products. The award from ntv and the German Institute for Service Quality takes into account overall satisfaction with the brand, the intention to repurchase, as well as the willingness to recommend the products to others.

Brand of the Century

COMPO SANA® quality potting soil impresses plant and garden owners – and the jury of the German ZEIT publishing house. This COMPO classic has been recognised as 'Brand of the Century' for many years in succession.



PRINCIPLE OF RESPONSIBLE PARTNERSHIPS

Partnerships

Responsible action is a matter of course for COMPO across the entire value chain. This already includes COMPO's self-imposed duty of care, which involves verifying compliance with high sustainability standards for our business relationships. Responsible procurement is part of our long-term sustainable procurement strategy and intended to increase the positive contribution to nature and the environment, as is a value-orientated collaboration with trading or cooperation partners.



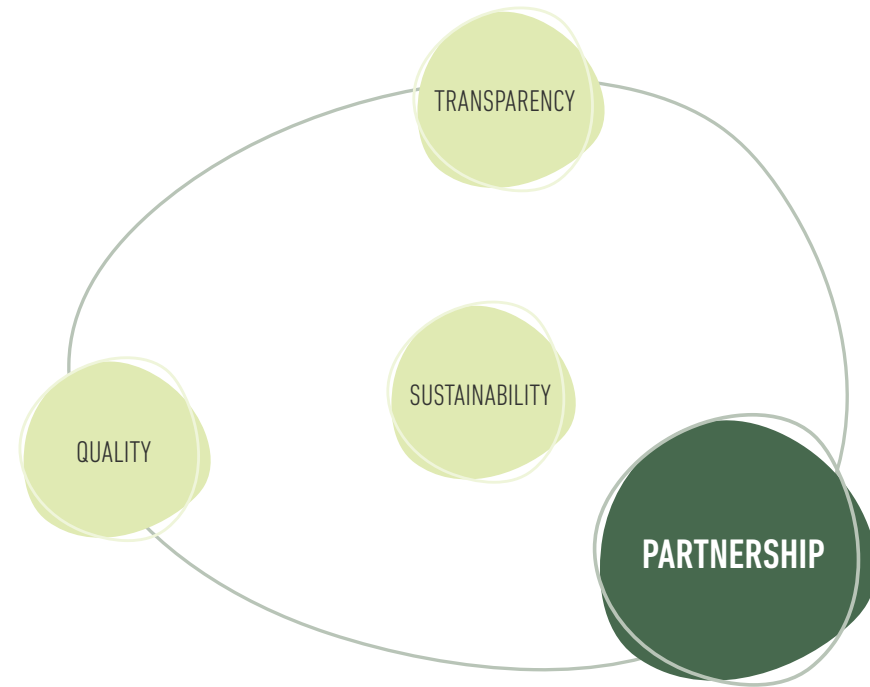
The continuous improvement of our sustainable supply chains is part of our long-term procurement strategy and contributes to an improved ecosystem

Michael Düsener, Head of Purchase

Business Relations

The internal value system also provides the binding framework to which COMPO is committed in the course of business relationships. Key principles of behaviour are governed by the compliance system, which also applies in particular to business relationships. In the context of responsible business relationships, COMPO only

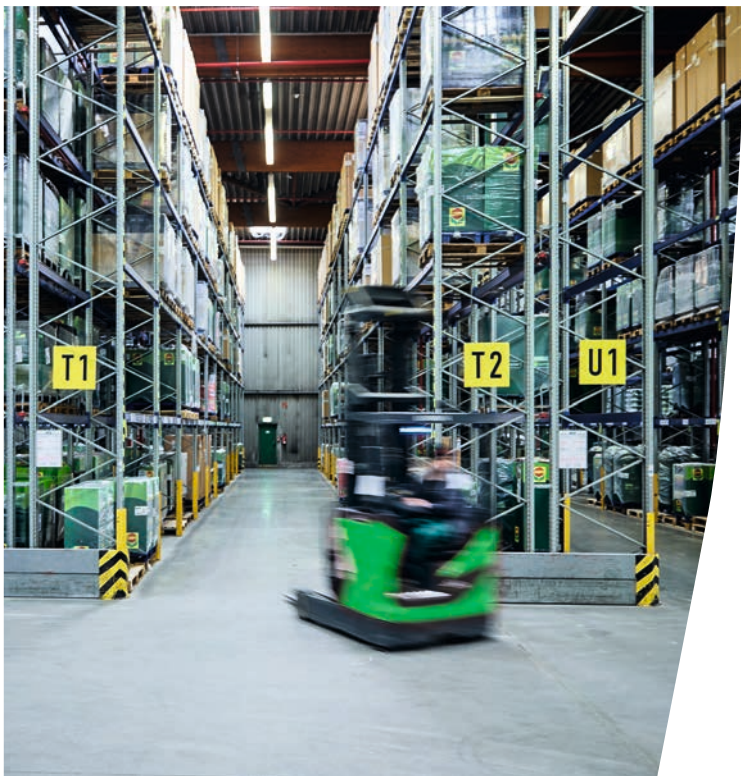
enters into those that are in line with the fundamental values of integrity, fairness and respect, compliance with regulations and the law, employment, occupational health and safety, production safety and quality, and environmental protection.



Supplier Code of Conduct

One central concern of COMPO is making its own sustainability standards and practices transparent for customers and suppliers. COMPO uses the holistic CSR assessment by globally recognised rating agency EcoVadis, where it has achieved silver status. EcoVadis evaluates COMPO in four sustainability areas: Environment, Labour and Human Rights, Ethics, and Sustainable Procurement.





INNOVATION AND DEVELOPMENT ARE DRIVERS TO BE THE LEADING BRAND FOR PRODUCTS IN THE HOME AND GARDEN IN EUROPE



In 1956, COMPO was the first company to launch potting soil in consumer-friendly packaging. COMPO has been pioneering with its ideas in subsequent decades, proving time and again that even improving on the standard of

high-quality products, solutions and services is still possible. To this day, innovation is a combination of new products, services and manufacturing processes, as well as an important part of COMPO's corporate culture.

COMPO's innovation management is based on application needs, changes in the market, and the aspects of technical innovation, site enhancement, as well as research and development:

Technical Innovation



We have the technical understanding and the technical capabilities to produce on a large scale, scale up innovative solutions and make them widely available. As a result, we are already leading the market with our pioneering range of organic fertilisers.

Mario Bildat, COO F & P

This applies both to products developed in-house and to systematic collaborations and acquisitions that open up access to unique expertise, technologies and raw materials. Targeted collaboration with various partners across the value chain enables us to pool and integrate expertise and technical know-how, develop innovative and sustainable products and solutions, and make them accessible to a broad international target group.

Location Development

In order to manage innovative developments in the best possible way and at the same time make the greatest possible contribution in terms of sustainability, COMPO focuses on investing in its own sites and local equipment. This gives COMPO the opportunity to develop and make products independently and thereby proactively control the market and market development.



The aim is to ensure that the entire value creation process, from development, production and bottling through to delivery, is as far as possible in our own hands. This ensures that it makes a sustainable and significant contribution to COMPO's success

Lars Wagner, Head of Business Development Supply Chain

Research and Development

The company's own research centre creates the conditions for independently developing and optimising product formulations and testing their effectiveness and plant compatibility on site. The effects of soils, fertilisers and pesticides are tested directly on our own outdoor test areas and in greenhouses. Formulations are then adapted accordingly in the course of research and

development. In particular, plant protection products are subject to demanding legal requirements and COMPO is one of our industry's leading companies when it comes to the number of new product authorisations in this area. The number of successful authorisations and registrations speaks for itself.



Special Product Innovations

Special product innovations and further developments are the result of our innovation management. COMPO laid the foundation for its successful history with the innovation of the first potting soil in consumer-friendly packaging. COMPO has always broken new ground and never tires of finding innovations and providing new answers.



Expertise, decades of experience and courage are constant companions in consolidating our market leadership in Europe and we never stop exploring.

Stephan Engster, CEO



OUR HANDPRINT IN YOUR HANDS

AN INTERVIEW WITH STEPHAN ENGSTER, CEO



'Our handprint in your hands' – what's that all about?

Everyone is talking about the ecological footprint. The society and the economy are endeavouring to reduce it.

If you look at the meaning of the CO₂ footprint, you realise that this term has a negative connotation. This is because it refers to the negative effects of our actions on the environment. In short, it is about the ecological impact and various measures are taken to change this impact and achieve ecological progress. Such measures that have a positive impact on the carbon footprint are referred to as the 'carbon handprint'. In contrast to the footprint, the handprint indicates ecological progress and must be consistently increased so as to reduce the footprint. The handprint symbolises what we have already achieved and what we can be proud of.

In other words, you are talking about measures that will have a positive impact on nature and the climate in future?

That's right. Because we want to inspire people, get them outside and motivate them to garden. We offer hobby gardeners the opportunity to garden in harmony with nature and the environment thanks to our sustainable solutions.

I'll raise my hand to that.

AN INTERVIEW WITH STEPHAN ENGSTER, CEO

Our solutions consistently meet our uncompromising demand for high quality, which we uphold across our value chain by adhering to the four principles of our responsibility pledge.

What highlights would you emphasise in terms of the 'handprint'?

First of all, the basic conditions for responsible action have been established. They contribute more than ever to our responsibility pledge and as such to our handprint. The CO₂ handprint draws attention to the things we have achieved.

These include, for example:

- the strategic integrations of Propfe GmbH and Störk GmbH, which make an important contribution to completing the organic-vegan fertiliser portfolio and to the decentralisation strategy;
- the cooperation with B.A.U.M. Consult GmbH, an experienced partner for ESG programmes;
- the continuous improvement of our EcoVadis rating, and
- our Sustainability Code declaration published in September 2023.

Thanks to our responsible value creation process, innovation and progress, we also achieve significant CO₂ savings

These include:

- the regional location concept, which reduces the CO₂ footprint in the area of transport by more than 60 %;
- the consistent focus on raw materials that are sourced as regionally as possible and taken from the circular economy;
- the switch to green electricity, and
- the installation of e-charging stations and offer of a company bike leasing scheme.

Finally, it is our responsible solutions and sustainable products that help all partners, retailers, hobby gardeners and ourselves to improve the carbon footprint

These include, for example:

- sustainable alternatives such as GRANUPLANT® or BIO Blue fertiliser, which translate traditional products into organic quality – with a significantly reduced CO₂ footprint;
- the proportion of organic soils, which has doubled since 2020 due to the raw materials used;
- the öko balance concept, which fully complies with the principles of the circular economy, and
- the consistent expansion of the lawn and fertiliser portfolio with organic and vegan formulations.



OUTLOOK



What happens next and how we want to enlarge our handprint:

We are continuing to amplify our commitment across the value chain. In future, we will continue to focus not on individual measures, but on a holistic sustainability strategy. We are developing a systematic reduction plan with real reduction targets in order to achieve the greatest possible, binding impact.

A few examples:

The development of COMPO's strategic goals was prioritised at an early stage. They were established on the basis of the joint materiality assessment using the SDGs and form the basis for the definition of operational targets, including quantification. Quantifiable targets will be set by 2024, backed up by corresponding performance indicators and published. The degree of target achievement is regularly monitored in accordance with the roadmap.

Performance indicators are adopted for GHG emissions, Scope 1 and 2, as well as categories selected from Scope 3 according to the principle of materiality and quantitative reduction targets and measures are defined in a specific timetable.

COMPO has been certified according to DIN EN ISO 9001 for two decades. We are currently working on additional certification in accordance with DIN EN ISO 14001.

A systematic external review of progress is ensured by our regular Sustainability Code declaration and external assessments via the EcoVadis rating platform.

In addition, accession to the Science Based Targets initiative (SBTi) and the option of following the clearly defined path to reducing emissions in line with the goals of the Paris Agreement on climate change are being reviewed.

Moreover, renewed participation in the ÖKOPROFIT® programme is being examined in order to bring additional environmental expertise into the company and actively involve employees in climate and environmental protection, as well as to further optimise energy, waste and resource management and intensify the exchange of experience with other companies in the region.

COMPO is committed to selected ecological and social projects in the vicinity of the individual locations and supports them continuously and over the long term.

COMPO began the development of a framework concept for ecological and social commitment in 2022 with the aim of further expanding and strengthening its activities in this area, in which all existing and future measures will be embedded. The concept will be published in 2024.







Imprint:

Responsible for the content

COMPO GmbH
Gildenstr. 38
D-48157 Münster
Telephone: +49 (0) 251 3277 0

info@compo.de
www.compo.com
www.compo-group.com

About the responsibility report

The responsibility report relates to the entire COMPO Group. The figures and data used relate to the 2022 reporting year at the time of the survey and apply to all German locations of the COMPO Group.

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COMPO. SIMPLY BEAUTIFUL PLANTS.