



NATURE

PLANET

2022 ESG REPORT
Nature Planet EUROPE



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Perspectives from the CEO



2022 marks the first ESG report for **Nature Planet Europe**, explaining our approach to running a sustainable business – for the environment and for our shareholders.

Preserving the environment and nature has always been deeply rooted in our DNA and throughout the years we have supported many good causes and increasingly focused on reducing the environmental impact of the materials in our products – its at the core of what we do!

Sustainability is becoming more and more complex and legislated. We believe sustainability and ESG, should be tangible and driven by concrete data and actions.

Our focus in 2022 has therefore been to establish our **European ESG baseline** and create transparency within selected areas. It has been an interesting journey and an eyeopener – although we reuse, reduce and recycle whenever we can, it is clear, that there is much more we can do.

As the **industry leader** we take it upon us to set the bar high and lead by example. Not surprising, our biggest climate impact comes from our supply chain activities which account for ~99% of our calculated emissions. Specifically, it is our consumption of materials (and the climate impact from producing these) and the emission from production of our plush toys at our vendors in Asia.

As an example, in 2022 we managed to replace 67,2 ton of plastic pellets with recycled polyester stuffing in our plush toy's, equivalent to a **reduction of 210 ton CO₂ emission**.

Usage of materials with less environmental impact is an area where we can make a difference and we will use 2023 to create further transparency on these and define strategic initiatives.

We support the Sustainable Development Goals and are **passionate about making a difference** – for children in the 3rd world countries, the red pandas, for our Fair trade & community suppliers and we will continue to support these and more in the years to come.

Finally, 2023 is the first full year with a consolidated US Nature Planet operation. Consequently, our **US ESG footprint** is not part of this report but will be included in the report for 2023.

We look forward to making a continued difference in 2023 together with Team Nature Planet!

Soren Lund

A handwritten signature in black ink that reads "Soren Lund".

CEO at Nature Planet



Nature Planet – who we are

Nature Planet was established in 2005 with the mission of being the very best supplier of toys and gifts to attractions. From day one, we wanted to do things differently... we wanted to make a difference!

Our ambition was to make quality products in a safe and responsible way, always choosing the most responsible materials, keeping packaging at an absolute minimum and reduce, reuse and recycle wherever possible.

The 4 key values of how we run our business are:

- To be fast and ready to execute
- To be honest and always tell it like it is
- To be innovative and think outside the box
- To let a good sense of humor, infuse everything we do

Today we are one of the leading designers and distributors of plush toys, gifts and accessories for zoos, aquariums, museums and family parks.

We have more than 1,800 customers all over Europe, and we design in the range of 600-800 new top-quality products every year.

Our products are manufactured in Asia, mainly China, at 65 different suppliers. We require our suppliers to hold a social audit certificate which confirms a company's endeavors, procedures, and code of conduct regarding social responsibility and the company's impact on society.

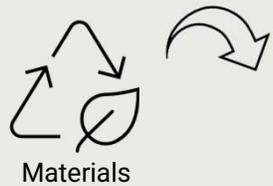
In 2019, Nature Planet was acquired by **Procuritas**, a pioneer in the Nordic private equity industry with a long-term and ethical approach to investments. The original founders are still co-owners of Nature Planet.

In 2021, the Nature Planet adventure expanded into the North America when we acquired the two great companies **Wishpets** and **Wildlife Artists**. Both companies have strong plush toy product assortments, they share our values, and they work with attractions, tourist destinations and related business segments.



**We make the adventures from your
attraction last forever**

Nature Planet – our supply chain from Asia to Europe



Materials

Our team of inhouse designers always focus on using materials that are recyclable



Manufacturing

All our suppliers is required to have a social audit certificate to verify their means of operating



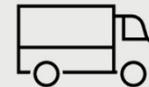
Transport to EU

Transported on container ships from Asia to EU



Warehousing

In Denmark and UK



Transport to customer

By truck in Europe and UK



Zoo, museum, aquarium

Our products are sold in gift stores

ESG indicators	Scope	Metric	2022	2023 target
Environmental responsibility				
- Company cars	Scope 1	ton CO2e	N/A	-
- Energy consumption	Scope 2	ton CO2e	17	Minimize
- Purchased goods and services	Scope 3	ton CO2e	16300	Minimize
- Inbound transportation	Scope 3	ton CO2e	155	Minimize
- Outbound transportation	Scope 3	ton CO2e	203	Minimize
- Business travel	Scope 3	ton CO2e	N/A	-
- Removal of plastic pellets	Scope 3	ton CO2e	-210	Optimize
- Use of packaging material	Scope 3	ton CO2e	170	Minimize
- Shrink wrap pallets	Scope 3	ton CO2e	12	Minimize

Majority of our products are designed inhouse by our team of designers. Focus is on designing quality products made of materials with less environmental impact.

Our products are manufactured at 65 different suppliers, most of which we have a long-term relationship with. All are required to have a valid audit, except for Fair Trade and community project suppliers.

Transportation to our warehouses in Europe (inbound) is by container ship and outbound to our customers by truck. From here on, they are sold at giftshops in the attractions to the end-user.



Nature Planet – brand manifesto



At Nature Planet we believe doing the right thing, is always the right thing to do. Our founding aspiration and continued purpose is to make a difference for the better. In society, for the environment, in the industry and for the people we do business with.

That is why, we give back a share of our annual revenue to charity organizations who support third world communities and conservation of nature and endangered animal species.

That is why, we always focus on reuse, reduce, and recycle when we design, source, and produce better and responsible giftshop products – exclusively through audited and responsible partners.

That is why, we strive to make a difference for the better in every giftshop in the world through quality products and our value creating business system designed to ease and improve, how you operate and optimize your gift shop.

At Nature Planet we don't just design, produce and distribute quality products for giftshop. We extend happy memories from your attraction and create value for your business.

Next time, you buy products for your giftshop, start by asking yourself "Am I, doing the right thing?"

Choose responsible product.
Choose a business system designed for giftshops.
Choose important charities
Choose Nature Planet

Choose to make a difference

2022 ESG key performance indicators

ESG indicators	Metric	2022	2023 target	Comments
Environmental responsibility				
- Company cars	ton CO2e	N/A	-	Data not available in 2022. To be included in 2023 report
- Energy consumption	ton CO2e	17	Minimize	Electricity and heating consumption from office spaces in UK and DK
- Purchased goods and services	ton CO2e	16300	Minimize	Emission from materials and production in Asia
- Inbound transportation	ton CO2e	155	Minimize	Sea transport of containers from Asia to EU warehouse
- Outbound transportation	ton CO2e	203	Minimize	Vehicle transport from EU warehouse to customer
- Business travel	ton CO2e	N/A	-	Data not available in 2022. To be included in 2023 report
- Removal of plastic pellets	ton CO2e	-210	Optimize	67,2 tons of plastic pellets replaced with 100% recycled polyester stuffing in our plush toys
- Use of packaging material	ton CO2e	170	Minimize	Mix of cardboard boxes and plastic bags. In 2023 we will reduce & replace to more environmentally friendly materials
- Shrink wrap pallets	ton CO2e	12	Minimize	Investment in a new shrinkwrap machine with +50% stretch capacity + replace shrink wrap to recyclable shrink wrap
Social responsibility				
- Full time workforce	FTE	44	Monitor	Fluctuating over the year due to seasonality
- Gender diversity (% women)	%	45%	35-65%	Development monitored - focus on team composition
- 12mths rolling sickleave	%	1,2%	<2%	Fluctuating over the year but in general below target of 2%. Focus on employee satisfaction and motivation
- Social audits vendors (# of vendors)	%	85,7%	100%*	Target is to reach 100% in 2023
Governance (corporate management)				
- Gender diversity management (% women)	%	44%	Monitor	Increased # of persons in management in 2022 - focus on management/team composition
- Gender diversity board (% women)	%	25%	Monitor	1 of 4 boardmembers are women

*except for Fair Trade and community project suppliers.

Above is the 2022 ESG key performance indicators for Nature Planet Europe. We follow the Green House Gas protocol definitions of scope 1-2-3, where:

- Scope 1 is direct emissions from own operations
- Scope 2 is indirect emissions from electricity and heating
- Scope 3 is indirect emissions from the value chain, including upstream and downstream emissions

These KPI's are part of our monthly management reporting. We are monitoring these closely and take actions accordingly. We will expand these to also include KPI's for our US operations in 2023.

In the following the E-S-G is explained in detail

E – Environmental responsibility



We are committed to do our utmost to minimize our environmental impact

As highlighted earlier, 99% of our calculated emissions lies in the Greenhouse Gas Protocol's scope 3 which includes indirect emissions from, for instance, suppliers, production and transport. Below a split on current Environmental key performance indicators.

ESG indicators	Scope	Metric	2022	2023 target
Environmental responsibility				
- Company cars	Scope 1	ton CO2e	N/A	-
- Energy consumption	Scope 2	ton CO2e	17	Minimize
- Purchased goods and services	Scope 3	ton CO2e	16300	Minimize
- Inbound transportation	Scope 3	ton CO2e	155	Minimize
- Outbound transportation	Scope 3	ton CO2e	203	Minimize
- Business travel	Scope 3	ton CO2e	N/A	-
- Removal of plastic pellets	Scope 3	ton CO2e	-210	Optimize
- Use of packaging material	Scope 3	ton CO2e	170	Minimize
- Shrink wrap pallets	Scope 3	ton CO2e	12	Minimize

Scope 3 emissions are the most difficult to reduce as we do not control them directly. However, we can still reduce these emissions, especially in our material choice and consumption.

For instance, we have focused on replacing all stuffing in our plush toys to 100% recycled polyester stuffing and we no longer use plastic pellets in our plush. This led to a reduction of 67,2t plastic pellets in 2022 which converted* to CO2e is a reduction of 210t CO2e.



We will continue to replace plastic with alternative materials such as plastic products made from sugarcane, recycled paper, recycled plush and recycled textile. We have an animal plush range made of reused plastic bottles and we use 100% recycled stuffing in our plush ranges.

OEKO-TEX

Nature Planet has been OEKO-TEX certified since 2017 and has an exclusive collection of OEKO-TEX baby products. These plush are 100% made of OEKO-TEX certified materials.



* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1083855/ghg-conversion-factors-2022-full-set.xls

E – Environmental responsibility

Organic cotton

At Nature Planet we have developed various lines in organic cotton. One of the advantages of using cotton is that it is a renewable source. Currently we have: Organic Cotton Blankets, Plush, Gymbags, Totebags, Pouches & Purses. For these lines we have taken it one step further and even use organic grown cotton.



Organic cotton is:
 Better for the environment
 Better for the animals and insects
 Better for the farmers and their family's health
 The end user is exposed to less chemicals

Stuffing

All Nature Planet plush toys are stuffed with 100% Recycled polyester stuffing made of RPET which is recycled PET. PET is made of Polyethylene Terephthalate which is a type of clear, strong, lightweight and 100% recyclable plastic. You can usually distinguish PET products by their #1 recycling label in the bottom. The most common source of PET is water and soda bottles.



E – Environmental responsibility



Plastic

We are focusing on replacing new plastic material with Natural fibers to the extent possible.

Our Care set plush animal is made of RPET plush and the box consists of 60% wheat fibers 40% PP Plastic.



Care Sets & Vet Sets

60%

Wheat fibers



94% SUGARCANE
6% BAMBOO FIBRES

E – Environmental responsibility

Packaging

We only use recycled hangtags with our products. These are printed with oil free mineral based soy ink and attached with an un-dyed cotton string.

Analysis shows that we used 240T of packaging materials (polybags and boxes) in 2022 so the potential to minimize the impact from this is big.



Paper

All Nature Planet Notebooks, Puzzles, Memory Game and pencils in tube are made of recycled paper. The recycling of paper is the process by which waste paper is turned into new paper products. Recycling paper conserves natural resources, saves energy, reduces greenhouse gas emissions, and keeps landfill space free from other types of trash that can't be recycled.



E – Environmental responsibility

Support to save endangered species and their habitats

At Nature Planet we support the Red Panda Network (RPN) by donating 5% of the turnover from our Red Panda Network product range. RPN is the leader in red panda conservation. They work through Forest guardians which are local people who are hired to monitor and protect red pandas and advocate for conservation. Their community based red panda conservation programs began in just a few villages in eastern Nepal but now have been replicated in ten districts — 50% of Nepal’s red panda range!



EMPOWERING PEOPLE TO PROTECT RED PANDAS

Sustainable Development Goals (SDG)

We support the Sustainable Development Goals (SDG). When it comes to the environment, specifically SDG 12 and 15:

Minimizing our environmental impact – SDG 12



"We wish to leave as small an environmental footprint as possible. We focus on reducing, reusing and recycling."

Our efforts mainly support Sub target 12.2: Sustainable management and use of natural resources.

For the love of all animals – SDG 15



"In Nature Planet we support the conservation of natural habitats and biodiversity."

Our efforts mainly support Sub target 15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

We make financial contributions to the Red Panda Network. We don't use chemicals on our premises, and we have designed an outdoor flower area as a bee-bar, for the benefit of the small pollinators and other insects.

S – Social responsibility

The Nature Planet Team is the backbone of our success

At Nature Planet everyone is equally important, and all opinions matter. We value a good laugh and in general live by our 4 values.

We offer our employees an open working environment build around equality and inclusion. In 2022 we have had 2 Nature Planet “Culture days”, where focus has been on teambuilding and having fun together. We also hosted a “family day” for all employees and their spouses/kids.

Below a split on current S key performance indicators

ESG indicators	Metric	2022	2023 target
Social responsibility			
- Full time workforce	FTE	44	Monitor
- Gender diversity (% women)	%	45%	35-65%
- 12mths rolling sickleave	%	1,2%	<2%
- Social audits vendors (# of vendors)	%	85,7%	100%*

At the end of 2022 our workforce in Europe consisted of 44 employees split between office/warehouse workers in Middelfart and our outgoing sales force covering the whole of Europe from their home offices.

Although we don't measure employee satisfaction yet, we have a low employee turnover and our sick-leave% is minimal which both can be perceived as an indicator of a healthy working environment. The aim is to be able to measure employee satisfaction in the future.

*except for Fair Trade and community project suppliers.

**www.unglobalcompact.org

Social Audits

We are working diligently to only use vendors that has a social audit and accept any one of the following audit standards:



Requirements

- Transparency in reporting any issues regarding the effect on the public or environment.
- Accounting and financial transparency
- Salaries and wages of the workforce
- Work environment including safety, free of harassment, and equal opportunity
- Nondiscriminatory practices
- Diversity in the workplace

At the end of 2022, ~86% of our suppliers had a valid audit from one of the above-mentioned standards. We have on-going dialogue with the remaining 14% that don't have an audit – ultimately, if they don't comply, we will terminate our relationship with them and find alternative suppliers. Our target for 2023 is to have 100% audited suppliers* and we will not deviate from that!

In addition, we also subscribe to the principles of the United Nations Global Compact** and expect all our suppliers to comply with this in addition to the laws of the countries where its businesses are located.

S – Social responsibility



Fair Trade

At Nature Planet we work with Fair Trade manufacturers that are members of WFTO. We believe Fair Trade is one of the most powerful tools to reduce poverty in a sustainable way.

We support Fair Trade & Community Projects in Nepal, Thailand and Indonesia. The World Fair Trade Organization prescribes 10 Standards that Fair Trade Organizations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld:

- Standard 1: Creating Opportunities for Economically Disadvantaged Producers
- Standard 2: Transparency and Accountability
- Standard 3: Trading Practices
- Standard 4: Payment of a Fair Price
- Standard 5: Child Labor and Forced Labor
- Standard 6: Non-Discrimination, Gender Equity and Freedom of Association
- Standard 7: Working Conditions
- Standard 8: Capacity Building
- Standard 9: Promotion of Fair Trade
- Standard 10: Environment





YOUR SUPPORT MADE A DIFFERENCE.

2009 **KALIMARO PRIMARY SCHOOL, INDONESIA**
Kalimaro Primary in Java was the first school to be rebuilt.

2010 **KETRO PRIMARY SCHOOL, INDONESIA**
In 2010 the SWEETHEARTS donations funded a new school in central Java. The local communities are poor and vulnerable and the school was in bad shape.

2010 **SANETAN PRIMARY SCHOOL, INDONESIA**
Earlier 171 students were crowded in only two classrooms, as the remaining classrooms were worn down and unsafe to use. By May 2012 they had safe classrooms, new furniture and new toilets.

2013 **NGOMBAK PRIMARY SCHOOL, INDONESIA**
In 2013 Ngombak Primary got a new building for the children in Primary school, a new building for preschool children and new toilets. Josie Monks and Michael Severin from Nature Planet visited while the school was under construction.

2014-17 **SIKKA & LEMBATA ISLAND, INDONESIA**
Donations from SWEETHEART sales have rebuilt schools on Sikka and Lembata Island in Indonesia. Sikka is a risk zone for landslides, floods, typhoons, earthquake and drought. Lembata is an area with high risk to disaster, because it is surrounded by four volcanoes. School buildings in the poor communities have been improved and secured from natural disasters, all schools have disaster preparedness plans - and the students, teachers as well as community members know what to do and how to act in emergencies.

LELO WAIR PRIMARY SCHOOL

HENGA PRIMARY SCHOOL

BURIWUTUNG SCHOOL

KAKI WAIR HAEK PRIMARY SCHOOL

BALUREBONG PRIMARY SCHOOL

LEWOODJI PRIMARY SCHOOL, INDONESIA
Students, teachers and the community appreciate the new and safer school environment after retrofitting of the school.

WAIARA PRIMARY SCHOOL - INDONESIA

2018-19 **BAIKREMOT PRIMARY SCHOOL, INDONESIA**

DEUTI BASIC SCHOOL, NEPAL
New primary school with toilets, clean water and electricity.

DHAPA HEALTH POST, NEPAL

2020-22 **A GOOD LIFE - FROM START**
A healthy and safe childhood for children in Mackwanpur district, Nepal.

2023-25 **NEW SCHOOL PROJECTS, NEPAL**
New school projects in the poorest areas of Nepal to ensure good schools, quality education and gender equality for girls.

Photos: Plan International Nepal/Mark Booth

S – Social responsibility



Plan International

Since 2009 we have had a close partnership with Plan International through which we have made a huge difference for thousands of children in Indonesia and Nepal.

The timeline below lists the results achieved through the donations from Nature Planet. Our contribution is of **5% of our turnover from our plan plush range**,

Some highlights:

- Helped build & re-build 17 schools including toilets, water supply and solar powered electricity in Indonesia and Nepal
- 1 health post including toilets, clean water and solar powered electricity in Jumla, mid-western Nepal
- 1 birthing center including toilets, clean water and solar powered electricity in Jumla, mid-western Nepal
- A total of 2.000 families including 4.928 children under five reached through our Good life project in Mackwanpur, central Nepal.



Each time you buy a Plan soft toy you support the children in Nepal

Thank you for your support

Nature Planet support schools in Nepal - YouTube

S – Social responsibility

Nepal 2020-2022: A good life for children



A new generation of healthy and safe children in Mackwanpur district.

2.000 families including 4.928 children under five years were supported and reached directly.

Children under five were screened and parents educated in basic child care, nutrition and positive parenting to create healthy, violence free and gender equal families.

Community health workers were trained to maintain the support.



S – Social responsibility

Nepal 2013-2021: Freedom for slave girls (kamalari's)

The former Kamalari Girls

We have supported the **running of a girl's home** and **awarded scholarships to 163 former slave girls**. During the covid-19 pandemic we also supported 11 girls with uniforms, school material and scholarships for private education during the lockdown.



In addition, we also have a direct cooperation with New Life Hostel to support the former Kamalari (slave girls) growing up. They want to earn an income and not be dependent on charity.

Our *Because I am a Girl* range of soft toys supports former slave girls in Nepal.

We have set up a "small production" with the girls. They will produce the bracelets and we hope we can support them by selling their bracelets.



[Nature Planet: Because I Am A Girl in Nepal - YouTube](#)

S – Social responsibility



We support the Sustainable Development Goals (SDG). When it comes to social responsibility, Specifically, SDG 4:

Supporting children's education - SDG 4



"In Nature Planet we strongly believe that education is the best way to reduce poverty and ensure equal rights."

Our efforts mainly support sub target 4.1 (universal primary and secondary education); By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes and 4.5 (gender equality and inclusion): By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

Since 2009 Nature Planet has supported projects in underdeveloped countries focusing on enabling quality education for children. We do this through our partner Plan International and we do it by promoting Plan's projects in our communication material, by developing special Plan product programs and by donating a share of our turnover to Plan International.

Our financial contributions have directly resulted in financing of building and renovating of 16 earthquake safe schools in remote areas of Indonesia and 1 earthquake safe school and two medical centers in Nepal



**CHILD RIGHTS.
EQUALITY FOR GIRLS**



G – Governance (corporate management)

Our management system is undergoing changes to accommodate for growth in size and geography

As Nature Planet continues to grow, and with 2 acquisitions in the US in 2021, our governance structure needs to be adjusted.

Below a split on current G key performance indicators

ESG indicators	Metric	2022	2023 target
Governance (corporate management)			
- Gender diversity management (% women)	%	44%	Monitor
- Gender diversity board (% women)	%	25%	Monitor

In 2023 we will focus on creating the right data and management structure to support our US operations and secure a continued focus on equality, social and environmental initiatives.



NATURE PLANET ON GOING MISSION

Outlook 2023 and beyond

- Plastic Eyes - We aim that all our plastic eyes on plush are made of RPET* no later than 2024.
- Plastic Pellets - We aim that the few collections we have left with plastic pellets are with RPET no later than 2024.
- Biodegradable Plastic Bags - We aim that polybags used to pack an assortment of plush will either be omitted or exchanged with biodegradable plastic bags.
- We will continue searching for bio/eco friendly alternatives to regular plastic.
- 100% audited suppliers**
- Include the Nature planet US operations in the ESG baseline for 2023
- Ponchos will be made in a 100% biodegradable material, corn starch, by 2024.

*RPET is the recycling of Polyethylene Terephthalate (PET) which is a type of clear, strong, lightweight and 100% recyclable plastic
**except for Fair Trade and community project suppliers

