



This is our Communication on Progress
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.

UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS

REPORT 2012-13



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Statement of support

Green Team A/S is a member of Global Compact since 2010 and our support is unchanged. We are dedicated to fulfill the intentions of the 10 Principles outlined by the UN in the Global Compact Initiative. The UN Global Compact Initiative acts as a general framework for our CSR strategy and ensures that we get around the four main areas:

- **Human Rights**
- **Labour Standards**
- **Environment**
- **Anti – corruption**

We are committed to respect fundamental human rights and basic labor standards and to implement these principles throughout our organization. We strive to influence our suppliers and business partners to live up to the same obligations within their sphere of influence.

As a leading producer of Christmas trees in Europe the environmental challenges are important to us. We always strive to be innovative and to find environmental friendly means of running our nurseries and farms. We try to influence our suppliers always to take a precautionary approach to environmental challenges and to choose an environmental friendly method if possible.

We are proud to make our modest contribution to a better planet and the next two years we will focus on strengthening our CSR-strategy and developing better methods for measuring our performance within the ten Global Compact principles.

We endeavor to be open and transparent across the organization and report our findings good as well as bad. This Communication on Progress report (COP) will be made available through the UN Global Compact homepage www.unglobalcompact.org and to all our employees at regular meetings with the staff.

Date: 5th August 2014

Hans Schultz, CEO

Sign: _____



About Green Team A/S

Brief description of nature of business

Green Team Group A/S is a family owned business producing and selling seedlings, Christmas trees, foliage and decorations. The foundation of today's company was founded in 1991 by the brothers Majland.

Green Team Group A/S is the mother company for a whole range of subsidiaries which is split up into two main subsidiary companies with different areas of focus:

Majland A/S,

- Harvest and import of seeds for production of seedlings
- Producing and marketing of Christmas tree seedlings

Green Team Holding A/S

- Producing and marketing of Christmas trees, foliage and decorations

Mission, vision and goals

It is our mission to be the leading supplier of Nordmann Christmas seedlings, Christmas trees, foliage and decorations in the world.

It is our vision to focus on innovation, quality and optimized customer services throughout the value chain from seed to the final tree. In more operative terms it is a goal for us to be able to sell 10 mio. Normann trees and 5000 tones of greenery from Moscow to Caribbean via our own production of 9000 ha. land, equivalent to a marked share of 10-12 % on trees and of 20-25 on % on greenery.

As of 31th December 2013 Green Team A/S had 60 fulltime employees.

We have an international production set-up. We pick our seeds in Georgia and Denmark. We cultivate the seeds in our nursery in Denmark for 3 years. Afterwards we grow the trees in different North European countries. The trees are pruned to keep the perfect shape and finally the harvest takes place when the trees are about 12 years old.

We expect potted trees to be more important in the years to come. Potted trees are more sustainable and for that reason all our trees are also available as potted trees. A tree in a pot has an extra long lifetime and can be planted out afterwards. A sustainable and consumer friendly way to uphold a long and grounded tradition to celebrate Christmas around the Christmas tree.

Our work with CSR is founded in our consisting focus on quality throughout the whole supply chain from seed, to nursery, tree and finally the customer service. Green Team Group A/S has always been addressing environmental issues in the nursery in Denmark. Since 2010 we have worked with CSR in a more strategic way due to our subscription to the UN's Global Compact Initiative.

It is our goal to live up to the demands from future costumers and to expand the knowledge about Global Compact frameworks for responsibility in running the business.

The four main areas we work with are human rights, labor standards, environment, responsible supply chain and communication.

In 2014 we take part in a CSR-project together with 12 small and medium size companies in Region Midtjylland. The project is run by Deloitte the purpose is developing a CSR strategy and training on management level. 2014 is therefore to be regarded as a year of transformation, so few changes were implemented in 2013 and 2014. Read more about the result of that project in our next **COP report 2014** .

Human Rights

Principle 1: *Businesses should support and respect the protection of internationally proclaimed human rights.*

Principle 2: *Make sure that they are not complicit in human right abuses.*

What we want

We want to be an open, international and welcoming workplace. Green Team A/S commits to comply with international human rights conventions, and we condemn discrimination based on race, religion, sex, age or disability. It is important for us that people with disabilities, women, people with other nationality than Danish or others with special conditions are visible in the workplace and have equal opportunity to make a career.

We will increase our focus on diversity at all levels of the organisation, and we are constantly working to create an inclusive workplace with room for diversity. We believe that diversity creates value for the company and expand our horizons.

What we do

We have focused on international human rights in our diversity policy, which we have implemented in our organization. This means that we upon recruitment, promotion, and dismissal are focused never to violate basic human rights conventions of discrimination.

In Denmark we observe the Danish legislation, which does not allow any discrimination what so ever. All terms of employment are established by individual workers contracts according to Danish legislation and the relevant Collective Bargain Agreement.

One of the areas we are focusing on is our business partners around the world. We operate in long term relationships with few core suppliers with whom we have been doing business with for many years. At present we have only one supplier in a risk country, Georgia. It is our belief that we have influenced all our suppliers by upholding a constant pressure on information and documentation for decent labor standards every where our company is represented.

In 2012 and in 2013 we have chosen some Key Performance Indicators to measure our progress within human rights and the ten principles in Global Compact. See annex 1. Our KPI's will properly be changed as a result of the CSR-project we take part in.

Our subsidiary, Majland A/S, who is dealing with the seeds in Georgian and the nursery in Denmark, became a member of the Business Social Compliance Initiative (BSCI) in 2010. BSCI is an association of 1500 European companies sharing a common set of ethical rules,

the BSCI, Code of Conduct, in order to set a standard for working conditions in their supply chain worldwide. Being a member of BSCI, we have access to a toolbox that helps us to comply with the Code of Conduct, no matter where production takes place.

What we have achieved

We have raised awareness about human rights issues in our headquarters. We have formulated policies and have pointed out a responsible person to make action plans in human rights issues.

Because of our common values and our commitment to diversity policy, 37 % of our employees have nationality other than Danish in 2013. 28,5 % of our employees on management level or working in confidential jobs, are women.

100 % of all suppliers in risk countries are audited according to BSCI with the latest audit result, GOOD and our supplier is due to have a new audit in spring 2015 according to the BSCI Code of Conduct 2014. 100 % of all farms and nurseries in EC are certified according to Global GAP.

Finally in December 2013 we have prepared to establish a whistleblower mailbox in order to provide all employees with an anonymously grievance mechanism.

Goals for 2014

In 2014 we will continue to focus on human rights within our sphere of influence. In 2014 we will endeavor to have at least the same level of employees with different nationality than Danish as in 2013 (37%), because diversity strengthens our organization.

It is a goal that 75 % of our permanent employees will be taught in basic CSR issues and the BSCI concept. This was a goal in 2013, which we did not achieve. We postponed the goal to 2014 and we are preparing a training programme at the moment. Our in-house teaching will include how to use our whistleblower in order to bring forward any criticism or minor concerns that the management may have an interest in knowing.

We are aware of our obligations to address all human rights conventions according to the UN Guiding Principles. In 2014 or spring 2015 we will conduct a due diligence assessment according to the Guiding Principles.

Labour Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

What we want

We support the UN global work to eliminate all forms of forced and compulsory labor and the extortion of child labour and any discrimination in employment.

Our diversity policy is clear; no worker must be subject to discrimination due to race, religion, age, national origin, sexual orientation or gender. It is a core value to us that all employees in Denmark and every where our seeds are produced are treated with respect and dignity.

We have a policy on child labour and we do not tolerate child labor as defined in the ILO conventions under the age of 15 years (14) or the local defined school age. If a child is ever revealed in the production we insists, that a plan should be made in order for the child to go back to school and at the same time compensation should be given to the family by offering other family members a job. This policy is included in the BSCI Code of Conduct and relevant for suppliers in risk countries as well as on our farms in EC.

Freedom of association and the right to be a member of a freely chosen union are fundamental rights that we cherish. We will ensure a healthy and safe working environment for all our employees. We believe that health and well-being are linked and that well-being is of great importance in the daily life of the individual and the company.

We believe basically that our social responsibility effort involves not only activities in Denmark, but covers our entire supply chain, regardless of where the production takes place. Our customers must be confident that we have consideration for the people, who have been involved in the entire process from seed to tree.

What we do

In 2013, we formed a sustainability policy with focus on openness, education and a safe working environment. A policy to ensure that we respect the right to be a member of the union as the individual wishes, equality under the laws and elimination of discrimination in the workplace as well as basic labor standards.

We are a member of the employers' association, GLS-A, and we respect the collective agreement system as a supplement to Danish labor legislation in our area of business. It is a system based on collective negotiations between employer and employee, resulting in a collective agreement in line with national legislation. Our collective agreement is between GLS-A and 3F, and between GLS-A and HK. We respect and follow all regulations in these collective agreements.

In our headquarters in Denmark we comply with Danish legislation on human rights and labor rights. In accordance with the Danish Health and Safety Work Act, we have a health and safety committee with representatives from the workers group and from the management group. Our occupational and safety work is well organized and functions successfully according to the intentions of the law. We have written minutes from four annual meeting in the committee.

All employees have access to relevant personal protective equipment (PPE). We have a single young worker between 15-18, who is given appropriate jobs only and always under instruction by an adult. We have made the compulsory APV-assessments for all workplaces and we have a system to keep records of any accidents and "near-by" accidents".

According to our supplier Code of Conduct the work must be safe and sound for all workers. It is also a general rule that no worker must work more than 48 hours + 12 overtime hours and never on a regular basis. Compensation must always be paid with a premium rate according to local legislation. All workers must have one day off after 6 days of continuously work. We are continuously working to improve our working environment according to the intentions and spirit in Danish labour laws and we will assess any labor related risk of accidents professionally.

We employ around 25 workers on basis of a time limited contract of 6 - 10 month in the peak season. They are compensated according to the relevant collective agreement between GLS-A and 3F. We have 5 weeks of vacation and paid sick leave plus extra 5 paid personal holydays every year plus all public holydays. According to the relevant collective agreement all workers have a private pension when a worker has been employed more than 9 month. At the moment the pension rate is 12.99 % (2/3 is paid by the company).

The company provides everyone with a private health insurance, and coffee, tea and fresh fruit for free besides lunch at favorable prices. We always try to offer jobs on special terms, whenever possible, to the long-term unemployed, trainees, unemployed in work testing situations.

As a benefit office staff has access to a meal at lunch at very favorable prices. Our office staff is encouraged to take education within their area of responsibility. We strive to give both men and women equal opportunities and we encourage both genders to join relevant training programs within their area of responsibility. However at presents only men are represented in the board of directors.

In peak season a subcontracting partner is supplying us with more workers employed by our subcontracting partner. We have appointed a serviceperson for all our foreign workers assisting in all sorts of problems arising from working in Denmark as a foreigner.

At global level, we have joined the BSCI, which is an association of 1500 European companies which share a common set of ethical rules, a Code of Conduct. This concept will help us to ensure respect for basic labour standards of our partners through 3 rd. part audits at factory level in risk countries.

What we have achieved

In 2012 we have begun implementing our policies. We have been setting up goals and Key Performance Indicators (KPI) within human rights and labor rights in our head quarter, in our nurseries and farms in order to be able to measure our progress year by year.

Our collective pension scheme is currently of 12.99% (2013) of the salary after 6 months of employment. In 2013 we had no work related accidents and 23 % of our staff are trained in first aid. See Appendix 1. In 2013 absent due to sick leave was as low as 0,60% even though 50% of all workers are working outside in all kind of weather. This is a figure the management is very proud of that result and we trust this shows that Green Team is a nice place to work.

Globally, in 2013 we had signed our Code of Conduct from BSCI of all partners in countries at risk. 100 % of all suppliers in risk countries are audited according to BSCI with the latest result: GOOD.

Our production in our nursery in Denmark and our farms in different European countries are all Global CAP certified. Global GAP is covering environment and working conditions. In that way we cover the environment as well as working conditions wherever our organisation is represented.

Environment

Principle 7: *Businesses should support a precautionary approach to environmental challenges;*

Principle 8: *Businesses should undertake initiatives to promote greater environmental responsibility; and*

Principle 9: *encourage the development and diffusion of environmentally friendly technology*

What we want

We will reduce our CO2 footprint of operating our business and we endeavor to be a reliable environmentally responsible partner to our customers. We will support environmentally friendly technologies and help to raise awareness of environmentally friendly production within our range of business. We will focus our resources to areas where we can have a considerably impact on the environment such as pesticides, fertilizer, diesel and water consumption, however we are very weather dependent and in dry year we need to use sufficient water.

What we do

We integrate environmental concerns in our daily business activities on market conditions, in other words - we will operate a profitable business with respect for the environment and human health.

We focus on the environmental impact of the production of trees and greenery from cradle to grave. We are innovative and consider how to use new roads, new production methods and new materials.

We focus on the environmental impact from running our headquarters. We have a waste management system in headquarter. We have a project of minimizing pesticides and strive to reduce fertilizer on a daily basis. We make an effort to reduce diesel and a new project to reduce our consumption of water is due to begin including reusing rainwater. A restricted chemicals list has been defined according to the rules in the Global Cap concept and is successfully implemented in the organization.

We have raised awareness in general about the environmental impact from running a production and implemented our positions to our suppliers.

What we have achieved

We have created an overview of our opportunities to be environmentally friendly. We have defined how we will measure our environmental impact from heating, fertilizer, diesel, pesticides, electricity and water and we have generated Key Performance Indicators and have set up goals for our environmental work.

We have implemented a simple waste management system and we measure our consumption of water, pesticides, fertilizer and recycling of all materials. Due to Danish legislation we recycle glass, paper, and environmental harmful waste and sort our daily waste as much as possible. In 2013 we have not succeeded in reducing waste and increased recycling of materials such as paper, cardboard and wood. We realize that more

focus and internal training should be put into that issue in order to become successful. Two managers will take responsibility for improving figures in 2014 by implementing several improvements in the organisation.

We have developed a machine to carry out mechanical cleaning between the plants/seedlings. The new method has reduced our consumption of pesticides by using new technology. Our consumption of diesel has been reduced due to a change in the type of machinery in cleaning between the plants.

The new method has reduced our consumption of pesticides by 58 % by using this new technology and hereby our total consumption of diesel in this operation has been reduced by 72 % simply due to a change in the type of machinery used. We plan to extend that method to all our farms in EC. In 2013 we were not able to reduce our consumption of pesticides further, however we find the current level satisfactory, when we look take the historic perspective.

We have a commitment only to use authorized fertilizer according to the rules in Global GAP and Danish legislation. We are satisfied with our 2013 figures in that respect.

We have allocated a responsible person to measure our efforts on various relevant areas within our external environmental impact. In 2013 we did not succeed in making a restricted chemical program for our nurseries and at our suppliers. We have postponed the project to 2014 and endeavor to put more effort in it. We have started raising awareness in our organization that environmental issues are of most importance to European customers.

We are compliant with the environmental legislation in Denmark and our supplier in risk countries are in compliance with national legislation too.

We measured our total consumption of electricity, water, central heating, pesticides and fertilizer. We sort and measure our waste according to the Global GAP concept. See Appendix 1. Our figures for 2013 are not satisfactory, however spring and summer 2013 were very dry, and we had to use a lot of water and a lot of diesel running our water machines. Our business is obviously weather dependent, which is beyond our influence.

Our nursery in Denmark and farms in other EU countries are certified according to the Global GAP-concept. In that way we are confident that our nursery and farms are run in an environmentally friendly way and that the Occupational Health and Safety work in our farms is in compliance with the Global GAP-standard. Our effort has raised awareness at suppliers in risk countries and they are now in compliance with national environmental regulations.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

What we want

We hold the position strongly to refrain from all forms of corruption, including extortion and bribery. We strongly support the work done by UN and other international organizations against corruption since we very much denounce this phenomenon.

It's a core Green Team A/S value to be open and honest in our way of doing business and therefore we take distance from using bribery, corruption or other lubricating money. We will work against corruption and bribery of any kind in our efforts to operate a sound and profitable business. We try to influence our partners to refrain from applying corruption in order to remain objective.

What we do

We have formulated an anti-corruption policy, which will help us to ensure that the Green Team A/S operates in an open and honest manner. We do not offer, promise not and do not demand bribes or other undue advantage to obtain or retain business opportunities. This is regardless of whether it is at the employee level or the company as such. We do not pay any protection money to obtain favorable terms and no employee shall not give or receive inappropriate gifts at work.

We try to influence our suppliers in risk countries, that business results through corruption is very wrong and that they should refrain from using bribery in any situation what so ever. However we are aware of the demand for small facility payments in various countries due to cultural reasons.

We have informed our suppliers that corruption is a key issue for us and that we might carry out unannounced inspections to disclose bribery if we have any such indications what so ever.

We have decided that all employees should have the opportunity to put forward any complaints, suspicions or concerns anonymously to the company. In 2013 we did not succeed in setting up the whistleblower, but we are about to complete that in spring 2014.

In 2014 we intend to have had 75% of our permanent employees on course in basic CSR, the Green Team A/S CSR program including an anti-corruption training. We did not succeed doing that in 2013, however the training programme is now under preparation.

In order to support our business integrity efforts in 2014 we will publish a Green Team Code of Ethics based on the BSCI Code of Conduct principles. We intend to state our position on this issue and to implement in house training.

What we have achieved

We have formulated a detailed anti-corruption policy and with our anti-corruption policy, we have started focusing on corruption and bribery, even if the subject is far away from the general workflow of a typical Scandinavian company. In December 2013 we have prepared to establish a whistleblower mailbox in order to provide all employees with an anonymously grievance mechanism.

Globally, in 2013 we had signed BSCI Code of Conduct from all partners in risk countries. 100 % of all suppliers in risk countries are audited according to BSCI with the last result: GOOD.

Global Compact – Measurements 2012/13 and goals for 2013/14

Appendix 1

	What we do?	What we have achieved?	Goals for 2013/2014																																				
Human Rights	CSR-policy Global: BSCI Code of Conduct Global CAP certification	a. 37 % of employees have other nationality than Danish b. 28,5 % of employees on management level are women Global: <ul style="list-style-type: none">100 % of all suppliers in risk countries latest audit result according to BSCI concept: GOOD100 % Global CAP certified production in EC	a. 56 % of employees have other nationality than DK b. 35 % of employees on managem. level are women c. Human Right assessment Global: <ul style="list-style-type: none">100 % of all suppliers in risk countries latest audit result according to BSCI concept: GOOD100 % Global CAP certified production in EC																																				
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