



DFG & TRG:

Implementation CSDDDD



Corporate Sustainability Due Diligence Directive: foster sustainable corporate behavior throughout value chain

What is CSDDD?

The EU has launched the Corporate Sustainability Due Diligence Directive. The aim is for companies to show what action they take to protect the environment & human rights

What does it mean for DFG?

CSDDD will be mandatory for DFG as of 2024. TRG performed a gap analysis showing what is needed to comply. Actions include e.g. improved identification of adverse impacts

- Next to the CSRD, we are working towards compliance with **Corporate Sustainability Due Diligence (CSDDD)**
- The work being done is based on a **gap analysis** and **action plan** that has been developed earlier.
- An example of an action that TRG will execute is **developing policies** and ensuring that they are securely **embedded** in the management processes of both the holding and the subsidiaries.
- See next slide for an overview of **actions and deliverables per Due Diligence step**

Overview of actions and deliverables per Due Diligence step

STEP	DELIVERABLE
1 – Embed responsible business conduct	<ul style="list-style-type: none">• Internal policy update• Code of Conduct update• Procurement policy update• Input for internal communication strategy
2 – Identify and assess adverse impacts	<ul style="list-style-type: none">• Complementary materiality assessment• Report, mapping DFG's value chain and highest impacts at holding level with subsidiaries' input
3 – Stop, prevent, limit negative impacts	<ul style="list-style-type: none">• Grievance mechanism design• Audit policy
4 – Track	<ul style="list-style-type: none">• Processes for data collection and data analysis (together with CSRD)<ul style="list-style-type: none">• for flower & plants supply chain• other supply chains and value chain• Communication
5 – Communicate	Communication strategy & content (in parallel with CSRD)
6 – Take remedial action or cooperate	<ul style="list-style-type: none">• Set up a process for remedial action• Stakeholder map and stakeholder engagement strategy• Communicate on cooperation with external stakeholders

We will start with engaging with the subsidiaries, collecting where they are and where we can build on. We will invite some subsidiaries to check the work and will organise 2 other joint meetings for follow up and alignment. (pref together with CSRD)

Looking forward to working together!

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