



Royal
Flora
Holland



FPC

Royal FloraHolland Product Committee

Handbook

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1. Royal FloraHolland ('RFH') Governance and FPC

Governance means: the manner of management. For a cooperative, some rules are laid down by law, but many other aspects are up to the cooperative itself. We agree on this together in the Articles of Association and the regulations.

Corporate Governance

Royal FloraHolland is a cooperative structure with a Management Board, a Supervisory Board (hereinafter referred to as 'SB') and a Works Council. As of 1 January 2019, Royal FloraHolland also has a Members' Council. The Members' Council exercises the powers previously vested in the General Members' Meeting (GMM). In addition, the Members' Council advises the Management Board on the strategic development of the Cooperative and on policy issues that transcend product. Through the Members' Council, members are involved in the cooperative's decision-making process.

The Management Board is the statutory board of Royal FloraHolland and is ultimately responsible for the management of the cooperative. The articles of association stipulate that the Management Board consists of at least two persons, a director (CEO) and a financial director (CFO).

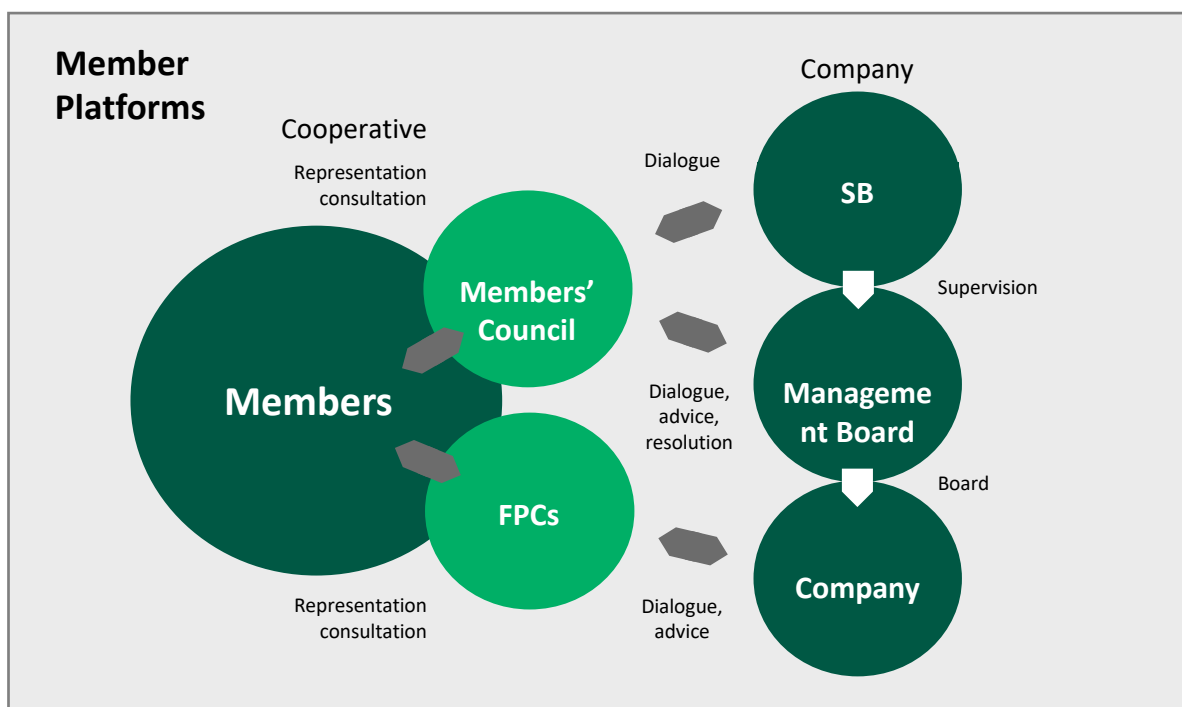
The SB supervises the policy of the Management Board and the general course of affairs in the cooperative business. The SB also has an advisory function.

Royal FloraHolland follows the operating principles as laid down in the NCC Cooperative Code, intended for cooperatives. In addition, we consider the principles of the Dutch Corporate Governance Code.

FPCs

FPCs are the one-stop shop for product related matters and give advice to Royal FloraHolland on product related matters. Through the FPCs, members are involved in the introduction and implementation of decisions and the day-to-day running of the company with regard to the product group. Each product group has an FPC of 5 to 9 members and acts as a sounding board for the company and its members. The focus is on the product-related topics.

Articles 14, 15 and 16 of the FPC regulations (Appendix A) deal with the relationship between the FPC and the Management Board/company, SB and Members' Council.



2. Setup of the FPC ^(1/2)

Function of FPCs (Royal FloraHolland Product Committees)

Royal FloraHolland organises and facilitates member platforms such as the Members' Council and FPCs in order to encourage loyalty among members and keep them involved in their cooperative company Royal FloraHolland. There are currently 27 FPCs.

The FPCs are the one-stop shop for product-related matters.

The FPCs ensure support among the members of the relevant product groups. To this end, with the support of Royal FloraHolland, they organise a product meeting once a year or every two years. In addition, there is room to organise specific meetings. Together with the FPC, the product managers inform all members of the product group through periodic product newsletters.

Organisation of FPCs

The FPC chair and FPC members are responsible for the functioning of the FPC as a member platform. Each FPC meets several times a year. Royal FloraHolland facilitates and takes advice from the FPC according to the 'apply or explain' principle. The support is provided by a product manager, FPC support and sponsor. Knowledgeable people from the company are invited to come up with appropriate conceptualisation and evaluation, as well good discussions and recommendations, on the subject in question.

FPC chair

The chair is a member of the cooperative and sets the agenda and chairs the meetings of the FPC. The chair oversees the proper functioning of the FPC and, where applicable, its committees or working groups, together with the desired participation by FPC members in the induction and education or training programmes.

FPC Sponsor

The FPCs are supported by a sponsor who fulfils a management function within Royal FloraHolland. The sponsor ensures that the correct procedures are

followed, and that action is taken in accordance with these regulations, and the legal and statutory obligations. He supports the chair of the FPC in the effective organisation of the FPC (information, agenda-setting, evaluation, training programme etc.) and offers solicited and unsolicited feedback on the way in which the chair guides the processes.

Product Manager

A product manager supports the FPC of the relevant product group and has a number of facilitating tasks/roles in this context. The product manager, together with the sponsor, prepares the agenda with the chair, makes proposals and invites experts from the company and informs the FPC about the trends in the market with regard to the relevant product group.

FPC Support

FPC Support supports the FPC operationally and coordinates the planning, organisation and documents of the FPC.

FPC Core Team

The FPC Core Team is partly responsible for the effective and efficient performance of the FPCs by supporting the FPCs in setting up and implementing the right processes in the interaction with the company. The Core Team provides the link between the Members' Council (dealing with strategic issues) and the FPCs (implementation of strategic issues including reporting) and between the FPCs and the company. The Core Team helps the FPCs resolve issues. The Core Team includes the following disciplines from within the company: commerce, auctioning, quality, logistic supplies and communication.

2. Setup of the FPC Core Team ^(2/2)

Responsibilities FPC core team

Product-related matters (advice)

- The FPC can submit a content or process-related issue to the Core Team by the product manager, sponsor and supporter. It refers the FPC to the right desk. If necessary, the Core Team helps the FPC and the organisation deal with the issue in question. The organisation also provides feedback to the Core Team during the process.
- The Core Team effectively and efficiently organises processes from treatment in the FPC to decision-making in the company and feedback to the FPC. This includes dealing with questions quickly. The Core Team has developed a process map for this purpose.
- The Core Team keeps track of the issues discussed in the various FPCs.
- The Core Team keeps track of all issues discussed by the various FPCs. Definition of an issue: an issue that the FPC together with the regular support (product manager, supporter and sponsor) and the substantive line management (within the policy frameworks) cannot solve without extra support from the Royal FloraHolland management. The Core Team deals with these issues together with the relevant FPC. It creates an action plan including a time schedule and agreements on the future. If necessary, the Core Team escalates matters to the Royal FloraHolland MT in good time.

Strategic subjects (sounding board)

- The company has subjects it would like to discuss with the FPCs. This can be checked with the Core Team if necessary. It can also take the initiative itself to approach the company proactively on these issues.
- The Core Team advises the company on how to deal with these issues effectively and efficiently in the FPCs.
- The Core Team ensures proper planning of the handling of these subjects (priority, time, method).
- The Core Team bundles frequently mentioned signals and places them firmly in the organisation.
- Incidentally: for the implementation of subjects for which a direction team has been set up (as is currently the case for Sustainability), responsibility for substantive coordination remains with that direction team. The Core Team can support and advise on how

the direction teams will deal with the FPCs.

Current composition Core Team

- The Core Team consists of:
- Manager Cooperative Services, Chair Manager Commercial Services: product and market, product specific promotion
- Manager Commercial Operations & Support: auctioning and quality
- Manager Supply Chain & Logistic Means: logistic resources
- Representation of the FPC support staff;
- Secretary Council of Members
- Corporate Communications Officer

The Core Team may invite managers responsible for specific subjects to its meeting.

Practical matters

The Core Team meets every month. If urgent issues arise, we can coordinate via e-mail or possibly organise an interim call.

A Kern Team representative visits an FPC where an intervention or extra support is required. On behalf of the Core Team, the representative can then help move the process forward or find the right path to a solution.

3. Role and responsibilities of the FPC and FPC members;

FPC roles and responsibilities

The FPC has the following roles and responsibilities towards the company and its members:

Role and responsibility to RFH/company:

- Advice
- Sounding board
- Signalling function

Role and responsibility to *members*:

- Consulting
- Communicating

Advice

The FPC is the one-stop shop for product-related matters. The FPC advises Royal FloraHolland on product-related matters (including product and market, dealmaking, quality, sustainability and traceability, promotion, logistic supplies).

Sounding board

The FPC serves as a sounding board group for the implementation of Royal FloraHolland's strategy and services within the relevant product group(s).

Consultation

FPC consults its members where relevant. Royal FloraHolland provides methods for this (including communication in app groups and digital meetings for all members of the product group).

Communication

The FPC contributes to the communication between the members and the cooperative at product level,

in order to enhance the involvement of members in the cooperative and to inform the members (among other things by means of newsletters).

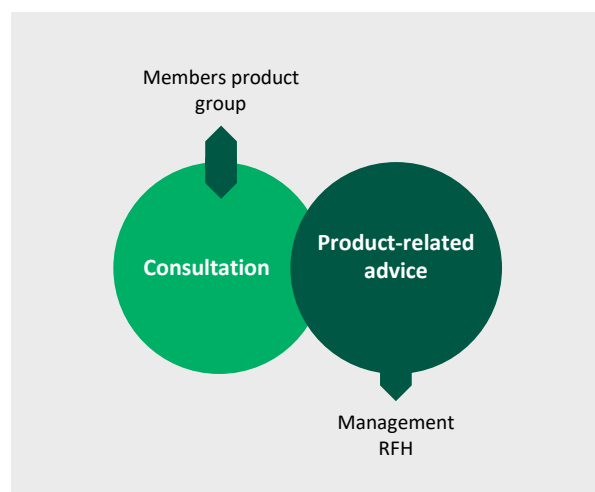
Roles and responsibilities of FPC members

FPC members have the following **roles**:

- serve as a sparring partner and sounding board for company on product-related matters;
- represent the members of the relevant product group;
- contribute to communication between the members and the cooperative at product level.

FPC members are **responsible** for:

- active and constructive contribution to discussions in the FPC;
- contributions in the interest of the collective;
- contribution of knowledge.



4. Personal development FPC chairs and FPC members

Development and training

The development and training of FPC members uses the frameworks and principles stated in the member development and training policy.

After appointment, each member of the FPC follows an induction programme put together and financed by Royal FloraHolland, in which attention is paid to the following:

- the role and responsibility of FPC members;
- the decision-making processes within Royal FloraHolland;
- specific aspects typical of Royal FloraHolland and its business activities

The introductory meeting is a mandatory meeting which all new members of the FPC must have completed.

There is also an annual training course for FPC chairs.

The FPC assesses the areas in which members of the FPC require further training or education during their term of appointment on an annual basis.

5. Support team

Floris Olthof

Manager Cooperative Services

Responsible for:

The performance of the FPCs.

Contact details

florisolthof@royalfloraholland.com

moniquev@royalfloraholland.com



Anneke Bakker

FPC Support

Responsible for:

FPC Alstroemeria, FPC Carnation, FPC Bromelia, FPC Chrysanthemum, FPC Summer annuals, FPC Freesia, FPC Green Plants, FPC Kalanchoe, FPC Potted Rose/Potted Chrysanthemum

Contact details

annekebakker@royalfloraholland.com



Marjan van Kester

FPC Support

Responsible for:

FPC Anthurium, FPC Bulb Flowers Assortment, FPC Gerbera, FPC Lily, FPC Lisianthus, FPC Potted Anthurium, FPC Potted Orchid, FPC Rose, FPC Seasonal Flowers

Contact details

marjanvankester@royalfloraholland.com



Monique van der Knaap:

FPC Support

Responsible for:

FPC Amaryllis, FPC Balcony and Patio Plants, FPC Flowering Plants, FPC Tree Nursery Products, FPC Decorative Foliage, FPC House and Garden Hydrangea, FPC Cut Hydrangea, FPC Cut orchid, FPC Tulip

Contact details



Appendix A – FPC Regulations

FPC Regulations

The FPC regulations lay down, among other things, the setup and procedure of the FPC.

The FPC regulations are formally adopted by the Supervisory Board.

On the website of Royal FloraHolland you can find the currently established regulations. It can be found via this [link](#).

Appendix B – Reimbursement scheme FPC

· Introduction

The compensation consists of the following elements:

- Attendance (physical or digital) at FPC meetings;
- travel expenses and travel time compensation (if a physical meeting).

Chairman FPC

- Fixed fee € 200,- per meeting or € 65,- per hour for an online meeting.
- Travel costs € 0.30 and travel time € 0.20 per km.
- In case of a market visit, all costs are for your own account.

Member FPC

The FPC has a compensation scheme which consists of:

- Fixed fee € 125 per meeting or € 40 per hour in the case of an online meeting.
- Travel costs € 0.30 and travel time € 0.20 per km.
- In case of a market visit, all costs are for your own account