

# Pavo Sustainability Roadmap

Report on ESG principles 2024



**Pavo  
Planet  
Program**





# Contents

<b>Benefits</b>	<b>3</b>
<b>Challenges</b>	<b>3</b>
<b>Our commitment to our environment</b>	<b>4</b>
<b>Fact sheet intern and external research to show the need of sustainability</b>	<b>5</b>
<b>The approach: ESG</b>	<b>6</b>
<b>Our roadmap 2023</b>	<b>7</b>
<b>Environment on Pavo’s Roadmap</b>	<b>8, 9</b>
<b>Social on Pavo’s Roadmap</b>	<b>10, 11, 12</b>
<b>Governance on Pavo’s Roadmap</b>	<b>13</b>
<b>The program 2023 until 2025</b>	<b>14</b>
<b>The program 2025 until 2027</b>	<b>15</b>
<b>Our Roadmap 2025</b>	<b>16</b>
<b>Pavo Planet Program – Our communication approach</b>	<b>17</b>
<b>Our commitments</b>	<b>18</b>

# Benefits

As we grow our business in a sustainable way, it will not only benefit the planet but will also benefit people and our business. Ecosystems are preserved for future generations. Therefore, we have a responsibility and if our business wants to have a future, we need a healthy ecosystem.

## The Planet

When we, as a business, act more sustainably we will **influence the planet positively** which is necessary to further our business.

## The People

With our roadmap we are **engaging stakeholders** and sharing values with them. Together, we **create awareness** around this highly relevant topic, to create a big impact and **increase the knowledge** around this hot topic.

## The Business

To be perceived as a brand that is not damaging our planet and is seen to be stepping up to the responsibilities we have as a business, will **strengthen our brand**. We all share one planet and if we take care of it this will be perceived as positive. When we use our resources wisely it is possible to **reduce costs** and **increase revenue**.

# Challenges

As you are aiming for growth as an organisation you will always face challenges on the way. We have to look at these challenges as opportunities to learn and improve.

As we are keeping horses for leisure purposes, we have to be aware of the influence they are having on our planet. This is especially true in terms of the feed that's produced for horses and consumed by them. When we produce horse feed we make a massive impact to our environment. The cultivation and harvesting of the raw materials we buy causes **CO2 emissions**. During production **energy and water consumption** need to be monitored as these are limited resources on our planet. Also, the **packaging** of our products has an impact on the environment which we should see as a challenge, keeping this impact as small as possible. At the end with our products, we are creating **waste**.

Next to that, we also have a responsibility that goes beyond our products and is related to **society**. Just being interested in sustainability is not enough anymore. We have to monitor stakeholders in our society and the **animal health and welfare** society closely in order to **influence and create initiatives together**.

Also, our government is looking into risk **management** and **the role and responsibility** of the industry. They are aiming for a real change and want to kill **greenwashing** in industries and businesses.

# Our commitment to our environment

Pavo is here for anyone who keeps a horse, loves them and wants to give them the best. In every phase. For life. But the resources on our planet are limited. Thus, as Pavo, we have to use the resources of our earth wisely and should aspire to give something back to the earth. Therefore, Pavo has committed itself and has developed a sustainable roadmap, delivering commitment to our social and environmental responsibilities. As we grow our business, we seek to do this sustainably over the long term starting with small steps that will lead to a big impact.

## Sustainability in our business

We aim to create a more sustainable and better future. To make a difference in people’s and horse’s lives and our planet by doing business the right way. By becoming better ourselves, we can help build a stronger, more sustainable future for us all. We truly believe that small things matter for life.

	Pavo. For life.	Through sustainable-rose-colored glasses
Believe	Nutrition and care make an essential contribution to a horse’s health.	Taking sustainable steps that matter, contributing to a healthier and happier environment.
Vision	Every horse healthy, every horse owner happy. For a lifetime.	A healthy and happy environment, making healthy horses and happy horse owners.
Mission	By developing, producing and selling outstanding horse feed and providing expert feed advice.	Doing small things that make a big difference.
Values	Driven Outstanding Committed	To reach our goals Sustainable initiatives, that matter To do better



Small steps matter. For life.

Aart Freriks



↓ **87%**  
rate Sustainability  
as important for  
Pavo \*

**52%**  
think,  
customers  
view Pavo as  
sustainable  
brand \*

Most associated with sustainability  
regarding horse feed: Packaging (59%),  
Healthy feeds (23%) \*\*

**88%**  
state sustainability  
as important in their  
daily life \*\*

Most associated with sustainability  
regarding horse keeping: housing (18%),  
pasture management (16%) \*\*

↑ **100%**  
would be  
happy with  
a CO2  
reduction \*

↑ **50%**  
would be  
proud \*

**68%**  
state sustainability as  
influence on the  
buying decision of  
horse feed \*\*

  
**Pavo**

Greatest  
competitor:  
Agrobs \*

↑ **76%**  
consider sustainability  
in their daily work \*

**63%**  
feel educated in terms  
of sustainability \*\*

\* internal survey Pavo employees

\*\* external survey Pavo costumers











# The approach: ESG

Pavo strives for a happier earth and to create a plan for us to contribute, we have chosen the ESG approach. ESG stands for Environmental, Social and Governance. Different criteria from these three pillars are used to determine how sustainable a company is. These criteria also help companies to assess all non-financial risks and opportunities in the day-to-day activities and become more transparent.





## Our Roadmap 2023

Goal	Reduce CO2 emissions by 10% by 2025 (compared to 2023)	Incentives to become more sustainable (with all primary stakeholders)	Business growth through sustainability, credible reporting & contact with ForFarmers
<b>Actions 2023-'25</b>	<ul style="list-style-type: none"> <li>● - Extension of Service Level Agreements</li> <li>● - Reduce CO2 footprint per produced ton of feed by 5% by 2024</li> <li>● - More sustainable packaging</li> <li>● - Reduce CO2 footprint per produced ton of feed by 10% by 2025</li> <li>● - Monitor: Energy, Water, Waste, Logistics</li> </ul>	<ul style="list-style-type: none"> <li>● - Raise awareness amongst Pavo employees + annual questionnaire</li> <li>● - Raising awareness amongst end users</li> <li>● - Increase engagement</li> <li>● - Monitor: animal welfare, Zero LTI culture</li> </ul>	<ul style="list-style-type: none"> <li>● - Create an annual reporting system and report CSRD aligned</li> <li>● - Validate our performance</li> <li>● - Invest in R&amp;D and collaborations</li> <li>● - Implementation of the roadmap in the department Roadmaps</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>- CO2 footprint of all our products that we have sold</li> <li>- % of decreasing overall material use</li> <li>- % of increasing refillable packages</li> </ul>	<ul style="list-style-type: none"> <li>- % of employees participated in training</li> </ul>	
<b>SDG Impact</b>	  	  	 
<b>Business Impact</b>	<p>Benefits: Strengthen the brand, Increase revenue, Savings</p> <p>Investments: Euros (short term), capacity</p>	<ul style="list-style-type: none"> <li>- Strengthen the brand</li> <li>- Increase revenue</li> <li>- Savings (employee satisfaction, talent acquisition)</li> <li>- Raise awareness &amp; add value to end user</li> </ul>	<ul style="list-style-type: none"> <li>- Strengthen the brand</li> <li>- Increase revenue</li> <li>- Reduce costs</li> <li>- Increase awareness</li> <li>- Contribute to biodiversity through R&amp;D</li> </ul>



# Environment on Pavo's Roadmap




When it comes to ESG, the horse feed industry has the **greatest impact** on the environment. The biggest impacts are in the areas of raw material cultivation and harvesting, transport and production and, of course, product packaging.

## Reduction of the CO2 footprint

In 2023, we developed a methodology to calculate the CO2-Footprint of the Pavo products we produce ourselves with all the data we have available at the moment. We are using our recipes, sales data and table values of the CO2 values of our raw materials to calculate our footprint. Using this methodology, we were able to determine the baseline value for 2023. In 2023, we emitted **0,7977 kg CO2 per 1 kg produced Pavo feed**.

By changing some of our raw materials, we were able to achieve our goal to reduce our footprint in 2024 by 5%. In 2024, we emitted 0,7457 kg CO2 per 1 kg produced Pavo feed. This equals a reduction of **6,52%**. Going forward we set our goal to increase the reduction to 10% in 2025.

This year we also want to improve our methodology and are looking into a more automatised approach. We hope to gather more data to calculate the footprint more precisely. With the new methodology we are looking forward to determine a new baseline for 2025. Based on this new baseline, we want to reduce our footprint further by an **additional 5% in 2026 and 10% in 2027**.

<b>Goal</b>	Reduce CO2 emissions by 10% by 2025 (compared to 2023)
<b>Actions 2023-'25</b>	<ul style="list-style-type: none"> <li>- Extension of Service Level Agreements</li> <li>- Reduce CO2 footprint per produced ton of feed by 5% by 2024</li> <li>- More sustainable packaging</li> <li>- Reduce CO2 footprint per produced ton of feed by 10% by 2025</li> <li>- Monitor: Energy, Water, Waste, Logistics</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>- CO2 footprint of all our products that we have sold</li> <li>- % of decreasing overall material use</li> <li>- % of increasing refillable packages</li> </ul>
<b>SDG Impact</b>	<div> <div> <b>8</b> DECENT WORK AND ECONOMIC GROWTH   </div> <div> <b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE   </div> <div> <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION   </div> </div>
<b>Business Impact</b>	Benefits: Strengthen the brand, Increase revenue, Savings Investments: Euros (short term), capacity

## Extension of Service Level Agreements

We integrated some sustainability values into our service level agreements with our suppliers. For our new Roadmap, we are focusing on identifying additional data that would be useful to request and plan to integrate this into the agreements moving forward.

## Monitor: Energy, Water, Waste, Logistics

At the moment we are monitoring our situation regarding energy use, water use, waste generation and transportation.

We had the chance to discuss our current logistic situation with For-Farmers and are making some calculations if we are able to implement some new strategies to improve the load of our trucks and therefore the distance travelled.

Additionally, we have also become aware of an opportunity to reduce the amount of **waste produced in our warehouse**. You may have already noticed on our social media channels that we are now applying stickers to bags that have been damaged to a certain extent. This means that we can still sell these bags and don't have to throw them away, because the food has not been damaged. If you purchase one of these bags, you will find a QR code with further information on the sticker. As a result of this initiative, we have added a new goal to our next roadmap. We want to reduce the number of discarded bags in the warehouse by **40% in 2025**.

## More sustainable packaging

We have been looking into our packaging materials and which alternatives are available and would work for us without compromising the quality and the shelf life of the products. There were many interesting options we discovered and we are looking forward to make our final decision and implement some new packaging starting with our supplements.





# Social on Pavo's Roadmap

Our role in the social media aspect of ESG is particularly focused on **raising awareness** across all our stakeholders. By working together, we can take responsibility, share knowledge, and drive sustainability within our business.

We want to **involve** everyone at Pavo on our way to more sustainability. Because everyone can contribute, no matter how big the step. Also, small things matter.

## Raising awareness among end users

In 2024, we conducted our first-ever survey for our consumers, receiving an encouraging 220 responses. We learned a lot from the responses and will take the results into consideration moving forward.

For our social media content, we had planned two **"sustainability weeks"** in 2024. We have set a new goal of focussing on sustainability in our social media content for one week every quarter. This will help us keep our consumers informed about our latest achievements and engage them with key topics. To measure this goal we will use the reach and engagement rates of our posts.

While we had intended to integrate the CO2 values of our products into the comparison tool on our website in 2023, we decided to postpone this step. Our goal is to ensure that these values are communicated clearly to consumers. Given the upcoming changes in our methodology, we feel that we wouldn't be able to provide sufficient clarity on the differences within the comparison tool at this time. Moreover, we currently don't have CO2 values for every product. We are committed to offering our customers the most comprehensive information possible so they can make informed **choices for their horses**. We will monitor the status of this project and conduct the implementation when it is reasonable to do so.

Goal	Incentives to become more sustainable (with all primary stakeholders)
Actions 2023-'25	<ul style="list-style-type: none"><li>- Raise awareness amongst Pavo employees + annual questionnaire</li><li>- Raising awareness amongst end users</li><li>- Increase engagement</li><li>- Monitor: animal welfare, Zero LTI culture</li></ul>
KPIs	<ul style="list-style-type: none"><li>- % of employees participated in training</li></ul>
SDG Impact	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>4 QUALITY EDUCATION</div> <div>15 LIFE ON LAND</div>
Business Impact	<ul style="list-style-type: none"><li>- Strengthen the brand</li><li>- Increase revenue</li><li>- Savings (employee satisfaction, talent acquisition)</li><li>- Raise awareness &amp; add value to end user</li></ul>

## Raising awareness amongst Pavo employees

To achieve this goal we conducted a survey among our employees first time in 2023. We repeated the survey in 2024 and will do so yearly with adapted questions. In 2023, 45 employees participated, which is 10 employees more than in 2024. To increase participation, we will change the timing of the mailing and remind our colleagues.

We also sent out a survey to our dealers and gained valuable insights from the 57 participants. In the next years, we are planning to also include our suppliers and create a survey for them as well.

To enhance our employees' understanding of sustainability, we are working on creating **learning courses** that focus on this critical topic. Although initially planned for 2023, we have postponed the launch and now aim to make these courses available in 2025.

We want to **include all our colleagues** in setting new goals and the whole roadmap process. For that, in 2025 we will have an internal **Pavo Planet Challenge**.

Another focus point was our office. Inspired by the Green office from WWF we assessed our office situation. As we share our office, we will put our findings and ideas together and share our thought with ForFarmers to improve our office building and working behaviour.

## Monitor: Zero LTI culture & Animal welfare

In terms of safety, we continue to monitor our progress towards the Zero Lost Time Incidents (Zero LTI) goal. You can access the data from the report of ForFarmers .

We have temporarily paused our monitoring efforts on Animal Welfare until we identify the best way to integrate it further into our ongoing initiatives.





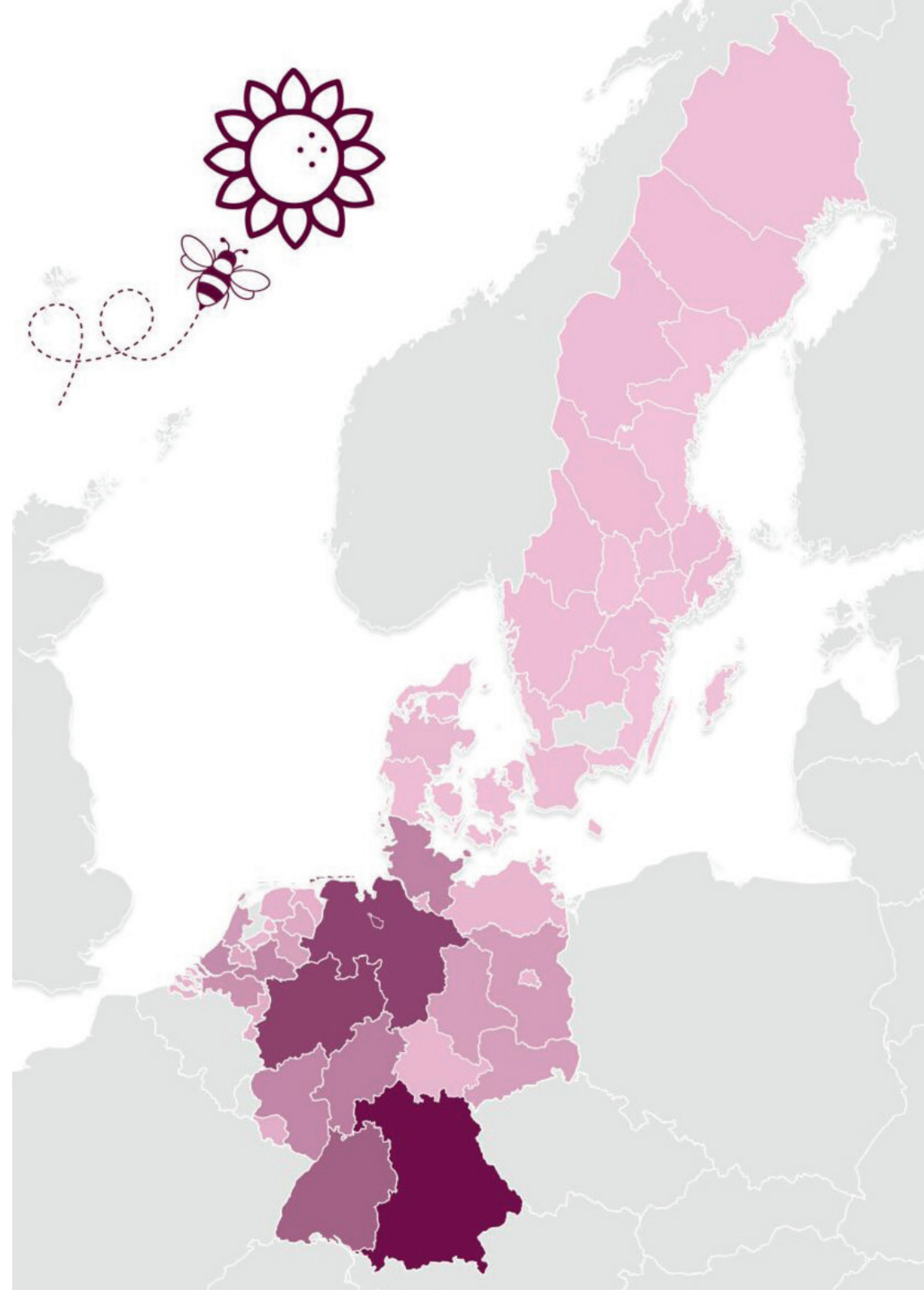
## Giving back

In 2023, we brainstormed ideas for our **"Giving back"** initiative. Our first initiative was inspired by the B-Lines from buglife . We send out 2000 packages of sunflower seeds with our online orders and created together with our customers the first Pavo BeeHighway. You can see where our seed packages went to.

We supported the WeHorse Courage Award in 2024 and in 2025 we are part of the "100 Schulpferde Plus" initiative of the German Equestrian Federation (FN). Together, Pavo and Mühldorfer are donating two school horses to support and strengthen riding schools and the equestrian world of tomorrow.

Our ideas are based on suggestions that we receive in our surveys and that our employees contribute. In future, we want to give our employees the opportunity to vote to determine which project we support.

For the new Roadmap, we set the goal to launch **a new initiative every year**. Also, we are planning to renew the BeeHighway in 2025.



# Governance on Pavo's Roadmap

While governance may seem like a smaller aspect compared to the other two pillars, it plays a crucial role in **risk management** and combating **greenwashing** within the industry. It ensures we stay transparent and responsible in our sustainability efforts.

We want to grow our business through sustainability and credible reporting, while we stay in contact with ForFarmers.

## Create an annual reporting system

In 2023, we developed a sample file for our future reports, which will serve as the foundation for our ongoing reporting efforts. We maintain an open dialogue with ForFarmers to address data challenges and improve the reporting process continuously.

## Validate our performance

We are assessing the data for CO2, waste at the warehouse and the so called "Grüner Punkt", which is a German trademark for sales packaging. We have to report on the packaging materials plastic and paper that we distribute in Germany. Additionally, we are exploring further certifications to strengthen our sustainability credentials.

## Invest in R&D and collaborations

We are in contact and will stay connected with **KNHS** and **Van Hall Larenstein** to stay up to date with the latest findings on horses and sustainability.

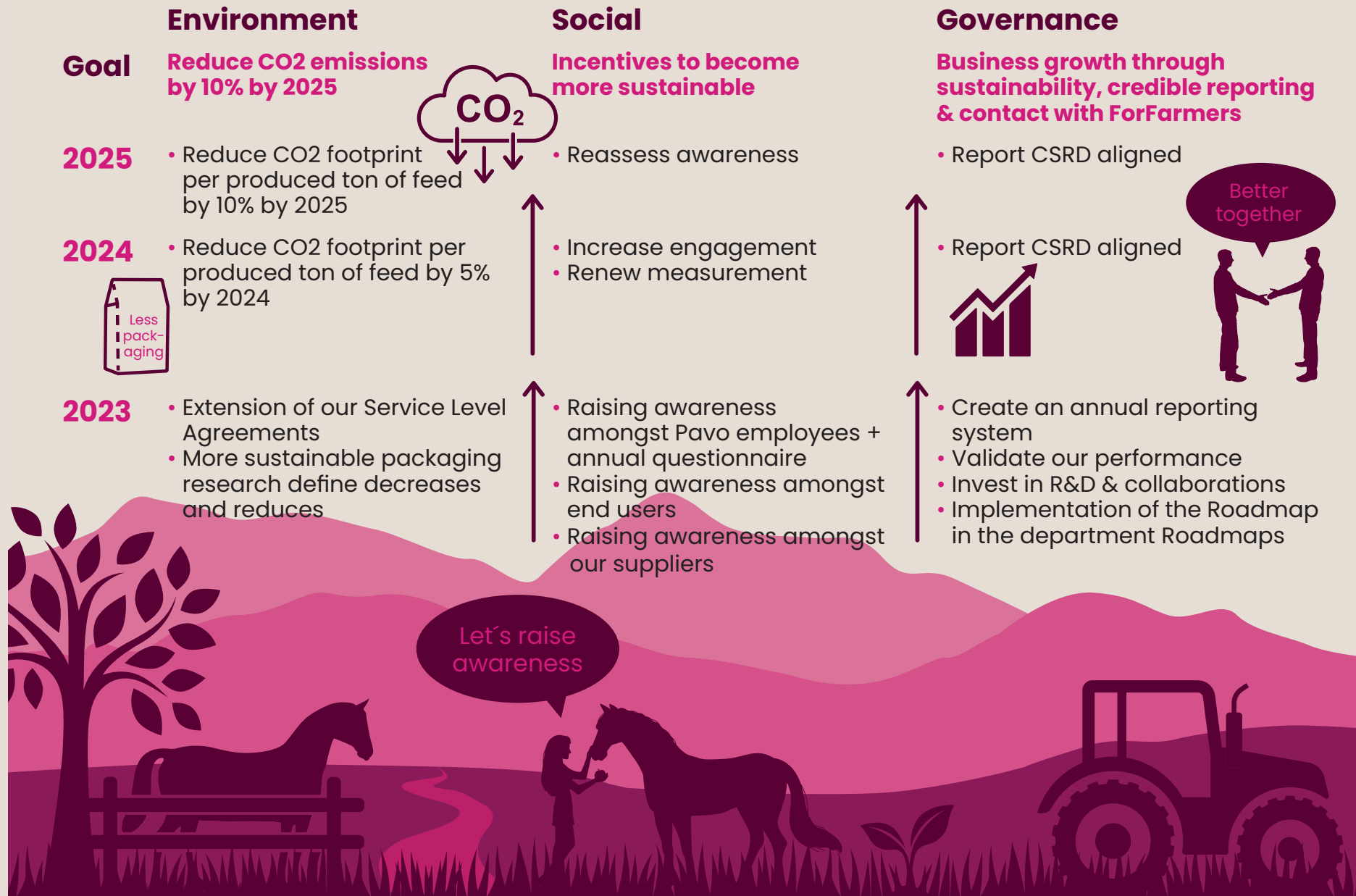
## Implementation of the Roadmap in the department roadmaps

Our Roadmap 2023 has already been integrated into the individual department roadmaps, and we will follow the same process with the updated Roadmap 2025. Additionally, we are developing a tool to further educate our colleagues on sustainability and ensure we are all aligned in our goals.

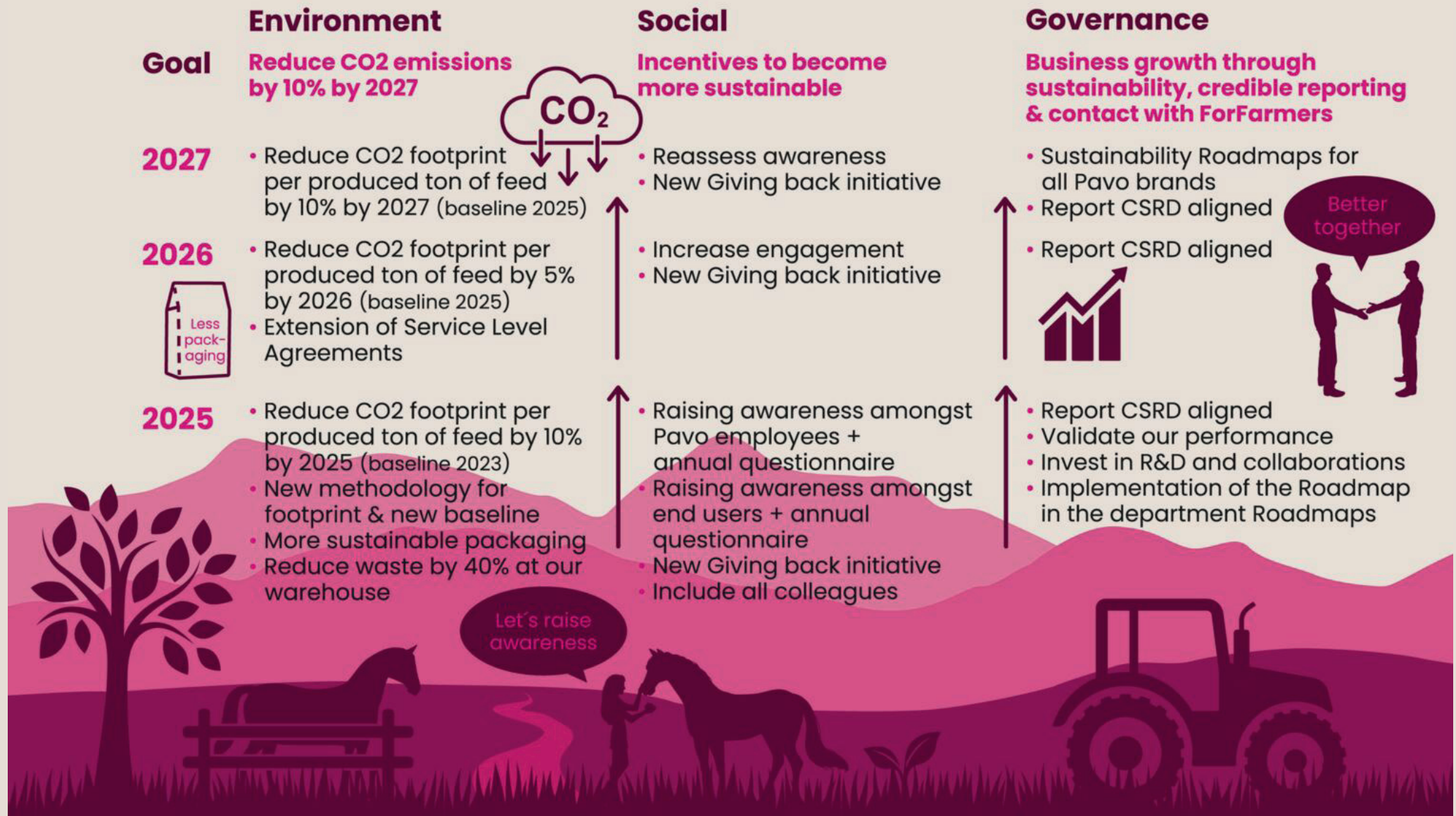
Goal	Business growth through sustainability, credible reporting & contact with ForFarmers
Actions 2023-'25	<ul style="list-style-type: none"><li>- Create an annual reporting system and report CSRD aligned</li><li>- Validate our performance</li><li>- Invest in R&amp;D and collaborations</li><li>- Implementation of the roadmap in the department Roadmaps</li></ul>
KPIs	
SDG Impact	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>
Business Impact	<ul style="list-style-type: none"><li>- Strengthen the brand</li><li>- Increase revenue</li><li>- Reduce costs</li><li>- Increase awareness</li><li>- Contribute to biodiversity through R&amp;D</li></ul>



# The program 2023 until 2025



# The program 2025 until 2027





## Our Roadmap 2025

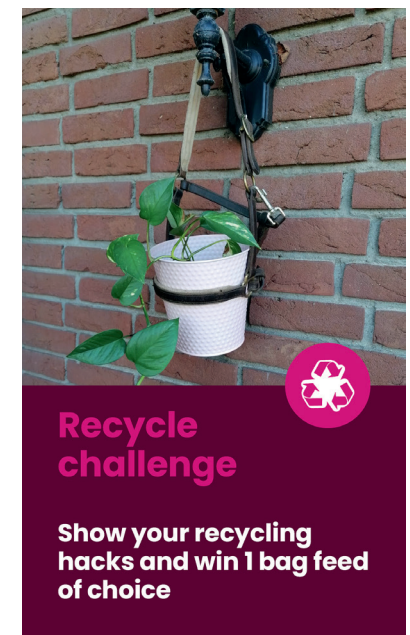
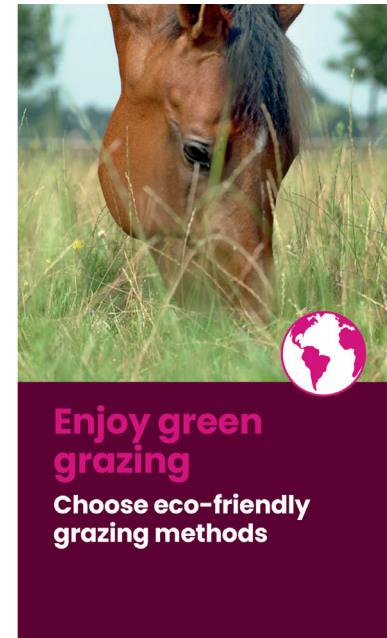
Goal	Reduce CO2 emissions by 10% by 2027 (compared to 2025)	Incentives to become more sustainable (with all primary stakeholders)	Business growth through sustainability, credible reporting & contact with ForFarmers
<b>Actions 2025-'27</b>	<ul style="list-style-type: none"> <li>- Extension of Service Level Agreements</li> <li>- Waste reduction at warehouse</li> <li>- Implement new methodology</li> <li>- Reduce Co2 footprint per produced ton of feed by 5% by 2026</li> <li>- More sustainable packaging</li> <li>- Reduce Co2 footprint per produced ton of feed by 10% by 2027</li> <li>- Monitor: Energy, Water, Waste, Logistics</li> </ul>	<ul style="list-style-type: none"> <li>- Reassess awareness amongst Pavo employees + annual questionnaire &amp; increase engagement</li> <li>- Reassess awareness amongst end users &amp; increase engagement</li> <li>- Giving back</li> <li>- Include all colleagues</li> <li>- Monitor: Zero LTI culture</li> </ul>	<ul style="list-style-type: none"> <li>- Report CSRD aligned</li> <li>- Validate our performance</li> <li>- Invest in R&amp;D and collaborations</li> <li>- Implementation of the roadmap in the department Roadmaps</li> <li>- Sustainability of all Pavo brands</li> </ul>
<b>KPIs</b>	<ul style="list-style-type: none"> <li>- CO2 footprint of all our products that we have sold</li> <li>- % of decreasing overall material use</li> <li>- % of increasing refillable packages</li> <li>- Number of bags thrown away at warehouse</li> </ul>	<ul style="list-style-type: none"> <li>- % of employees participated in training</li> <li>- Reach &amp; engagement of campaigns</li> </ul>	
<b>SDG Impact</b>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>4 QUALITY EDUCATION</div> <div>15 LIFE ON LAND</div>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>
<b>Business Impact</b>	<p>Benefits: Strengthen the brand, Increase revenue, Savings</p> <p>Investments: Euros (short term) capacity</p>	<ul style="list-style-type: none"> <li>- Strengthen the brand</li> <li>- Increase revenue</li> <li>- Savings (employee satisfaction, talent acquisition)</li> <li>- Raise awareness &amp; add value to end user</li> </ul>	<ul style="list-style-type: none"> <li>- Strengthen the brand</li> <li>- Increase revenue</li> <li>- Reduce costs</li> <li>- Increase awareness</li> <li>- Contribute to biodiversity through R&amp;D</li> </ul>

# Pavo Planet Program – Our Communication Approach

Pavo Planet Program is our communication platform, aiming to bring across knowledge on sustainability internally and externally.

The visualization of the program will show the sustainability Roadmap of Pavo with the ESG approach. With the Pavo Planet Program we want to **inspire** and **motivate** people and also to be a **leading example** and **influence the social media opinion** in the equine world.

We are updating our **sustainability landing page** regularly to show our progress and are sharing our progress on social media as well. In 2024, we have dedicated two weeks to sustainability on our social media. During those two weeks, we have created **90 posts** and reached **118.765 account views** with a great average engagement rate of **3,79%**. Going forward we decided to dedicate **one week per quarter** in our social media content to sustainability.





# Our Commitments



**Climate change is one of the most serious and complex challenges faced by the world; research shows that climate change poses the greatest threat to the environment.**

Reduce CO2 footprint per produced product per tn of feed by 5% compared to 2023.

xx% of total energy in our plants and offices will be from clean sources.

Monitor logistics (Unit: per ton of feed).



**Sustainable sourcing of raw materials greatly influences our economic, environmental and social impact. That's why our suppliers' behaviour directly affects our sustainability performance.**

Setting the baseline of Raw materials to reduce the CO2 footprint per produced product per tn of feed.

Baseline: Extension of the Service Level Agreements.

Invest in R&D and collaborations.



**Reduce the waste we produce and support end users to do the same.**

More sustainable packaging.

Monitor waste (Unit: per ton of feed).

Monitor water.



**Making a positive socio-economic impact everywhere we operate is a goal inherent in our actions.**

Raise awareness and increase engagement amongst Pavo employees, end users and all-in our production chain

Giving back – together.

Zero LTI Culture.



**As a company, we consistently improve the composition of our products, improving the well-being of horses. Directly and indirectly.**

Animal welfare through nutrition.

Animal welfare through related issues.