



GLOBAL COVID-19 NEWS FOR YOU - 6 JULY 2020

This newsletter has a particular focus on how the COVID-19 virus is affecting Dümmen Orange. We are doing our best to ensure the continuity of supply to our customers while complying with the local regulations. This newsletter informs you about the latest news per region regarding our teams, our business, and our local support.

Column Hugo Noordhoek Hegt

Dear colleagues,

The COVID-19 pandemic is unprecedented in its scale and the challenges it presents. Our thoughts are with the victims and families of all those affected.



I'm often asked, "What is Dümmen Orange's top priority during this time?" The answer is the health, safety, and wellbeing of our employees, customers, partners, and people around us. I am grateful to all our teams who did their utmost to deliver to our customers, and we were successful in doing so. Our colleagues at the farms, logistics, sales, and all others helped out with creative solutions in circumstances where farms were temporarily closed or air freight options reduced.

We see that many of our customers are struck with consequences of the virus. Where possible, we try to reach out to see how we can help. I am proud to see the many creative solutions of our organization to keep in touch with our clients and partners. I have also seen initiatives to not only help within Dümmen Orange but also outside Dümmen Orange. We supplied protection materials and food to our local communities and staff to maintain their wellbeing and safety for production and to support those working from home.

From the outset, we established teams, centrally and locally, to monitor the situation, respond quickly, and act appropriately, adhering to the advice of governments and local authorities. As a global company, we have a role to play in helping contain the virus. We've implemented a variety of policies, including restrictions on travel and access to our sites, homeworking and stringent hygiene, and health measures in our products, logistic hubs, and R&D centers. Although regulations are being lifted, we need to stay alert. We are adapting to a new way of working and foremost are looking forward to being able to revisit our customers and work without restrictions on our farms.

From this point forward, we will merge this COVID-19 update newsletter with our regular newsletters and updates within Dümmen Orange.

I wish to thank you for your contribution in the prior period and your continuous collaboration!

Best regards,

Hugo Noordhoek Hegt
CEO

APAC

Our people

- There has been a second outbreak of COVID-19, centered in Beijing, China. Our Chinese team remains safe, but our employees in Beijing have once again been asked to work from home to avoid any risk. The group remains positive, but this second wave has meant that the government has again tightened controls.

- In Japan, restrictions are increasing with a state of emergency being declared in some parts of the country by the government. Our team remains safe and healthy.

- In Taiwan, the situation has stabilised, and our team is safe.

Our business

- In China, the business continues to improve; however, with the second wave commencing in Beijing, there is no clarity on how this will impact consumer confidence. Before the second outbreak, foreign luxury brands were forecasting approximately 40% reduction in demand in China for the year 2020.

- In Japan, the government has announced subsidies to support local floriculture producers. While the exact rates are still in discussion, it is believed this incentive will support older growers to delay their exit.

- In Taiwan, we have taken a hit on flowering orchid plants. The reduced demand from consumers and increased availability have meant that finished products are being sold 40% below the standard price to ensure we clear all volumes.

EMEA

Our people

- As more colleagues working from home return to the office, location guidelines for employees working in all the European locations have been issued. These guidelines include, but are not limited to, hygiene, social distancing, and travel rules.

- In Germany at the Rheinberg and Kevlaer locations, a designated team of colleagues created a safe work place for the entire staff by implementing all necessary COVID-19 precautions within a really short period time.

Our business

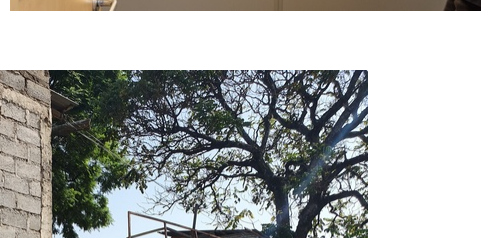
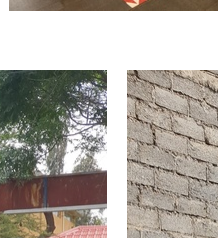
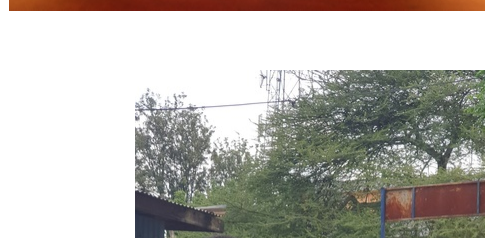
- The business is slowly but steadily gaining back momentum, especially in plants, trade is back entirely in the region.

- The Dümmen Orange Flower Trials have quickly adapted to the new COVID reality with a robust setup. They combine personalized visits to our show gardens in De Kwakel and Rheinberg throughout the entire summer with a superb digital tour, which creates easy virtual access to visitors who are not able to visit. The digital garden can be visited at <https://www.dummenorange.com/site/en>, choose your preferred country at the top and navigate in the menu to 'Tools For You' and click on 'Digital Garden.'

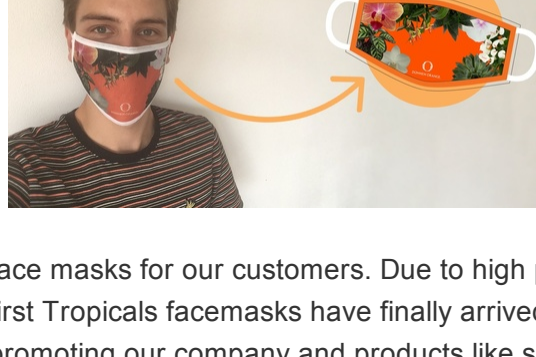
- An EU-wide survey, conducted by Union Fleurs, ENA, AREFLH, and Copa-Cogeca, provides the first estimate of COVID-19 impact on the ornamental industry at 4.12 billion EUR losses during the peak of the crisis in March and April across Europe.

Our local support

- The Ethiopian government has launched the COVID-19 National Resource Mobilisation Initiative, asking people and businesses for donations and help to safeguard the health and wellbeing of people in Ethiopia. Our team in Ethiopia contributed wholeheartedly to the request and donated non-perishable food, cleaning & hygiene products, and a water tank to their local community in Bishoftu ada'a worda.



GET YOUR OWN DÜMMEN ORANGE TROPICALS FACE MASK!



Three months ago, no one thought face masks would become part of our daily life, yet here we are. Rules differ per country, but we all need one, during a trip on public transport, a flight or a meeting in an enclosed area.

Our Tropicals BU created and ordered face masks for our customers. Due to high product demand, it took some time, but the first Tropicals facemasks have finally arrived! This mask makes you stand out while promoting our company and products like succulents, anthuriums, and orchids in a relaxed way.

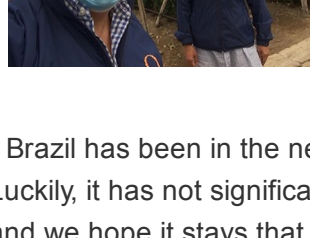
Get your own!

We would like to give away 50 face masks to our colleagues. Get yours now by sending an email to our marketing colleague Mario

Nederpelt: m.nederpelt@dummenorange.com. You may order one facemask only, on a first come, first serve basis.

Be quick, you snooze you lose!

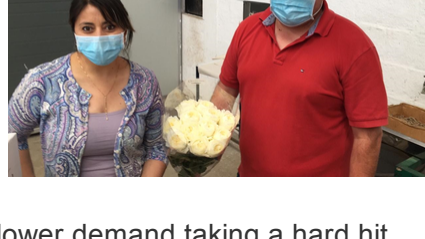
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Our people

- The situation has not changed much since the last update. Several countries like Colombia, Ecuador, and Costa Rica are slowly opening up, allowing our local colleagues to visit some of our customers. Also, our rose showrooms are starting to see traffic, especially in Ecuador.

- Brazil has been in the news a lot lately, with COVID infections still being on the rise. Luckily, it has not significantly impacted Michel de Graaff, our Area Manager for Brazil, and we hope it stays that way.



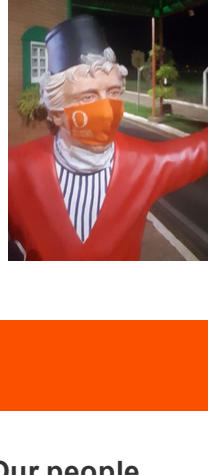
Our business

- We are starting to get feedback from our customers that their business is less impacted than initially expected when the epidemic began. Order cancellations have stopped, and new orders are starting to come in. Countries where COVID-19 has not reached its peak yet, are an exception with cut

flower demand taking a hard hit.

- High transport costs and low capacity remain an issue, but our sales and logistics teams work closely together to come up with alternatives.

- Our team in Ecuador has been busy the entire month with receiving rose growers looking for new opportunities!



Our local support

- Michel has supplied our Brazilian customers with Dümmen Orange face masks and disinfectant. Someone decided that the statue of the "ambassador" of Holambra, where many of our customers have their business, could use our facemasks as well!

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Our people

- The situation remains fluid throughout North America. Different states and provinces are having different levels of reopening and some are having second level spikes in infections. However, the general population has relaxed, and people are returning to many of their regular daily activities.

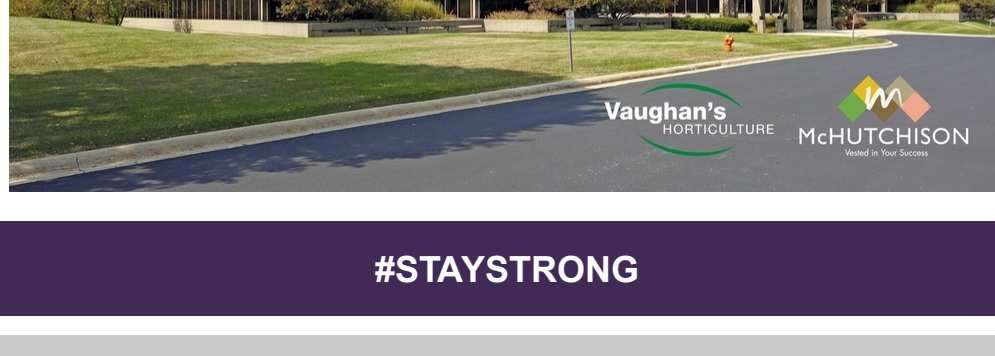
- Travel has resumed for our staff on both the Dümmen Orange and the McHutchison and Vaughan's divisions. Employees must follow local rules and regulations, but many customers are actively welcoming us back into their greenhouses.

Our business

- The Columbus office is preparing to reopen with necessary modifications. Jennifer Pelsor has been holding regular meetings to ensure that all staff members follow necessary guidelines for a safe reopening.

- Amy Edmeier is leading the office opening in Chicago, which will now house both the Vaughan's and McHutchison teams.

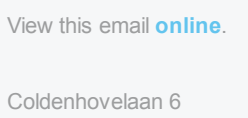
- The green industry overall is having a very positive year. While it was a rough start at the beginning, most garden centers are reporting record-level sales as people have found a renewed spirit to garden at home.



#STAYSTRONG

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