

Frequently asked questions and answers about member packs

What is a member pack?

A member pack is an agreement between a member and Royal FloraHolland, setting out the rates, conditions and access to trade channels. We distinguish 4 different member packs.

Why are we adopting member packs?

As a cooperative, together we are faced with the challenge of continuing to add value for all existing and prospective members both now and in the future. Especially given that the industry is changing at lightning speed worldwide. Therefore, in early 2022, we decided together with the Members' Council that there is a need for a cooperative strategy. An approach that allows us to look to the future together and strengthen our position. 'Together in the cooperative' is and will remain important.

The power of cooperation between our members, the company, and our cooperative is what has made us successful in floriculture for over 100 years. We want that to remain the case. Therefore, four principles underpin our renewed cooperative strategy. Based on that, we determine what we do and how we do it together:

- We are strengthening the network effect
- We are introducing member packs for an optimal user experience.
- We are making membership very attractive
- We are encouraging the company to create value for members

Four member packs were introduced in 2024, responding to the variety of members.

What are the benefits of member packs?

Member packs allow us to differentiate between the different members using our marketplace. You will pay for the services and trade channels you actually use and pay considerably less for services and trade channels you do not use.

The member packs offer you as a member the following benefits, with which me make membership attractive:

- You only pay for the services you need to sell your products at appropriate rates
- You decide which Royal FloraHolland service suits your business operations
- You choose yourself which pack is optimal for you every year

At the same time, we ensure that similar companies with similar trading behaviour arrive at the same costs and obligations when choosing a member pack, ensuring a level cooperative playing field.

When will the Members' Council decide on the introduction of member packs? On 21 September 2023, the Members' Council took a final positive decision on the introduction of member packs from 1 January 2024.



How were members involved in the development of member packs?

Individual customisation for existing members and prospective members is not realistic. We have therefore tailored member packs to the three main criteria for growers to be members:

- Level of access to trade channels and services
- Sales commission and associated rates
- Rights and obligations on the trading platform

In 2023, together with the Members' Council and Strategy Committee, the translation was made into four practical, clear and, as far as possible, customised <u>member packs</u>. All possible annual changes will be reviewed in special member sessions.

Who took the initiative to develop the member packs?

With 'Together in Our Cooperative', the Members' Council took the initiative to develop the four principles of the cooperative strategy. Member packs are one of the principles. These packs were developed in 2023. Together, the Members' Council and the company in close cooperation and coordination with members thus made more tailored membership possible. Feedback was sought from members during several membership and canteen sessions. In this respect, the proposed pricing for each pack is the responsibility of the Management Board of Royal FloraHolland, which coordinates with the Members' Council in this regard for final decision-making.

How do I choose my member pack?

When becoming a member, you choose the pack that suits you. Through 'My RFH', you can specify which member pack you opt for. It is very simple and intuitive. Under 'my member packs', choose 'Request/change pack' and the rest speaks for itself. you will also find an advice tool for the member pack of your choice for the coming year on www.royalfloraholland.com. This will help you make the right choice based on your company information. Every year, you can switch packs via 'My RFH'. If you do not choose a different pack, you will stay in the member pack of the previous year.

Am I obliged to take a member pack?

Yes, a member pack is **mandatory** to trade on Royal FloraHolland's platform. Each grower is free to select the pack that is most suitable for their business. Are you comfortable in your current pack? Then you don't have to do anything. However, please note: every year the packs can change, in rates and value. We will inform you about this by e-mail and via our website. Consult our advice tool to see whether the current pack still suits you in the coming year. Do you want to change your member pack? Then do so before 15 December 2025.

Can I opt for multiple member packs for my company?

A company whose components jointly use volume discount will choose one member pack for all components. Underlying administrations may not deviate from the top-level pack selection. That is one of the conditions of the member pack. This is the case, for example, within a holding company, within which all companies work together.

By what date should I submit my pack choice?

You should submit the member pack of your choice by 15 December 2025. You can do that via 'My RFH' (see the question 'How do I choose my member pack?' above).



What assistance is there to make the most appropriate choice of member pack?

You will find an advice tool on www.royalfloraholland.com. This will help you choose a member pack based on your company information. In this advice tool, you answer questions about your membership, product turnover, use of the clock sales and direct, off-the-clock transactions or Floriday (NAT/TEMO*), transactions you settle with fellow growers, questions about your current pack, and whether you want to be certified by 2026, among other things. This will result in a preliminary opinion. You will also receive tailored advice by post. By the way, you are free to choose a different pack. We will not save what you enter in the advice tool anywhere.

*NAT stands for non-auction turnover. TEMO stands for Temporary Exemption Member Obligation

What are your fees for member pack advice?

Until the Members' Council formally approves the 2026 rates, we will base the calculations on the proposed 2026 rates. These have been agreed with the Members' Council but will be formally submitted for decision-making in December 2025.

Who can I contact if I am having trouble making the right choice?

Make use of the information we publish on our website. You will find detailed information about the member packs there. The online advice tool will help you choose the best-suited member pack. This will result in a preliminary opinion. Do you have any questions after reading this information and using the tools? Then contact your account manager or our <u>Customer Contact Centre</u>.

What happens if I do not communicate my pack choice to Royal FloraHolland in a timely manner?

If you do not communicate your choice of member pack to us by 15 December 2025, you remain in your current 2025 member pack. We will notify you (by post and/or e-mail) about our advice and how to communicate your final pack choice to us.

How often can I change my choice?

Your member pack can be changed once a year and lasts for one year. You can only switch packs at the beginning of each new calendar year. In the fourth quarter, you can determine and record your choice. Don't want to change anything about your member pack for the coming calendar year? Then you need not do anything.

Will I still pay for the pack if I cancel my membership early?

You settle your transactions through auction clock, Auction Presales and direct sales. If you cancel your membership and subsequently continue to use this trading method while still in the notice period, you will pay the rates applicable in your pack. Once you are a supplier and no longer a member-supplier you will pay the applicable rates per trading method.

Can you do anything for me if, halfway through the year, I feel I have made the wrong choice?

Unfortunately, there is nothing we can do for you in this case, as you can only change your pack choice once a year. And that is only at the beginning of the calendar year. Needless to say, we will be happy to help you make the most appropriate choice of member pack for the following year.

What are the rates per member pack?

A decision on rates will follow in December. To set the height of the rates, we follow a set rates process. The Members' Council uses this to decide on membership fees. The rates currently listed with the member packs are based on the proposed 2026 rates. These have been agreed with the Members' Council, but are yet to be formally submitted for decision-making.



What do you get as standard with each member pack?

With every member pack you get:

- 100% payment security
- Access to logistics services and logistics resources*
- A say in what direction the cooperative takes
- Access to a wide range of support services when needed*

What is the main difference between the four member packs?

The main difference between the four member packs is in access to trade channels, commissions and added value. Based on how you organise your marketing as a grower, you can choose a suitable member pack.

The balance between using the auction clock and direct sales, the extent to which you can keep up with the pace around digitalisation and, for example, sustainability requirements will determine which pack suits you best. In time, we will further expand the packs to include new services. From this, then, follow rights and duties a grower has on the platform. We are shaping these expansions together with the Members' Council.

Non-SEPA NAT exemption

A temporary exception to the NAT levy for non-SEPA trade lanes is currently in force, which will expire at the end of 2023. The current temporary arrangement will become permanent. Once (financial) settlement of transactions with buyers in countries does become supported, the NAT exemption will lapse.

What are the conditions for members in member packs?

As a member, you meet the following conditions:

- You always use Floriday to handle the sale of your products and the corresponding administration*.
- You settle all your transactions through Royal FloraHolland.
- In accordance with the terms and conditions, you give us timely notice of your direct transactions covered by the Temporary Exemption from Membership Obligation (TEMO).

^{*} Unless you really can't. For you, we have the Auction *focus* pack in which we give you extra support in making the most of the opportunities offered by digitisation and thus Floriday.

^{*} Unless you really can't. If so, we have the Auction focus member pack for you, in which we give you extra support in making the most of the opportunities offered by digitalisation and thus Floriday.



Who is which member pack suitable for?

We offer four member packs to suit different ways of doing business with customers. The member packs are:

1. Direct focus (previously known as Direct only)

This member pack offers favourable rates for growers who only sell flowers and plants directly to customers. If you select this pack, you will not be able to use the Auction or Auction Presales. You are keen to seize all the opportunities that digitalisation as well as sustainability will bring in the coming years, and want to make use of the services Royal FloraHolland offers you in this regard. Your volume discount based on your annual turnover can reach 0.5%.

2. Direct flex (previously known as Mainly direct)

We recommend the Direct flex member pack to growers who clearly prefer direct sales, but at the same time want flexible use of the auction. For example, to trade leftover lots or secondary crops. With this member pack, you maintain flexibility in the sale of your flowers or plants. Likewise, you are eager to seize all the opportunities that digitalisation as well as sustainability will bring in the coming years. Rates for direct transactions and auction transactions have been adjusted accordingly. Your volume discount based on your annual turnover can reach 0.6%.

3. Auction flex (previously known as Complete)

This is the most optimal member pack if you trade over 20% of your flowers and plants via the auction on average. In addition, you often sell some of your flowers and plants directly too. We offer you a favourable rate for auctioning your products. Naturally, you are keen to seize all the opportunities that digitalisation and also sustainability will bring in the coming years. The Auction *flex* member pack is most similar to the services we have been offering members for years. Both in terms of financial support and clearing your direct and clock transactions that go through us. Your volume discount based on your annual turnover can reach 0.6%.

4. Auction Focus (previously known as Auction specialist)

Auctioning via the auction clock is your preference. But sometimes you also sell flowers and plants directly to your customers. You might like to know that we will give you extra support in the step by step use of your catalogue on Floriday, the digital platform for floriculture. And a permanent point of contact with the auctioneers and inspectors. You can present your novelties free of charge at our inhouse fairs and the IPM Essen. Other conditions for FSI certification also currently apply in this pack.



Why do the rates vary by trading method in each member pack?

In member packs, the more you focus on a specific trading method for your sales, the more competitive the rate for settlement of your transactions with this trading method becomes. The rates now shown for the member packs are based on 2026.

We briefly explain the differences in rates for each pack.

Direct focus

Since you cannot use the auction or Auction Presales and only sell your flowers or plants directly, you get the most competitive rate for direct transactions here.

Direct flex

Your sales strategy focuses primarily on direct sales but you also want to keep the assurance of auction clock access and Auction Presales at your convenience. You will pay a slightly higher rate for this flexibility than with Direct focus but a lower rate for this than with Auction flex. You therefore also pay a higher fee for Auction Presales and auction transactions in this pack because, again, you want flexibility when using these trading methods.

Auction flex

Your sales strategy focuses primarily on auction and Auction Presales but you also want the flexibility of direct sales. You would like to combine these sales methods optimally. You will pay a slightly higher rate for this flexibility than with Direct flex but have more support benefits.

Auction focus

Your sales strategy focuses primarily on auction and Auction Presales but you also want the flexibility of direct sales. You would like to combine these sales methods optimally. You value having a regular point of contact with auctioneers and inspectors. You also want the space to move at your own pace with digitalisation and other changes in our services in the coming years. For this, you will however pay a higher rate for all your transactions than with the other member packs. At Auction Focus, you can take advantage of modified conditions for FSI certification. This includes a €250 contribution towards the costs of FSI certification for turnover of up to €250,000. In addition, your innovations will be showcased at trade fairs free of charge. You also have a fixed contact point for auctioneers and inspectors, extra help in using Floriday and modified conditions for FSI certification.

How does the free highlighting of novelties work?

At all house fairs of RFH (Autumn, Spring and Winter Fair, Trade Fair Naaldwijk and Trade Fair Aalsmeer), a grower in pack Auction focus may place his novelty. This follows the normal application procedure and the usual requirements for novelties.

Is there a maximum for free novelties?

No. We want to encourage small growers with novelties to put their product at the fair. The more novelties (provided they meet the requirements), the better.

How does the incentive for the purpose of FSI certification work?

If the grower with sales lower than €250,000 in Auction focus becomes FSI-certified in 2026, he will receive €250 credit afterwards (after 31 December 2025).

Why doesn't this incentive apply to the smaller growers in the other packs?

We provide extra support to growers in the Auction Focus pack to help them cope with the changes coming their way. These growers pay 0.2% extra commission, which we put towards this support.



Can growers with a turnover below €250,000 also switch to packs other than Auction Focus?

Yes, they can. But, please note whether this is really more advantageous for you. You can get advice in the online calculation tool. Whether it is more advantageous for you depends on your turnover in the various channels, whether you want to certify by 2026 and the other value that Auction focus adds.

Suppose I have an Auction focus pack, but do not yet want to certify in 2026. What is the best solution for me then?

That depends on whether you consider the other added value sufficient (relative to the 0.2% commission increase) to remain in Auction focus. If the answer to that question is 'yes', then it is best to stay in Auction focus. If the answer is 'no', then (assuming the same use of the trading channels), we recommend you the Auction flex pack. If in any doubt, consult the online advice tool.

I am a grower in Global South, for which a small-scale scheme has not yet been developed. Does the financial support also apply to me?

You will get the financial support of €250 as a grower in Bell focus with a turnover below €250,000 if you certify FSI (again) by 2026.

What are the changes to the articles of association and auction regulations?

The following conditions pertaining to selecting and changing packs will be set out in the auction regulations from 1 January 2024:

- You are obliged to select a member pack. Only then can you sell your flowers or plants on our platform and settle transactions with your customers through us.
- You choose a member pack every calendar year. You cannot change your pack in the interim period.
- As a member, you select one pack for your entire company. A group or holding company, as referred to in Article 4 of the articles of association, also selects a single pack.
- You retain the pack you selected previously if you do not make a timely choice of another pack at the end of each calendar year. This is the pack recommended by Royal FloraHolland in 2024.

Changes to notice period

The current entry and exit rules for membership have been tightened in the articles of association. It includes a 'rolling' 12-month notice period. A rolling notice period means that a member can give notice any month, which then results in exit 12 months later. During this notice period, termination of membership can still be retracted.

Non-SEPA NAT exemption

A temporary exception to the NAT levy for non-SEPA trade lanes has been in force, but has expired at the end of 2023. The current temporary arrangement will become permanent. Once (financial) settlement of transactions with buyers in countries does become supported, the NAT exemption will lapse.

Are you also keeping an eye on special situations such as shifting trade volumes?

It might be good to know that in the coming year, we will closely monitor the change in trading volumes between related companies. If the changes are greater than previously thought, we reserve the right to adjust the terms of the member packs accordingly. We will also discuss the situation with the members concerned and correct it where necessary.



What does the dot on the horizon look like?

We are moving towards a model where you have a flat rate for the creation of the transaction and where we settle the other elements through a surcharge. In the initial phase, we will focus on the use of trade channels. We will deliberately keep differences between member packs small for now. Members can thus get acquainted with the specific features of the member packs and we will keep the impact on growers limited. This way, everyone will have time to get used to it as well as time to make the right choice.

Going forward, we are increasing the differences between the packs and expanding them to include other services. Member packs will thus allow us to increasingly match specific user needs. Thus, there will ultimately be more distinction between member packs. We will determine the pace at which this happens together with the Members' Council, which will be closely involved in further fine-tuning. We will keep members informed about progress via consultation sessions and member sessions.



Suppliers (non-members of the cooperative)

What do member packs mean for suppliers?

Suppliers who join the cooperative can get a member pack of their choice. There are currently no special suppliers' packs for suppliers. We have packs for members only. Members pay more favourable rates than suppliers through member packs.

What are the differences in our offer between suppliers and members?

Members can choose from all available member packs with more favourable rates. Members will also enjoy volume discounts in a number of member packs (starting from a certain turnover category).

Are the rates for suppliers known yet?

These rates have not yet been determined. In December 2025, we will communicate the final rates for suppliers for 2026.

Why don't big suppliers get a discount since supplier rates are already much higher by default?

For members, a volume discount (based on turnover tiers) has existed for a number of years. This provides members with a discount on the commission they pay from a certain turnover onwards. Non-members are not eligible for the volume discount. With this, we encourage membership.