

Communication on Progress 2014



 **TechnicoFlor**
Creating is our nature



This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.

“ Values of creativity, safety and responsibility guide our development ”



When we became signatories to the United Nations Global Compact in 2013, Technico Flor committed to respecting 10 principles covering human rights, working conditions, environmental protection and combating corruption. These form a natural part of our long standing development strategy. The tangible outcome of this strategy, implemented over many years, is our focus on natural fragrance-making governed by commitments to eco labeling and Fair Trade.

We turn principles into reality by relying on the talent of our associates. Their ability creates fragrances of outstandingly valuable characteristics in that they meet the most stringent regulatory requirements. Our sense of responsibility brings us closer to perfume production that is more reliant on considerations of stakeholder health, safety and well-being, from end to end in the supply chain. Throughout, our constant concern is abatement of environmental impact.

Our support for Fair Trade is a perfect illustration of our commitment to Corporate Social Responsibility. Outcomes are evidenced at all levels from ingredient procurement to our direct involvement in socially beneficial production. In Indonesia our patchouli growing venture encompasses some 4,500 workers in small producer communities who enjoy good growing and living conditions while using cultivation techniques that protect the environment. Fair Trade and sustainable development are policy commitments whereby we work together with our customers and our suppliers. We demonstrate that it is possible to reconcile the supply—to a sophisticated consumer market—of fragrances of outstanding allure with production techniques underpinned by concern for human values and environmental protection.

This is our strongly held-conviction. We are determined to pursue our efforts through an ambitious plan to develop actions in the sustainable development field. Our focus on responsibility drives us to seek new insights into natural ingredients, make more precise assessments of environmental impact, develop new skills and sponsor desirable practice, and much more besides.

This Communication on Progress brochure gives an account of our practical initiatives in the field of Corporate Social Responsibility. It testifies to our determination to improve our organization by incorporating the principles of the United Nations Global Compact into all facets of our work.

François-Patrick SABATER
Chief Executive Officer

10 PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

HUMAN RIGHTS

Principle 1 > Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2 > Make sure that they are not complicit in human rights abuses

INTERNATIONAL LABOR STANDARDS

Principle 3 > Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4 > Elimination of all forms of forced and compulsory labor

Principle 5 > Effective abolition of child labor

Principle 6 > Elimination of discrimination in respect of employment and occupation

ENVIRONMENT

Principle 7 > Businesses should support a precautionary approach to environmental challenges

Principle 8 > Undertake initiatives to promote greater environmental responsibility

Principle 9 > Encourage the development and diffusion of environmentally friendly technologies

ANTI-CORRUPTION

Principle 10 > Businesses should work against corruption in all its forms, including extortion and bribery



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METHOD

Corporate Social Responsibility is implemented in Technico Flor by the work of 7 groups each dedicated to a central issue. These are governance, consumer issues, environmental protection, working conditions, commitment to society, human rights and fair practice. These groups (in which nearly 50% of the workforce is represented) determine action plans and provide for their follow-up. This report presents the main actions undertaken in 2013. The scope of this report is TechnicoFlor France.

TechnicoFlor

Key numbers 2013	Key events
<ul style="list-style-type: none"> - Capital: €1,061,000 - Revenues: €12,100 million - Production: 600 tonnes - Numbers employed: 49 	<ul style="list-style-type: none"> - ISO 14001 Certification - First deliveries of Patchouli from TechnicoFlor's Indonesian cultivation facilities - Corporate Social Responsibility policy implementation

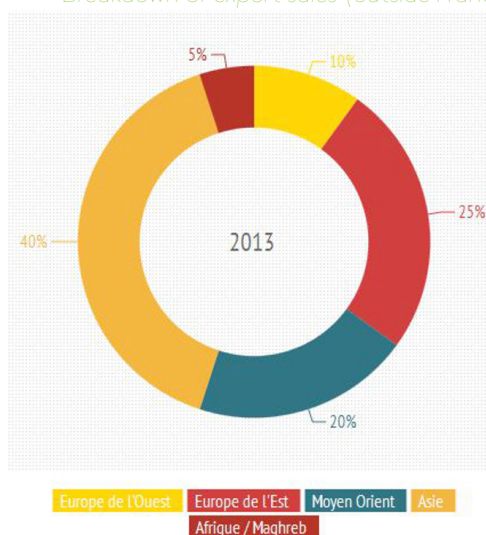
GOVERNANCE: ASSURING SUSTAINABLE DEVELOPMENT

TechnicoFlor's development strategy is driven by a determination to empower in-house teams to work effectively using high performance production tools with a sense of all-round responsibility—witness substantial investment in new international production facilities, our solid values and increasingly open governance.

INCREASING INTERNATIONALIZATION

Proud as we are of business growth in our home market in France, we are fast expanding internationally. TechnicoFlor generates 75% of its business outside France.

Breakdown of export sales (outside France)



SUSTAINED DRIVE TO INVESTMENT BOTH INTERNATIONALLY ...

To respond effectively and fast to our customers, TechnicoFlor has opened new production facilities across the world, first at Miami in the USA, then new plant in 2013 in Shanghai in China and Djakarta in Indonesia. Further expansion into new regions is under investigation in Brazil and India.

... AND IN FRANCE

After renovating its French headquarters in 2011, TechnicoFlor continued to invest heavily on the set up of new production plant, due to come on stream in 2015. This will raise production capacity to 1,500 tons a year thanks to 92 % automated sampling. R&D facilities and the production of "heart" fragrances remain in France.

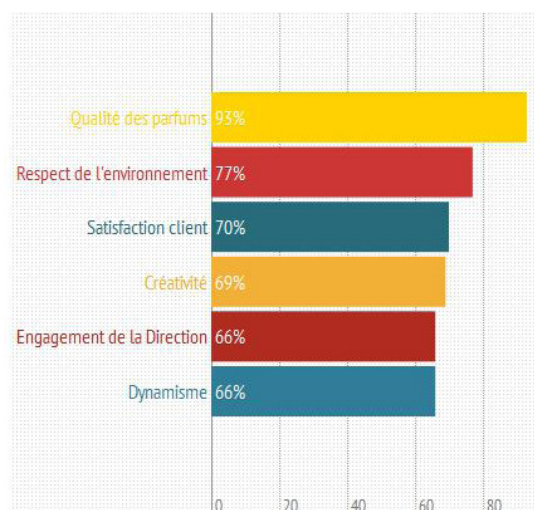
Last but not least, while expanding its property and land assets, TechnicoFlor is driving an ambitious investment plan in latest generation production equipment.

4.1 %

average rate of investment in last 4 years

SHARING VALUES

TechnicoFlor's business development relies on strongly held values. In 2013, our staff were called upon to demonstrate their attachment to these values. A consensus emerged on key issues, among them quality and safety, and the importance of responsibility and creativity. A survey identified the following as perceived priorities:



STAFF INVOLVEMENT

As a player devoted to Corporate Social Responsibility, TechnicoFlor encourages teamwork and collective mobilization. This was illustrated by the introduction of a profit sharing scheme at the end of 2012. In 2013, a 5-member Operational Committee issued guidelines encouraging greater involvement in decision-making and process improvement by Heads of Department.

CONSUMER HEALTH AND SAFETY WATCH

Of all the challenges faced by fragrance manufacturers, consumer health and safety has highest priority. The regulatory framework is everywhere stringent and particularly so in France.

Aware of its responsibilities, TechnicoFlor seeks to anticipate the risks potentially affecting consumer health and to enhance product stability in all phases, from production to consumption.

REGULATORY WATCH KEEPS ALL STAKEHOLDERS UNDER CONSTANT REVIEW

TechnicoFlor has an in-house team dedicated to keeping permanent watch over changes in legislation and assessment of their impact on the market and society more generally. We draw on information from the special relationships we nurture with trade organizations and associations (Prodarom, IFRA, SFP, Cosmed), and from the involvement of our Legislative Watch Manager as an active member of Cotarp. Persons responsible for creating new formulae receive regular training on changes in regulations that affect our products.

TechnicoFlor's in-house standards for numerous compositions are more stringent than those generally in force. We maintain high vigilance over changes in formulations that affect sensitive consumers, among them children, pregnant women and older people.

Finally, regulatory change may modify product classifications or lead to phasing out some molecules. TechnicoFlor has dedicated procedures to ease constituent replacement in our formulations while minimizing impacts on processing quality. In 2013, a number of molecules were replaced mainly in order to limit the risks of exposure by in-house personnel, among them cinnamon tree leaves, cinnamon olifac, cinnamon Ceylon and mace absolute.



QUALITY ASSURANCE

TechnicoFlor in 2005 set up an ISO 9001 certified quality assurance system to guarantee meeting customer specifications and implement a process of constant improvement in our internal organization. Automated production facilities guarantee full traceability of incoming ingredients and processed output. In parallel, we assess the stability over time of our constituents, both inherently and when incorporated into our customers' perfume bases. For this we rely on the following high performance resources:

- > Latest generation mass spectrometer
- > Suntest accelerated light-fastness and photostability testing
- > Heat testing for stability controls

In 2013, TechnicoFlor invested in a triple quad device to monitor the formation of fragrance degradation products. We are now in a position to identify trace pesticide content in our natural raw ingredients.

	2012	2013	Gap
Rate of manufacturing non-compliance	0.97%	0.85%	↓
Rate of complaints	1.4%	0.9%	↓

PROGRESS TO RESPONSIBLE MARKETING

Although in the fragrance industry, marketing techniques exert powerful leverage, TechnicoFlor sets the greatest store on making comprehensive information on our products available including supporting detail for claims of social benefit and environmental performance, assistance to customers on how to communicate about Fair Trade issues, information materials and newsletters targeted to customers.

HUMAN ASSETS: CONTINUOUS PROGRESS

The fragrance sector exposes our staff to potentially serious health and safety risks. Thus TechnicoFlor has made safety the number 1 priority in terms of Human Resources management, an area in which we continuously seek and achieve improvement.

SAFE WORKING CONDITIONS TO REDUCE STRESS

In its production plant, TechnicoFlor has for many years sought to mitigate the risks of handling raw ingredients. Not only is workflow governed by a single tracing document per product, and by the constraints of a disciplined safety policy, but a number of product-handling work stations are equipped with mechanical lifting to reduce the physical stress of weighing heavy containers.

Comfortable working conditions are a key feature of the production facility upgrade at Allauch. Air extractors accompany the new, ergonomic work stations, introduced with assistance and technical support from CARSAT.



This investment has proven its worth. In 2013, in an internal satisfaction survey, staff responded more than 67% positive when questioned as to whether working conditions had improved.

TechnicoFlor is continuing to improve the fit-out of its premises and in 2015 will have completed the construction of a new production plant adjacent to the heritage facility, working to the same health and safety standards.

BETTER RELATIONSHIPS AT WORK

Human resources policy, in addition to its commitment to health and safety, is concerned to improve the quality of life at work. We focus on diversity in recruitment, diversity of skills, and diversity of sources of procurement. Among noteworthy initiatives:

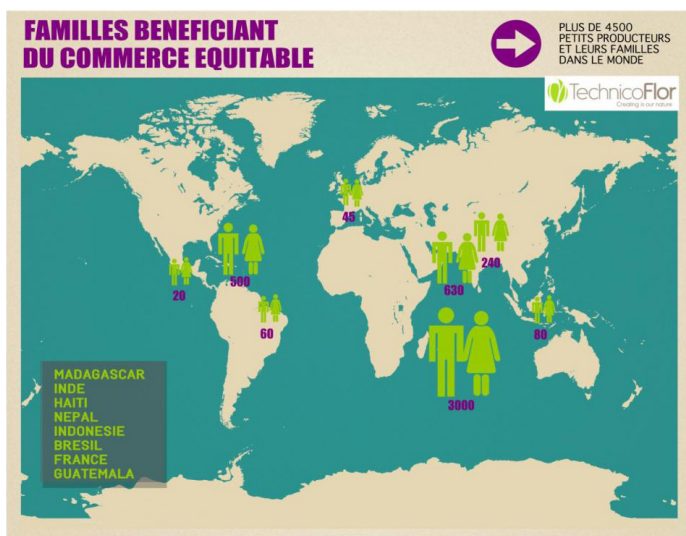
- > Refurbishment of the laboratories provides the opportunity to introduce full ground floor disabled persons access
- > Promotion of diversity at work, notably equal numbers of men and women employed at all levels including management, part time working hours available to all staff members applying (13%)
- > 100 % of workforce covered by annual progress and assessment interview
- > Social criteria addressed in our supplier questionnaire, mapping trading partners' commitment to ethically and environmentally sound practice (responsible purchasing policy)
- > Internal surveys measure commitment to corporate values, satisfaction about conditions at work, social benefits and the availability of information. Further progress actions will be implemented in 2014.

	2012	2013	Gap
Total workforce Full Time Equivalent	47	49	↗
Turnover (number of persons entering or leaving)	2	3+1 retirement	↗
Workplace accidents (number)*	1*	1*	=
Breakdown by gender (full time equivalent)	52% women 48% men	61% women 39% men	
Breakdown by age (full time equivalent)	20-30 years : 11 30-50 years : 27 >50 years : 11	20-30 years : 10 30-50 years : 28 >50 years : 11	

*Absence from work less than 10 days

SUSTAINABLE DEVELOPMENT, BEACON OF COMMITMENT

The past 15 years and more are those of TechnicoFlor's passionate search for the fragrances yielded by natural raw ingredients, as the basis for the richest and most creative perfume compositions. Ylang Ylang, vetiver, patchouli and the great majority of essential oils come from the countries of the South. To better share the value-added generated by such ingredients and guarantee sustainable and high quality production, TechnicoFlor is now an established member of the Fair Trade movement. Our goal is to provide producers with assured resources thereby developing high quality essential oils while also improving conditions of work and standards of living. Four years of involvement have generated benefits from Fair Trade that go well beyond the NatFair perfume range. TechnicoFlor itself, as an enterprise, has changed under the new approach. For us, Corporate Social Responsibility is a beacon to guide the way we make fragrances and how we establish relationships with stakeholders.



ORIGINAL, CROSS-CUTTING APPROACH

When TechnicoFlor in 2009 decided to commit to Fair Trade, our goal was as clear as it was ambitious. We were determined to create the very highest quality and innovative fragrances from a varied palette of essential oils sourced from Fair Trade. This translated into an innovative approach reliant on three major lines of progress. First, referencing a large number of Fair Trade ingredients and substituting them for conventional products. Second, communicate with our partners end-to-end in the value chain about adopting the philosophy of Fair Trade. Last but not least, provide leadership and a sense of shared purpose to all stakeholders working with us in the Fair Trade and related fields.

6.35 %

Contribution of Fair Trade procurement/purchase of natural ingredients in 2013

COHESION AMONG STAKEHOLDERS

To succeed, the Fair Trade movement relies on the collective momentum and the involvement of all stakeholders. We therefore brought together all staff members involved in the value chain in a process of training perfumers, assessors, purchasers, regulatory experts, sales, marketing and management staff.

A quarterly newsletter on developments in this field, Focus on Fair Trade and CSR, updates staff about changes in product lines and specifications, and gives the latest news affecting them in the Fair Trade and corporate social responsibility fields.

TechnicoFlor is also committed to raising awareness in the market more generally by fostering a shared sense of purpose among suppliers, customers and activists working in the Fair Trade certification bodies. Round tables and workshops were organized in 2011 and 2012 in Marseille and Paris bringing together more than 250 players in the cosmetics industry. TechnicoFlor also contributes to the promotion of Fair Trade by taking part in other events and making numerous contributions to publications.

- > Exceptional Perfume conference: Sustainable trade – Contribution from F.-P. Sabater (Paris, March 2013)
- > Workshop in partnership with United Nations Industrial Development Organization (Marseille, May 2012)
- > Fair Trade Seminar in Asia (Bangkok, November 2012)
- > Round table in partnership with United Nations Industrial Development Organization (Marseille, May 2011 and Paris, October 2011)
- > Special features published in TechnicoFlor newsletters dating back to 2011

BENEFITS OF FAIR TRADE FOR SMALL PRODUCERS

By committing to Fair Trade, TechnicoFlor, alongside our customers, contributes to improving working conditions for small producers, to environmental conservation and to respecting human rights. 11 cooperatives to date are supplying the highest quality essential oils to TechnicoFlor. They employ nearly 4,500 people. Providing a fair share of the proceeds of sustainable development to families in their villages, is achieved through more balanced trading relationships and better distribution of benefits end-to-end down the value chain, from the producers onward. The actions presented below are testimony.

10 PRINCIPLES OF FAIR TRADE

- 1 > Creating opportunities for economically disadvantaged producers
- 2 > Transparency and Accountability
- 3 > Capacity Building (developing skills and capabilities)
- 4 > Promoting Fair Trade
- 5 > Payment of a Fair Price
- 6 > Commitment to Gender Equity
- 7 > Ensure Good Working Conditions
- 8 > Ensuring no Child Labor
- 9 > Respect for the Environment
- 10 > Fair Trade Practices (relationships of solidarity, trust and mutual respect)

CREATING CONDITIONS FOR SUSTAINABLE ECONOMIC DEVELOPMENT

Fair Trade relies on a number of conditions. Among these are guaranteed purchase prices covering costs, pre-finance of orders and financial contributions to a development fund (minimum 5%, up to 15% of revenues). These three fundamental rules provide the financial incentive to bring small producers into cooperatives, support craft and professional standards through training and promote socially beneficial projects. Producers supplying TechnicoFlor have performed the following actions.



ORGANIZATIONAL FINANCE

- Project finance pump-priming through gifting land for the construction of offices
- Micro-credit to ensure producers have access to finance
- Better working conditions: clothing, first aid and training of first aid teams to enhance safety at work, setup showers and sanitary facilities in specified areas (plantations in Madagascar)
- Labor contracts enshrining remuneration above local minimum wage (Madagascar)

TECHNICAL SUPPORT

- Technical support is provided by experienced agricultural engineers or technically skilled distillers, assuring proper supplies of raw materials, better storage of crops and organic materials and improvements in growing techniques and agricultural productivity
- Financial assistance to farmers for the purchase of farming equipment (France), finance of communally organized plant nurseries to generate cuttings and consolidate independent sources of supply (Madagascar)
- Producers trained in organic production techniques and improved harvesting (Nepal, Brazil, Madagascar, Guatemala, India). Further training is available in fields such as cooperative management and governance (Brazil, Madagascar)

SUPPORT FOR COMMUNITY WELL-BEING AND GOOD CITIZENSHIP PRACTICE

Local producers earmark development funds for projects of economic and social/societal interest in their local areas. A number of examples follow, showing how such funds are used.

HEALTH AND SAFETY

- Programs to access healthcare are implemented by funding of medical inspections on location, HIV prevention, diagnosis of polio, etc. (Nepal, Guatemala, Madagascar, India)
- Raising awareness to hygiene issues including training of teachers and children, construction of latrines in schools (Nepal)
- Boring 24 wells to access good quality potable water for personal consumption (India)



EQUALITY OF OPPORTUNITY

- Actions to promote gender equality (focusing on women in Nepal and Guatemala)
- Support to schooling, Eco-Muhler project promoting waste recycling and organic production, school maintenance (100 pupils) including creation of latrines and drinking water supplies (Madagascar)

LOCAL ECONOMY

Two examples stand out. The first is finance of dugout boats for use on local rivers to save producers the cost of daily crossings. The second is finance for setting up rice paddies using Socially Responsible Investment methods (Madagascar)

CARE AND PRESERVATION OF NATURAL ECOSYSTEM

More extensive reliance on sustainable sources of production is promoted by raising the awareness of producers and supporting them in rising to the challenge.

ORGANIC AGRICULTURE

All producers working with TechnicoFlor have introduced environmentally-friendly agriculture and processing. 80% of essential oils purchased by TechnicoFlor are organically certified (and NOP). This testifies to the interest of small producers in non-invasive farming techniques.

RAISING AWARENESS, ENVIRONMENTAL INITIATIVES

The awareness of producers is raised through training in methods of preserving natural resources:

- Responsible resources management of water, energy, wood, etc.
- Reduction and recycling of waste
- Preserving biodiversity

Finally, some producers have gone beyond these measures and are implementing programs of reforestation (cooperatives in Nepal, Brazil and Guatemala).



START-UP OF PATCHOULI FAIR TRADE FARMING IN INDONESIA

In 2012, TechnicoFlor initiated a project to grow Patchouli in Indonesia. After 2 years' hard work, the venture is demonstrably valuable in human terms. More, it has raised the standards of technical support and an awareness of the need for sensitivity in human relationships. We focus below on this thrilling venture, and the reasons why we undertook it.

COMMITTING TO AND LIVING THE FAIR TRADE EXPERIENCE

TechnicoFlor's commitment to Fair Trade requires obtaining detailed inside knowledge about product cultivation. The difficulties encountered by producers must be assessed to better understand their real needs. Although our suppliers gave us information, the experience we gained by hard work in the field was invaluable. Being close to the producers, TechnicoFlor gained not only experience but awareness of the unpredictable factors, in our case hazards at the distillation stage entailing threats to final yields. Such knowledge is of huge value in guiding our understanding of the further challenges raised by sources of production elsewhere that, as product purchasers, we also support. We gain and transmit knowledge grounded in experience. Thus we become sources of unique value to our customers further down the supply chain, and enrich their sales and marketing.

OVERCOMING MARKET DEFICIENCIES

The supply of essential oils from Fair Trade sources to the market does not meet demand. With the exception of some standard essential oils for the fragrance industry (Ylang Ylang, vetiver), TechnicoFlor suffers from supply shortages of some products needed in great quantities, among them Patchouli. Given market shortcomings, TechnicoFlor set up and supports new sources of production consistent with the Fair Trade approach.

INVESTING FOR THE FUTURE

Patchouli is a shrub extract sought after for its many qualities. As a base used in fragrance formulations it has timeless appeal and an extraordinary variety of olfactory facets. It is low in allergens and can be produced in substantial quantities. However, the market for this raw ingredient is extremely speculative and affords little visibility to small producers. Customers at the consumer end of the market are also affected.



PROJECT IN DETAIL

Producers: 80

Location: cvillage community of Boné Boné / Enrekang region

Equipment : 2 distilleries

Production : ton of patchouli produced conventionally

Forecast 2014 : 200 kg organic

TechnicoFlor finance by development fund:

- Set up of cooperative structure, local technical support, diagnostic of sources of production and supply,
- Purchase of 50,000 organic cuttings grown under glass , employment of farmer to manage the facility

Pre-financing of harvests

Calculation of costs and fixing of guaranteed price to producers

Target 2014: organic certification

Target 2015: validate Fair Trade certification (ESR) for a organic land cultivation area accompanied by ramp-up in FT production



ASSESSING AND REDUCING ENVIRONMENTAL IMPACT

In the environmental protection field, TechnicoFlor pursues an ambitious policy to reduce environmental impact. Our approach covers processes end to end and is part of an organized quality management system. We were certified ISO 14001 in June 2013.

LIMITING FRAGRANCE INDUSTRY ENVIRONMENTAL FOOTPRINT

TechnicoFlor initiated its environmentally friendly policy with the 2008 launch of its Natflor range of natural perfumes whereby we sought to diversify sources of ingredient procurement by using renewable farming techniques. We grow and use plants that limit the contribution from synthetic molecules. By developing our Ecolabels range featuring enhanced bio-degradability, we rapidly attracted interest from market leaders. Finally, our Natflor range of products sourced from Fair Trade is highly reliant on organic essential oils.

MANAGING ENVIRONMENTAL PERFORMANCE

TechnicoFlor has for many years pursued initiatives to limit environmental impact:

- Special equipment to reduce electricity consumption (proximity detectors, two-way power facility) and to save water (leak detection, control of cisterns, adoption of drought-resistant Mediterranean plants in gardens);
- Waste sorting for cans, cardboard and other packaging and electric batteries
- Analysis of atmospheric releases
- A number of steps have been taken in transportation policy including choice of rail for staff travel at national level and for overland goods shipment, including preference for maritime transportation in the export markets and road haulage for national distribution.

In 2012, TechnicoFlor reorganized its environmental policy, which was integrated into our quality management system. The new policy is reliant on the detection and assessment of Significant Environmental Aspects and an action plan.

Key features are:

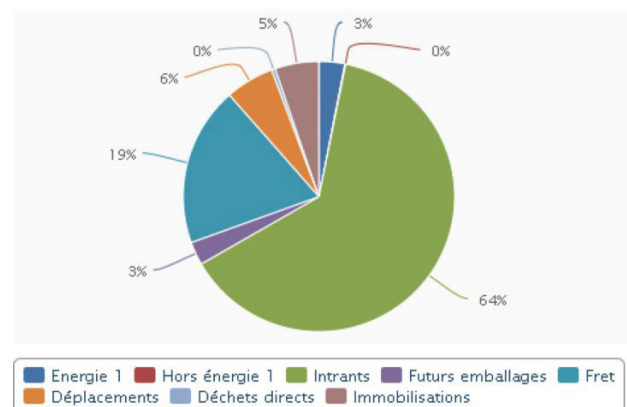
- Training of all staff in environmentally-friendly behavior
- Continuous improvement in waste management systems and new approaches to recycling.

TECHNICOFLOR IS ISO 14001 CERTIFIED AND COMMITTED TO CONTINUING TO INNOVATE IN THE ENVIRONMENTAL FIELD ACROSS ALL OPERATING PROCESSES.

FIRST CARBON BALANCE SHEET

TechnicoFlor Group performed its greenhouse emissions balance sheet covering 1+2+3 scope of operations and 12 months monitoring at our Allauch premises.

Breakdown by work station (percentage)



OUTCOMES

Scope 3 emissions: 2,408 tCO₂e (≈ emissions from 376 residents in Provence-Alpes-Côte d'Azur region in France over 1 year).

In other words:

53.52 tCO₂e/full time equivalent staff

266 kg CO₂e/product unit

4.2 t CO₂e/ton of products

64% greenhouse gas emissions caused by product and energy inputs (1,530 tCO₂e), of which 87% chemical products.

19% atmospheric emissions due to freight (459 tCO₂e), of which 89% outgoing air freight.

6% emissions due to travel (139 tCO₂e), of which 55% business travel by air and 37% home to work travel by car.

Fixed investment accounts for 5% of atmospheric emissions including 126 tCO₂e of which 73% depreciation of buildings and 27% production plant.

Other items account for less than 5%.

Emissions avoided by use of recyclable packaging and waste management, total avoidance 32 tCO₂e

ACTIONS TO REDUCE OR ELIMINATE GREENHOUSE GAS EMISSIONS

ENERGY

Introduction of energy metering and consumption management tools, raising awareness to good practice

PURCHASING

Development of responsible procurement policy

TRAVEL

Train and cars preferred to air travel whenever possible
Incentives to car sharing and use of public transport (home-work-home travel)

FREIGHT

Replacement of air freight by sea cargo when possible
Optimization of deliveries including priority to local suppliers

AVENUES OF ENVIRONMENTAL PROGRESS

TechnicoFlor is implementing its action plan along the following lines:

- New building to meet High Environmental Quality specifications
- Improved waste recycling (drums) and support from environmentally responsible partners
- Eco-design program to cover packaging, sampling, formulations, etc.
- Continuing identification of and potential preference for suppliers committed to environmentally friendly policies.



	2012	2013	Gap	GRI
Water consumption (m ³ /t)	4.1	3.4	↓	EN6
Electric power consumption (kva/t)	704.3	648.4	↓	EN3
Waste (total) (kg/t) *		0.065	S.O	EN22
Greenhouse gas emissions (t CO ₂ e/t)	4.2		S.O	EN16

Indicator: t = per ton of perfume shipped – For greenhouse gas: scope 1 + 2 + 3

* Waste: plastic, metal, fowl materials, settlement tank, other (solvents)

SOCIAL VALUES: ACTION GUIDED BY UNDERSTANDING

TechnicoFlor's policy of Corporate Social Responsibility stimulates in-depth reflection about how an enterprise interacts with its local territory and society more generally. We made an initial assessment of the "societal" actions spontaneously underway, in order to identify areas of shortfall for more concerted action. Our objective is a consistent, forward-looking approach building on existing initiatives to plan new action priorities.

PUTTING DOWN DEEPER LOCAL ROOTS

Not content with building the 2015 production extension, which testifies to our commitment to local employment, we seek to expand job opportunities for young people in Marseille more generally. We have links with Institut Forbine and the St Jérôme University to give young people year-round work experience and on-and-off the job training. Two persons were offered open-ended contracts after an internship and professional training scheme respectively in the last two years

Finally TechnicoFlor works with other players in the local economy to pool resources for selective waste management and organize the roll-out of fiber optic broadband cabling.

VIGILANT HUMAN RIGHTS WATCH

As purchasers of raw material from parts of the world where poverty is prevalent, TechnicoFlor is aware of the need for heightened vigilance in regard to Human Rights. Our involvement in Fair Trade promotes sourcing through short supply lines, with fewest intermediaries, under controlled growing conditions.

Our approach is backed up by a policy of responsible purchasing, in the form of an initial questionnaire to suppliers about their social, societal and environmental commitments.

2014 should see a map of supplier attainments in these fields and the introduction of criteria for supplier selection based on values of social and environmental protection.

COMBATING CORRUPTION AND SUPPORTING BEST PRACTICE

The supplier questionnaire comes in the wake of the recently drafted TechnicoFlor Code of Conduct, which sets out the principles of respect for human rights and combating corruption, that TechnicoFlor staff and group subsidiaries are required to adhere to. Its scope will be extended to suppliers in 2014.

SOLIDARITY AND SPONSORSHIP

TechnicoFlor engages in numerous solidarity and sponsorship initiatives:

- Support for local handball club
- Cultural sponsorship program under way with a Marseille museum
- Educational visits to production plant, perfume products on exhibit to local school children and the visually impaired
- Membership of Cosmetic Executive Women, organizers of a network of women active in solidarity actions: 27 beauticians trained and paid to provide personal beauty care to patients in 25 hospitals in France



Lavender, lavandin and sage are procured from local sources. Products that can be supplied from our immediate region of Provence are given priority whenever possible.



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