

# Communication on Progress

- 2020 -



BONTOUX

DEPUIS 1898





# Table of Contents

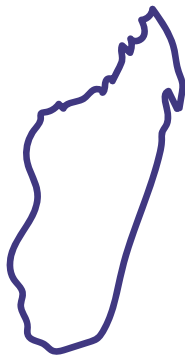
<b>A word from the President</b>	<b>6-7</b>
<hr/>	
<b>INTRODUCTION</b>	<b>8-17</b>
Our history	8
Bontoux today	8
Our products	8
Our certifications and standards	9
The Scope of the COP	10-11
<b>Sustainable Development at Bontoux</b>	<b>12-17</b>
Our Four Sustainable Development Pillars	13-15
Chronology : highlights	16-17
<hr/>	
<b>1.</b>	
<b>2020 : HIGHLIGHTS &amp; MILESTONES</b>	<b>18-27</b>
<b>A year marked by the COVID-19 health crisis</b>	<b>20-21</b>
Facing challenges together	20
Continuously adapting how we work	21
Continue holding group events for employees	21
<b>2020, a year of concrete commitments</b>	<b>22-25</b>
Environmental Analysis (ISO 14001 Standard)	22
Carbon Footprint assessment	22
Implement CSR monitoring	23
Adopt a single Code of Ethics and Conduct	23
Implement a sustainable procurement process	24
IFRA-IOFI Sustainable Development Charter	25
<b>Evaluating our CSR positioning</b>	<b>26-27</b>
Evaluate, compare, and improve our CSR performance	26
Identify new ways to improve water security	26
Social compliance : SMETA audit	27
<hr/>	
<b>2.</b>	
<b>2020 REPORT ON OUR FOUR PILLARS</b>	<b>28-53</b>
<b>Environment, preserve our Environment</b>	<b>30-33</b>
Act on our energy consumption	30
Use more renewable energies	31
Reduce, reuse, and recycle our waste	31
Help reduce the lavender industry's carbon impact	32
Reforest and compensate for our harvesting of wood forest products in Madagascar	33
<b>Responsible, source sustainable and responsible raw materials</b>	<b>34-41</b>
Continue our responsible purchasing	34-35
Choose better raw materials for people and nature	36-37
Increase our involvement in our supply chains	38-41
<b>Local, commit to making a difference locally</b>	<b>42-45</b>
As a major local economic actor	42-43
Through citizen initiatives	43-44
As a patron	45
<b>Together, build a sustainable model</b>	<b>46-53</b>
Committed to our employees	46-51
Join forces with our employees for a sustainable model	52
Joining with our peers for progress	53





# Focus on our Herbs Department

A closer look at organics in our Herbs Department 37  
Help preserve the Linden supply chain in the Baronnies 40-41



# Focus on Madagascar

Recycling in Madagascar	31
Reforest and compensate for our harvesting of wood forest products in Madagascar	33
Establish an organic Ginger supply chain in Madagascar	38-39
Support expansion of the Mananjary site	43
Seasonal work in Madagascar	43
Our patronage initiatives in Madagascar	45
Building a healthcare clinic in Mananjary	47
Securing our employees' healthcare	47





The Bontoux Group is a legacy created and nurtured by four generations of people. People stirred by their love of nature's wonders and their pursuit of excellence. A family company that values sustainability and connection: connection with the company's original terroir – a land to be cherished and preserved – and connection with our future generations, who will, in turn, inherit this legacy from the family of today.

Our company's intention is to nurture and preserve this living legacy composed of unique forms of savoir-faire, and to do the same with our ecosystems, the people with whom we work, and the regions that are home to our production sites.

This is why, in 2016, we defined the four pillars of our commitment, each a branch of a deeply rooted resolve: preserving our environment, implementing responsible sourcing, protecting and proactively contributing to the local socio-economic fabric, and, lastly, remaining determined to act together, with our employees and stakeholders, to put these policies into practice.

In 2018, we chose to give this commitment still greater weight by embracing and implementing the Ten Principles of the United Nations Global Compact and sharing the progress we have made each year with our stakeholders.

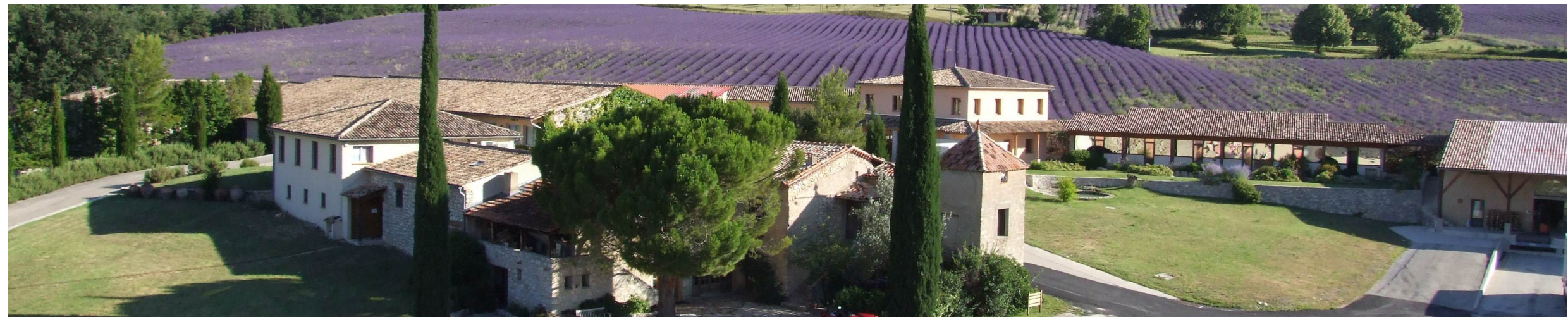
The year 2020 was pivotal in our pursuit of these goals, as we took several important new steps: We made concrete commitments within our company – with our employees, suppliers, and stakeholders – and we arranged external assessments of our CSR positioning. These essential steps will guide us in refining a targeted action plan for the next five years and measuring the impact of our efforts.

Over the course of this challenging year, forever marked by the global health crisis, we also focused on the importance of mutual support in our work and home lives, to help every one of our employees feel secure and cared for under all circumstances, no matter where they work, no matter what their role.

We are therefore pleased to present our second annual Communication on Progress detailing the projects and initiatives we pursued in 2020.

**Rémy Bontoux**  
President of Bontoux group





### Our history

Bontoux first saw light of day in 1898 in Provence, France, and began what has become a venerable history in a land unlike any other: the Haute Ouvèze Valley. In this otherwise remote and austere terrain bloomed a flower unfazed by adversity, one that became a precious resource: lavender.

This superior raw material, a botanical treasure, would prompt the blossoming of an entire bouquet of vocations and ventures within this valley, an ecosystem that thrives to this day.

It was from one of these early ventures that Bontoux was born, beginning in Montguers in 1898, when Géraud Bontoux decided to officially enter the distillation business.

### Bontoux today

Now, 122 years later, essential oils are still the raison d'être for Bontoux.

Over the years, the group has become a major supplier of natural aromatic ingredients and essential oils.

Across the decades, four generations have passed the torch, refining and broadening the product range, deepening and expanding sales relationships, ensuring the business withstood the tests of time and trend, remaining, like the growers, tethered to its terroir and fertile with meaning and human ties.

### Our products

The Bontoux Group is a producer of essential oils and natural extracts and Bontoux SAS also conducts trade as an herbalist with a wide range of dried, aromatic, and medicinal plants.

With more than 200 essential oils, natural extracts, and dried plants listed the catalog, and with operations on four continents, the company's international presence is a source of both strength and singularity.

#### A few figures:

**195 employees** as of December 31, 2020.

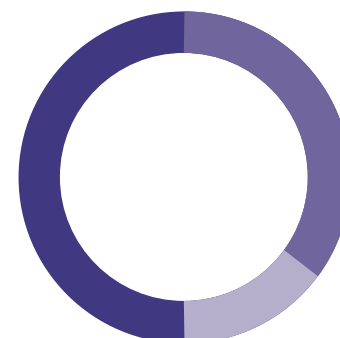
Raw materials from **42 different countries**

**10 subsidiaries**

**95% of sales** made outside France.

We produce and offer more than **200 products**

#### Sales turnover breakdown for Bontoux SAS:



- Fine Fragrances & Cosmetics
- Foods
- Others (herb trade, aromatherapy, contract work, etc.)

### French site certifications:



### Madagascar site certifications:



**Certified for Life since 2018**

*List of approved products:*

**Clove - 100%**

**Clove Bud Essential Oil - 100%**

**Clove Stem Essential Oil - 100%**

**Vanilla - 100%**

**Vanilla Oleoresin - 100%**

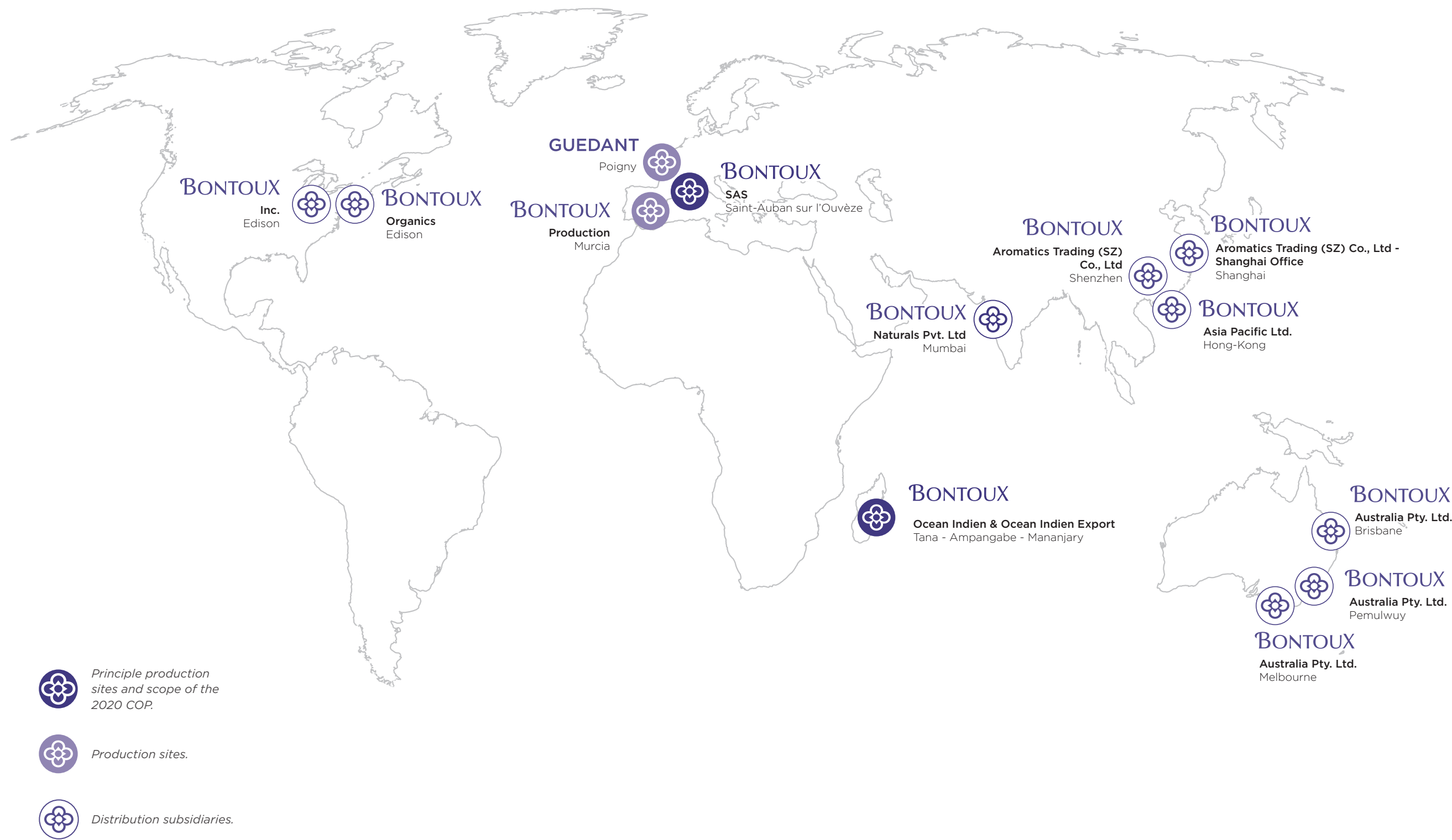
### Certified:



### CSR auditing authority:









# Sustainable Development at Bontoux

## Our sustainable development commitments

The company's activities as a producer of essential oils and natural extracts have always revolved around the use of botanical raw materials and the regions in which they are grown.

We are therefore dependent upon and wholly committed to the components of an entire ecosystem – from lands to plants to people – to ensure not only their protection, but their holistic improvement and development.

In 2016, we decided to frame our sustainable development commitments into four pillars and to form a Sustainable Development Steering Committee to guide us in our progress.

In 2018, we further decided to bring our sustainable development plan into line with the world's largest corporate sustainability initiative.

As a participant in the UN Global Compact, we commit to aligning our strategies, business culture, and operations with 10 universal principles and to report to our stakeholders annually on our adherence to these principles in a Communication on Progress.

## WE SUPPORT



# Our Four Sustainable Development Pillars



## ENVIRONMENT

*Being a company committed to preserving the environment, terroirs and landscapes.*



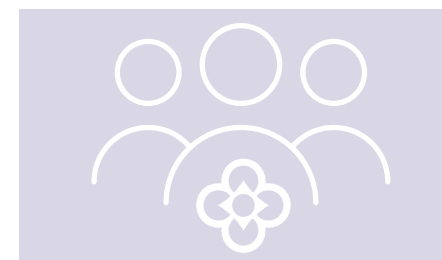
## RESPONSIBLE

*Implementing sustainable and fair sourcing with respect for people and nature.*



## LOCAL COMMITMENT

*Being a locally responsible company with the emphasis on good citizenship.*



## TOGETHER

*Building a sustainable model with our partners, our employees, and developing our commitments all together.*



# Objectives and associated SDGs :

## ENVIRONMENT



- Control and reduce our water, gas, and electricity consumption
- Reduce, reuse, and recycle our waste
- Understand and assess our environmental impacts, specifically including our carbon footprint
- Evaluate our regulatory compliance and ensure it remains up-to-date through consistent monitoring

## RESPONSIBLE



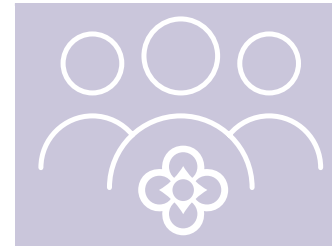
- Ensure that human rights and labor rights are respected
- Preserve natural resources and biodiversity and minimize our environmental footprint
- Respect business ethics and fight corruption in all its forms
- Support the development of our local and international partners
- Increase our knowledge of our strategic supply chains and ensure the quality and safety of our products
- Expand our range of certified organic products

## LOCAL



- Be a committed corporate citizen
- Support local community initiatives in the areas our production sites are located

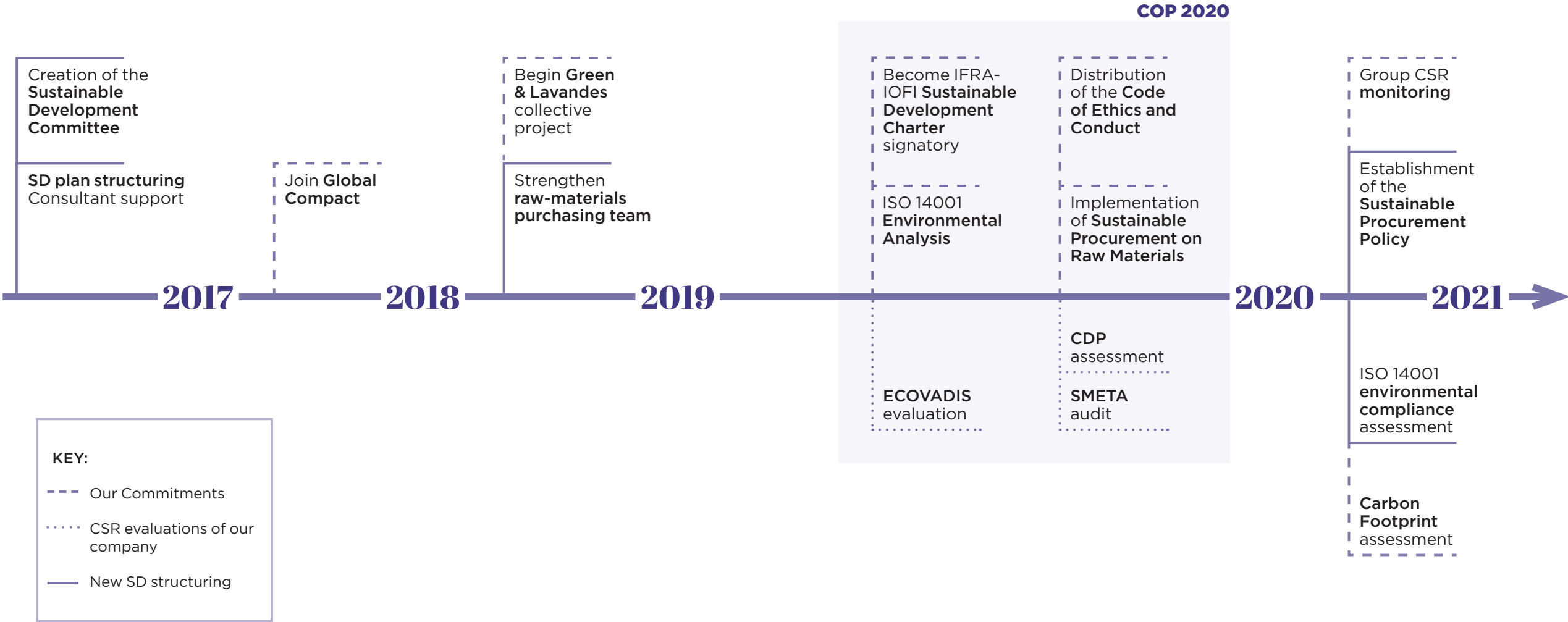
## TOGETHER



- Create a high-quality, fulfilling work environment for our employees
- Work committedly with our employees to achieve and maintain a sustainable model
- Move forward with our peers to achieve and maintain a sustainable model



# Chronology: highlights







# Highlights of 2020

## 1.

<b>2020 : HIGHLIGHTS &amp; MILESTONES</b>	<b>18-27</b>
A year marked by the COVID-19 health crisis	20-21
Facing challenges together	20
Continuously adapting how we work	21
Continue holding group events for employees	21
<b>2020, a year of concrete commitments</b>	<b>22-25</b>
Environmental Analysis (ISO 14001 Standard)	22
Carbon Footprint assessment	22
Implement CSR monitoring	23
Adopt a single Code of Ethics and Conduct	23
Implement a sustainable procurement process	24
IFRA-IOFI Sustainable Development Charter	25
<b>Evaluating our CSR positioning</b>	<b>26-27</b>
Evaluate, compare, and improve our CSR performance	26
Identify new ways to improve water security	26
Social compliance : SMETA audit	27



# 1.1 A year marked by the COVID-19 health crisis



## 1.1.1 Facing challenges together

### At the parent company:

In early March, we formed a crisis unit to manage the looming pandemic, making it possible – then and now – to monitor the evolving health protocols, adapt to and execute the various government decisions regarding operations, and establish appropriate in-house company guidelines.

One **six-person** crisis unit, including a representative from the company's Social and Economic Committee (CSE). **Three** COVID information liaisons, including a CSE representative

To keep employees informed and support them during this crisis, we decided to communicate locally through a newsletter after each crisis-unit meeting, in close collaboration with the CSE, and regular tours of the various departments by the COVID information liaisons, based on the pace of the changes.

### With our suppliers:

We warmly thank certain suppliers of ours who donated masks to us at a time when we could not obtain any ourselves.



### In our region:

Production and complementary distribution of **1,000 liters (264 US gallons) of hand sanitizer** to stores, pharmacies, nursing homes, retirement homes, town halls, schools, firefighters, and other key civic sites in a 25-mile radius of our facility.

### With our subsidiaries:

This health crisis has been an opportunity to strengthen ties with our subsidiaries through support, dialogue, and sharing our best practices, as well as providing safety masks.



## 1.1.2 Continuously adapting how we work

To ensure the best possible working conditions, we had to adjust our way of working on a daily basis, but our employees showed great flexibility and we deeply appreciate their being so adaptable!

The uncommon circumstances meant we needed to:

- Reorganize work and set up telework for the first time
- Reorganize office layouts and reassess space allocation
- Improve office ventilation (HVAC) and airing strategies
- Support production through temporary reassignment of employees from other departments
- Adapt the staff cafeteria and dining plan to allow employees continued access meal services
- Provide washable masks and hand sanitizer to all employees for professional and personal use starting in March 2020, then surgical and N95 (FFP2) masks as soon as we could procure them.



## 1.1.3 Continue holding certain group events for employees

To sustain ties between coworkers, we decided to continue holding certain events in compliance with recommended health and safety guidelines.





# 1.2 Concrete commitments



## 1.2.1 Perform the Environmental Analysis per the ISO 14001 Standard

In 2020, we decided to assess the environmental impacts of all activities of the parent company in Saint-Auban-sur-l'Ouvèze and to commit to progressing in that realm every year.

This is the keystone of an Environmental Management System in the making.



### Objectives:

- Identify significant environmental impacts, real and potential, through inspection of facilities and assessment of practices and existing in-house regulations.
- Attain involvement and greater awareness on the part of all company stakeholders
- Establish a program of appropriate and concrete actions to improve performance and environmental risk management



## 1.2.2 Commit to conducting a Carbon Footprint assessment

To help develop a more responsible economy and be part of France's National Low-Carbon strategy, we are committed to a "Climate & CSR Autonomy" plan to reduce our carbon footprint and greenhouse-gas emissions.

We decided to seek the support of a specialized firm authorized by the ADEME (French agency for ecological transition) to perform an in-depth carbon footprint assessment and chose the broadest evaluation possible, the three Emission Scopes:

**Scope 1** covers direct emissions from owned or controlled sources

**Scope 2** covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by our company

**Scope 3** includes all other indirect emissions in our value chain, particularly transportation.

This 2020 carbon footprint assessment targets the parent company's site in Saint-Auban-sur-l'Ouvèze.



## 1.2.3 Implement CSR monitoring

CSR monitoring will be implemented for all Bontoux group entities so as to provide clear and practical information to facilitate operational management of the sites and improve their performance.

This will also help us in communicating certain kinds of information to employees to make them aware of our environmental impacts and the importance of reporting information.



## 1.2.4 Adopt a single Code of Ethics and Conduct

Our Code of Ethics and Conduct sets out individual and collective rules of conduct so that everyone may act with integrity and responsibility with all of our stakeholders. The Code covers the key CSR action areas: human rights, working conditions, fighting corruption in all its forms in conducting business, and environmental preservation.



In 2020, the Code was distributed to all Bontoux Group employees :

- Accompanied by dedicated awareness sessions, reaching a total of 33 executives and team leaders at the Saint-Auban site
- Disseminated to the staff at our subsidiaries via each subsidiary manager
- Added to the new employee orientation.





## 1.2.5 Implement a sustainable procurement process



### Become aware of the stakes



The year 2020 was also the year in which we realized that our commitment to a more sustainable world could not be truly viable without taking into account the social, economic, and environmental impacts of our purchasing.



Procuring directly from the source has always been part of our identity and is what makes our trade so unique and authentic.



As our supply chains are numerous and varied, we must commit even more firmly to guaranteeing our clients that our raw materials are purchased transparently, in an informed manner, and in keeping with our commitments.

To ensure all these issues are given appropriate consideration in our business model and to anchor our supply chain in our broader sustainable development approach, we decided, in the second half of 2020, to implement a Sustainable Procurement process.



We source our raw materials in more than **40 countries** through a network of more than **300 suppliers** with radically diverse profiles.

### Train and raise awareness in-house

One of our buyers completed a qualifying training course on the ISO 20400 standard, which sets forth guidelines on incorporating social responsibility into the purchasing process.

The entire raw-materials purchasing team then attended in-house awareness sessions to ensure all members understood the issues and could actively disseminate best practices.

### Begin applying this policy across all our supply chains

Guaranteeing sustainable procurement across our entire purchasing portfolio is a major challenge.

These principles will gradually be implemented in all our purchasing categories, first by raising awareness among our raw material suppliers about social, economic, and environmental issues by disseminating our Sustainable procurement Pledge starting in January 2021.

Sustainable procurement per the **ISO 20400** standard

### Develop the Sustainable procurement Policy:

In late 2020, we finalized and approved our Sustainable procurement Policy, which expresses our intentions and the values we wish to defend:



1. Ensure that **human rights** and **labor laws** are respected.
2. Preserve **biodiversity**.
3. Reduce our **environmental footprint**.
4. Respect business ethics and combat corruption.
5. Support the **development** of our local and international **partners**.
6. Ensure the **quality** and **safety of our products** and deepen our **knowledge of our strategic supply chains**.



## 1.2.6 Sign the IFRA-IOFI Sustainable Development Charter



In May 2020, we signed the IFRA-IOFI Sustainability Charter, thereby joining more than 100 other companies in a collective effort to improve the CSR performance of the fragrances and flavors industry around the world.



The charter includes 17 clear-cut, specific commitments that can be achieved by companies of all sizes, divided into five focus areas:



An annual report on aggregate progress as an industry, commitment by commitment, will be published, stressing the connection between the progress and the United Nations Sustainable Development Goals and outlining specific projects.



# 1.3 Evaluating our CSR positioning

*The ever-more-frequent challenges from our clients in the form of audits and assessments are opportunities to improve, ones that we embrace. Their greater demands serve as catalysts, stimulating us and opening new horizons for us to pursue as we set our sights higher still.*



## 1.3.1 Evaluate, compare, and improve our CSR performance

The CSR approach we first introduced in 2016 is now more structured, formalized, and germane. This maturity prepared us to take the major step of undergoing the CSR assessment documented through the EcoVadis platform in July 2020.

We now have objective and comparable parameters by which to define areas needing improvement and to identify indicators to establish with our employees.

Our business partners can access information on our CSR performance by joining our network on the platform and monitoring our annual reviews and associated results.



## 1.3.2 Identify new ways to improve water security

In August 2020, we took part in the world's most comprehensive project of self-reported environmental data collection by submitting our water security data to the Carbon Disclosure Project (CDP) platform.

Thanks to this exercise, we better understand the risks associated with water resources that we had not originally identified as critical for our company and have established short- and medium-term action plans to address this vital issue.



## 1.3.3 Evaluate our social compliance with a SMETA audit



In late 2020, we updated all our data on the Supplier Ethical Data Exchange (SEDEX) platform and had an outside entity perform an ethical-trade audit known as the SMETA (Sedex Members Ethical Trade Audit).

It is the most widely utilized social audit in the world.

The audit report was published on the collaborative platform and can be read by the companies in our SEDEX network.



### The audit covered four key areas:

- Labor
- Health and safety
- Environment
- Business ethics

### Ten employees were interviewed individually and/or in a group:

- 3 Executives
- 4 Supervisors
- 3 Workers







# 2020 Report on our Four Pillars

## 2.

<b>Environment, preserve our Environment</b>	<b>30-33</b>
Act on our energy consumption	30
Use more renewable energies	31
Reduce, reuse, and recycle our waste	31
Help reduce the lavender industry's carbon impact	32
Reforest and compensate for our harvesting of wood forest products in Madagascar	33
<b>Responsible, source sustainable and responsible raw materials</b>	<b>34-41</b>
Continue our responsible purchasing	34-35
Choose better raw materials for people and nature	36-37
Increase our involvement in our supply chains	38-41
<b>Local, commit to making a difference locally</b>	<b>42-45</b>
As a major local economic actor	42-43
Through citizen initiatives	43-44
As a patron	45
<b>Together, build a sustainable model</b>	<b>46-53</b>
Committed to our employees	46-51
Join forces with our employees for a sustainable model	52
Joining with our peers for progress	53



# 2.1 Preserve our Environment



## 2.1.1 Act on our energy consumption

**Renovation and extension of a building on the parent-company site:**

- 263 m<sup>2</sup> of renovation surface area/70m<sup>2</sup> new surface area.
- Dual-flow ventilation to recover the calories from the extracted air to preheat the incoming air, with **Eurovent Certification** and ECM energy-saving motors. We have chosen a supplier offering “Green Tech” certified equipment.

**A project to control and reduce our steam consumption began in 2020 and will continue through 2021.**



### Objectives:

1. Carry out an initial diagnosis of our entire steam-trap network to identify and address any malfunctions.
2. Limit leaks by dispatching our maintenance team in no more than three days.
3. Conduct exhaustive semiannual inspections of the network.



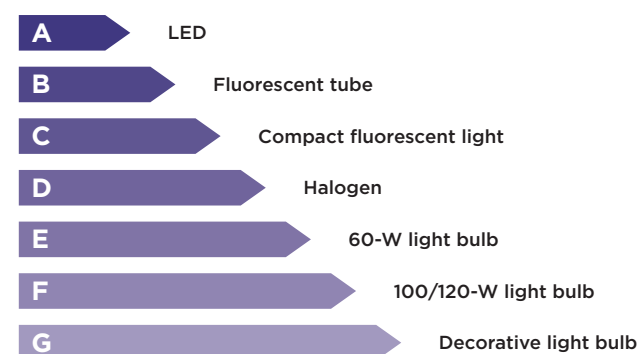
**€2,400** invested in diagnostic equipment: inspection case with ultrasound detector.

**30** technician hours invested in 2020.

### Continued replacement of lighting sources:

**75%** of our lighting equipped with **LED** by the close of 2020.

**€4,700** investment.



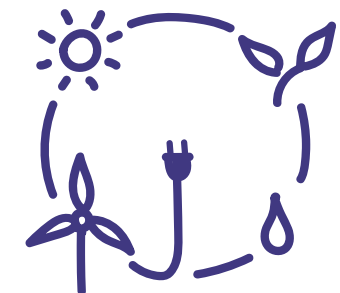
## 2.1.2 Use more renewable energies

Since January 1, 2019, with our Renewable Energy Contract, our site has been a part of a collective undertaking to facilitate the energy transition.

**100%** of our electricity is from renewable energies, with certified origins.

In 2020, **1,467 MWh** of electricity, produced via renewable energy sources among EDF's electricity generation facilities, were channeled by EDF into the electrical network on behalf of our site.

**1 MWh = 1€** invested in research and development of renewable energies in France.



## 2.1.3 Reduce, reuse, and recycle our waste

Through increasingly well-organized sorting and recycling processes and partnerships with specialized companies, the original Bontoux industrial site is working to minimize the environmental impact of its waste.

For more than a decade, all employees have remained informed of this waste management commitment and the need for continuous improvement in recycling using the technical means available.



### 2020 figures:

**57.8%** of our waste is recycled (excluding compost)

**100%** of recyclable waste recycled

**11** different materials are recycled

### Recycling in Madagascar:

We have been sorting and recycling waste in Madagascar for a decade and non-usable and non-recyclable waste is taken to the Mananjary city landfill.







## 2.1.4 Help reduce the lavender industry's carbon impact

Bontoux SAS, which already has very proactive presence in the lavender industry, is a founding member of the Sauvagerie du Patrimoine Lavandes en Provence endowment fund. We are also one of the initiators of the Green & Lavandes project and are determined to reach our goal of reducing the carbon impact of France's lavender growing industry.

The lavender industry is well aware of climate issues and has, for several years, been finding ways to reduce its carbon impact, one of which was the creation of the Green & Lavandes program in 2019.

The first step of this project entails listing and quantifying greenhouse gas emissions across the industry and subsequently implementing measures to drastically reduce them.

In 2020, a specialized firm conducted a Life Cycle Analysis (LCA).  
In 2021, we plan to draft a specific "Perfume Plants" methodology for France's Label Bas Carbone (Low Carbon).



### Objective :

To **halve** carbon emissions within a **decade**.

### Objective :

Certify carbon-saving and/or sequestration projects in the lavender/lavandin supply chains.



©CRIEPPAM



## 2.1.5 Reforest and compensate for our harvesting of wood forest products in Madagascar

The extraction and use of forest resources are regulated and monitored by Madagascar's Ministry of Environment and Sustainable Development in Madagascar. Each year, through collection agreements, we are committed on the terms of compensatory reforestation.

Keenly aware of the importance and challenges of forest preservation, we have created our own nursery so as to actively and concretely support reforestation.

**68,143 young Eucalyptus citriodora** trees have been planted since 2010, as part of a collective commitment by forest-resource users to contribute to reforestation.



In 2020, **18,450 seedlings** have been planted, divided up as follow:

- **9,900** seedlings of **Acacia mangium**
- **8,564** seedlings of **Cinnamon tree**
- **76** seedlings of **Eucalyptus citriodora**

This year, to more effectively target our reforestation initiatives, our Madagascar team decided to reforest within the same municipality from which the firewood used to operate our distillery is collected.

In coordination with that city, a new area for reforestation was identified, with the approval of the Range Supervisor and other management authorities.

A second nursery was developed to be as close to the reforestation area as possible.

A new full-time employee was hired to look after the new trees.





## 2.2 Source sustainable and responsible raw materials



### 2.2.1 Continue our responsible purchasing

#### Connect with our suppliers in the field

##### Supply chains abroad

We completed two field missions in January and February 2020. Unfortunately, the national stay-at-home order in France that started in mid-March due to the Covid health crisis put a stop to any subsequent travel.

**17 days** spent in the field in **two countries** outside France

##### Local supply chains

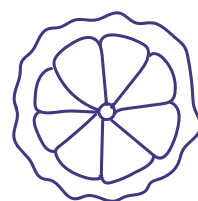
As some supply chains were nearby, we were able to regularly visit our lavender, lavandin, sage, and tarragon producers while still respecting appropriate social distancing and other safety procedures.

**110 days** spent in the field in France.  
**77 local producers** regularly visited.

#### Analyze our strategic supply chains

To practice responsible purchasing, it is vital that we know and understand the environments in which our raw materials grow.

In 2020, we audited two supply chains at two of our partners.



#### BERGAMOT IN ITALY

Certified **organic** supply chain.

Partnership since **April 2019**.

Mission during the harvest in January 2020.



#### BITTER ALMOND IN MOROCCO

Partnership since **2012**.

**Eight years of R&D.**

Mission during the almond-tree blooming period in February 2020.



#### Proving botanical origin through DNA analysis

A research-and-development study was performed with a DNA analysis laboratory and the study results were published in Perfumer & Flavorist magazine: By using DNA as a new method for authenticating bitter almonds and apricot kernels, as well as all their botanical derivatives, we ensure traceability by botanical origin at all stages of the essential-oil manufacturing process. *See Perfumer & Flavorist, April 2021.*



#### Commit to Sustainable procurement

The Sustainable Procurement Plan that we developed in the second half of 2020 takes into account all social, economic, and environmental issues, but also helps us better formalize and structure our buying practices and actively involve our suppliers in our efforts. *See pages 24-25.*







## 2.2.2 Choose better raw materials for people and nature



### Expand our catalog of certified organic products



Certified organic raw materials represented 13% of total purchases of natural raw materials in value in 2020, i.e., 4.5 points higher than in 2019 (8.40%).



### Improve detection of pesticide residues

#### Invest in more effective equipment

Bontoux SAS has significantly improved its pesticide detection capacity in recent years by investing in extremely effective equipment.

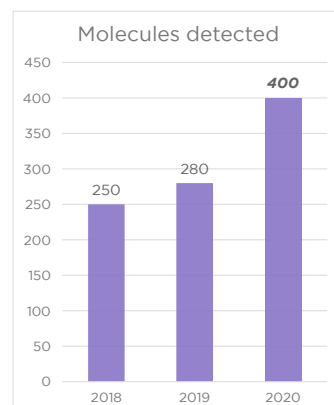
In 2019, we purchased a GC MS/MS (Gas Chromatography with Tandem Mass Spectrometry) instrumentation that lets us detect more than 280 molecules.

In 2020, we decided to invest in even more effective equipment: an LC MS/MS (Liquid Chromatography with Tandem Mass Spectrometry) to allow us to analyze more than 400 molecules.

#### Identify residues

To complete the analysis and interpret the results, two expert chemists analyze the chromatography outcomes one by one to identify each of the molecules present, thereby obtaining a precise interpretive framework for reference.

We now systematically perform pesticide searches on all our certified organic products, as well as on raw materials with known risks, such as citrus, seed-extracted essences, etc.



**More than 800**  
pesticide analyses  
conducted in our  
laboratory in 2020.



### A closer look at organics in our Herbs Department

Our Herbs Department, which expanded in 2020, offers a broad range of products: dried flowers, aromatic and medicinal plants, spices, roots, dried herbs, citrus zest, lavender bouquets, etc.

Each year, the range of certified organic raw materials grows, expanding the number of products in our catalog and the quantities available.

**35%** (in purchase value)  
of raw materials purchased were certified organic in 2020.

**61%** of these were of French origin.



*Dried lemon verbena leaves.*



#### Organic Lavender and Lavandin Flowers

These are flagship products in our catalog and we collaborate with 15 to 20 local growers that produce flowers with deep, subtle colors ranging from blue to extra blue.

**Local supply chains**  
**Traditional savoir-faire**  
**In-depth knowledge of the supply chain**





### 2.2.3 Increase our involvement in our supply chains



#### Establish an Organic Ginger supply chain in Madagascar

We have been sourcing ginger from Madagascar for several years. In 2020, we decided to become more involved with the supply chain by offering producers support in establishing an organic supply chain, to increase the value of their crops.

#### Support the producers

In 2020, our in-house team of controllers from our Madagascar subsidiary made several visits to the Tolongonia region southwest of our production center. This inland region is renowned for its high-quality ginger, which has been grown there for many years.

#### Obtain organic certification for the supply chain

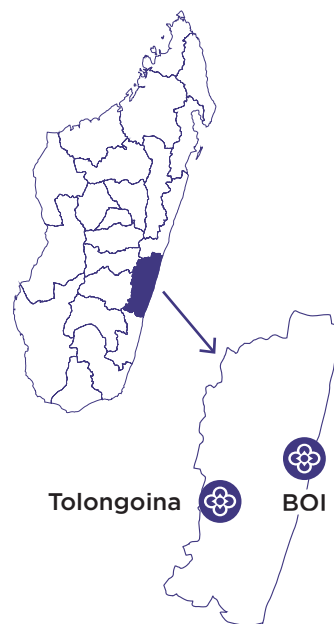
Several field missions were needed to achieve the supply chain's organic certification by an outside auditor: project feasibility study, producer training, plot tracking, seed distribution.

#### Train the producers

Training is an important step in the certification process. It entails providing producers with the necessary specialized knowledge of **organic agriculture**, including refraining from using pesticides and synthetic fertilizers, the need for crop rotation, the benefits of intercropping, etc. Training also addresses the important issue of **contamination risks** during storage and transport. The problems involved in the use of **child labor** are given special attention, in accordance with established fair-trade principles.

#### Create added value in Madagascar

The ginger is then sent to our production subsidiary in Mananjary for distillation.



4 missions  
26 days in the field  
6 in-house controllers +  
2 local controllers

55 producers trained  
40,856 tons of  
certified-organic seeds  
distributed to producers  
free of charge

First harvest expected  
in May-June 2021



#### Objective :

100 tons of fresh ginger,  
equivalent to 400 kg.  
of certified-organic  
essential oil







### Help preserve the Linden supply chain in the Baronnies

#### Revive the industry

The Baronnies linden tree (*Tilia platyphyllos*) is a large-leaved linden tree emblematic of our region. It is renowned for its superior quality and has therefore contributed substantially to the region's reputation.

In recent years, the industry has been in decline and many trees are no longer exploited, though demand is increasing. This means that, while the potential remains, market needs are not being met.

#### Join forces with industry members to pursue the project

To revive this supply chain that is so precious to our region, Bontoux decided to partner with eight other companies in the supply chain, with support from AgriBioDrôme (an association of organic farmers in the Drôme département).

#### Restore the value of harvesting

The main issue is the pay given pickers, which must be increased to give this activity – which used to be performed by families – renewed appeal.

The right balance must be struck to establish a fair price on the market.

#### Train the pickers

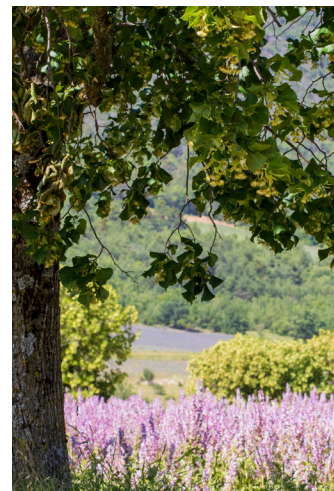
To renew this appeal, an initial training season was held in June 2020 – “learn to pick, dry, and sell linden-tree bracts” – to train future generations of harvesters. The participating companies take turns supporting the process and taking part in these training days.

#### Educate the clients

It was also extremely important to bring all key stakeholders, including clients, onboard in this venture by improving their understanding of the supply chain and striking a balance that is viable for all involved.

#### Support organic certification

To help linden producers and enhance the value of the supply chain, Bontoux is covering the cost of organic certification for small producers.



Linden tree in a field of clary sage.

Since **2019**, we have jointly pursued the ambitious project of reviving the traditional activity of linden harvesting.



• **Agribiodrôme** •  
Les Agriculteurs **BIO** de la Drôme

**5 meetings** in 2020.

An initial inventory of linden trees, made using tree mapping, conducted by an intern with the Baronnies Provençales Regional Natural Park.



Dried linden transported in bourras, jute wraps traditionally used to let the leaves dry naturally.





## 2.3 Commit to making a difference locally



### 2.3.1 As a major local economic actor

The company is a committed, active, major economic actor in the rural areas that are home to its production sites, from the Haute-Ouvèze Valley in France to our location in Mananjary, Madagascar.

We are a direct and indirect contributor to the vitality of the local economic fabric.



#### Support development in Saint-Auban-sur-l'Ouvèze

We have strengthened our teams in France by creating 23 new positions over the past six years.

These new jobs stimulate the local economy by bringing new families to settle in the Haute Ouvèze region, but also by encouraging local residents to apply for jobs, offering future prospects to those living in these valleys.



2014/2020 creation of **23 new positions**, meaning a 35% increase in our workforce

In 2020: **65% of new recruits** were from **local applicants\*** all positions combined.

\*Haute-Ouvèze valley and surrounding area

#### Partnership with the Buis-les-Baronnies *Etablissement et Service d'Aide par le Travail*

For more than a **decade**, we have been working with this establishment that provides work opportunities for the disabled and currently supports 10 disabled workers.

We entrust the center with the laundering of all clothes used by our production staff.



#### Support expansion of the Mananjary site

In 2017, we expanded our Madagascar business by acquiring a new company with a production site in Mananjary.

In 2018 and 2019, we made significant investments in new technical structures and in new-skills development to enhance the added value of raw materials produced in Madagascar.

In addition, between 2018 and 2020, to further encourage business development, we increased the site's workforce by 32%.

**13** new staff hired in 2020.  
**76% increase** in seasonal jobs between 2018 and 2020.



#### Seasonal work in Madagascar

Seventy-eight percent of seasonal tasks are performed by women hired to sort raw materials such as vanilla, clove, and cinnamon.

In 2020, during two months in summer, up to **130 people** performed these tasks, assisting the existing staff.



### 2.3.2 Through citizen initiatives

#### Make education a priority

Over the year 2020, we continued to support the surrounding primary schools by financing a themed educational program, "Music and the Stars," for the Saint-Auban-sur-l'Ouvèze school.

We also extended our partnership with the school in Buis-les-Baronnies to replace its IT equipment.

#### Partner with the Buis-les-Baronnies retirement home

This commitment has a very specific purpose: to fund organized outings for able-bodied residents so they can enjoy local and community life, including seeing arthouse films at a local theater and dining at the training restaurant of the nearby vocational training center.

These group outings had to be discontinued in mid-March due to the pandemic, but will resume as soon as circumstances safely allow.





### Make a long-term commitment to firefighters

In 2016, following the personnel crisis in volunteer firefighters in our region, Bontoux SAS made a commitment to the community by signing an on-call agreement with SDIS 26, the Fire and Rescue Center in the Drôme *département*.

The agreement, now celebrating its fourth year, has borne fruit, with:

**Three volunteer firefighters** recruited from the company as soon as the agreement was established and who have been operational since December 2016

Between 2018 and 2020, **46% of fire-and-rescue responses** involved a **Bontoux employee**.

Enhanced annual training for the company's first-response team members in 2019 and 2020.

**Two full-scale emergency safety exercises** carried out on our site (2017 and 2019) involving the intervention of several barracks (Buis les Baronnies, Nyons) and varying vehicles, depending on the emergency scenarios presented.

### Volunteer firefighters very involved at the Buis-les-Baronnies station

- who acquire new skills, such as forest-fire management, mountain rescue, and heavy vehicles, totaling 54 hours of additional specialized training performed between 2018 and 2020.

- who bring company-developed skill to the station, such as building maintenance, vehicle maintenance, administrative management, and conducting orientations for new firefighters.



#### Agreement objectives:

1. Provide a mechanism for our company employees to become volunteer firefighters (salary maintained for the **22 days** of required training and paid on-call time at the station up to **90 hours** a year).
2. Diversify annual training for site employees.
3. Make the site available for **full-scale emergency safety drills** performed every two years.

*In September 2020, our volunteer firefighters fought a major forest fire six miles from our site alongside several hundred firefighters from neighboring départements and other parts of the country.*



### 2.3.3 As a patron

#### Help fund the area's culture and sports activities

We support projects that nurture living well together and the desire to try new things through the region's cultural and sports organizations.

This year, we again provided support to all of these associations, though a number of events had to be canceled or postponed due to the pandemic.

In 2020, we supported **five cultural organizations** and **two sports clubs** in France.

#### Our patronage initiatives in Madagascar

In Madagascar, we helped renovate the water fountains in the market of the city of Mananjary and distributed soccer balls to soccer teams in the rural town of Tsiatosika.

We also made a financial contribution to the regional reforestation project in Vatovavy Fitovinany.

#### Photo exhibits at our company facilities

We are supporting the photography project of one of our employees, who produces aerial photographs of our local landscapes. As these photo series offer another perspective on our area, it is our pleasure to finance her works and offer her exhibit space in our reception area. Her photos were displayed in two "bird's-eye view" exhibits in 2020, one featuring the Camargue and the other the area's towns and villages.

The series of photos will then be distributed to decorate our employees' offices and our workshops.



#### Standing together in this exceptional year

This year, in France, we donated the budget of one of the events we had to cancel due to the Covid crisis to the Restos du Cœur food bank in the Drôme *département*.



*Following a fire that destroyed more than 865 acres of forest six miles from our site, we matched the contributions made during a "solidarity challenge" fundraiser (see page 48) and donated them to the Buis-les-Baronnies Firefighters Association.*



## 2.4 Build a sustainable model



### 2.4.1 Committed to our employees



The Bontoux adventure is, first and foremost, about people – meeting, forging ties, exchanging ideas. This brings our employees together such that they may express our commitment to sharing skills and savoir-faire, which helps our employees develop professionally and allows our company to grow and improve.



We support our employees throughout their time with us, which we see as a four-stage journey: orientation, occupation, development, and long-term commitment.



#### 1- Orientation: from terra incognita to familiar territory

Take great care with orienting new employees as they become part of our team and trade. In 2020, we held **20 orientation sessions** totaling **140 hours** of new-employee training.

1 complete orientation session = **10 hours** of training  
**5 employees** trained as orientation leaders

#### A full orientation program includes the following:

- Welcome meeting, presentation on the company
- Product awareness training (introduction and olfactory trials)
- General training on health, safety, and environment
- Human resources training
- Job-specific safety and risk training
- HACCP industrial food safety training
- Computer security training
- Follow-up interviews and new-hire feedback

#### Continue to recruit and host interns in 2020:

**15 new hires:** 6 with permanent contracts and 9 with fixed-term contracts in France (excluding interns)

**8 interns** brought onboard in France, including 5 work-study internships and 3 introductory work-placement internships

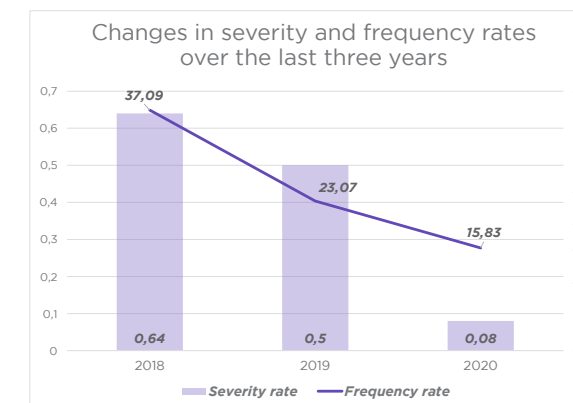
**13 new hires** in Madagascar



### 2 - Thriving in the workplace

We keep a close and caring eye on our employees' working conditions, with particular attention to safety, health, workplace quality of life, and interpersonal relations.

**Staying safe**  
**2** lost-time work accidents in 2020.



#### Securing our employees' healthcare

A complementary health-insurance program entirely paid for by the company for every employee in France, no matter the length of employment.

**79 employees** took advantage of the complementary insurance coverage funded by Bontoux SAS in 2020 and **177 members of their families** enjoyed preferential rates.

For our Malagasy employees, **100%** of unreimbursed healthcare costs are covered by the company.

#### Building a healthcare clinic in Mananjary:

In 2020, to compensate for the lack of high-quality healthcare services in the area, the company began building a clinic on the premises.

A doctor and a nurse will be available on site and will initially provide free medical care exclusively to employees and their families.

All operating costs related to healthcare and medicines will be borne by our Madagascar subsidiary.

The clinic will begin receiving patients in 2021.





### Promote health and quality of life in the workplace

In 2020, in partnership with our complementary health insurance provider AESIO, we established a comprehensive physical fitness program to promote preventative self-care, offering the following activities to all employees:

- A Nordic walking workshop
- Webinars on the importance of physical activity
- The option of taking part in a nationwide walking challenge

We formed a "BOUGEZ+" ("Move More") working group in the company to lead these activities and develop a longer-term approach to promoting physical activity and quality of life in the workplace.

### Forge stronger employee ties through a nationwide charity fundraising challenge

After the 2020 summer holiday period, our partner AESIO held a nationwide walking challenge in September to promote physical fitness. The objective of this charity challenge was to take as many steps as possible over a 10-day period. Daily goals and short-term challenges encouraged consistency and team spirit.

For the first year of what may become an annual event, our employees showed great enthusiasm:

- **5 Bontoux teams** entered the challenge (30 employees, 36% of Saint-Auban-sur-l'Ouvèze staff)
- **5,070,650 steps** tallied by the end of the challenge, totaling 1,575 miles walked by the Bontoux teams
- **1 team won third place nationwide**
- the winning team's prize money donated to a local non-profit organization: **the Buis-les-Baronnies Firefighters Association**



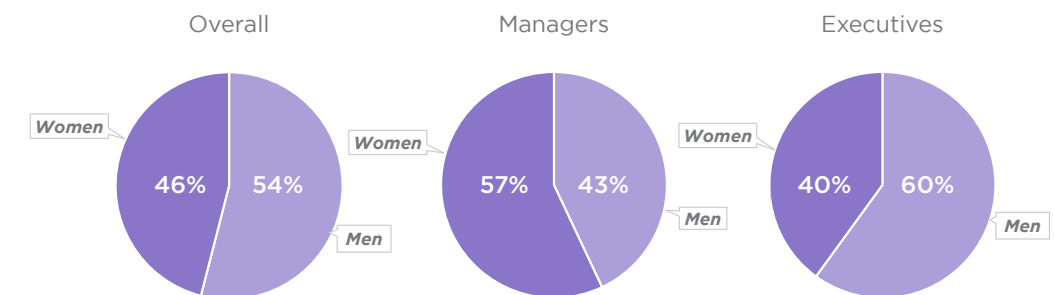
### Maintaining gender equality and equal opportunity in the workplace

We adhere to the chemical industry's agreements regarding gender equality in career opportunities and pay.

In 2020, we scored **76/100** on the gender equality index within Bontoux SAS with:

- A score of 31/40 for pay gaps
- A score of 35/35 for differences in annual increases and promotions,
- A score of 0/15 for the percentage of employees receiving a pay increase upon return from maternity leave
- A score of 10/10 in gender pay equality for the 10 highest salaries.

### Women/men ratios at the Bontoux parent company:





### Adopt a Code of Ethics and Conduct for the entire Bontoux group

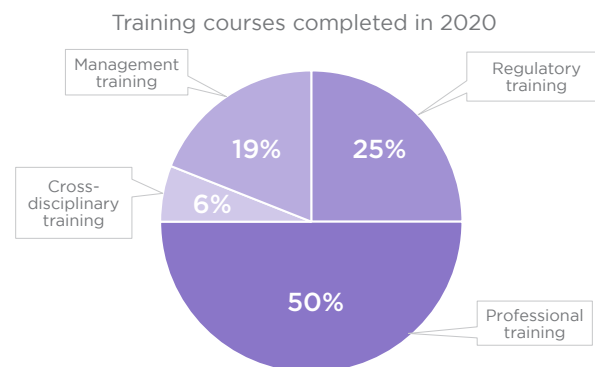
We drafted a code of ethics and conduct which was adopted by all the group's subsidiaries in 2020. It was distributed to all employees at the Saint-Auban-sur-l'Ouvèze and reinforced by awareness sessions. (See page 23)

### 3 - Professional development: room for advancement

Our company treasures the expertise and savoir-faire of our employees, and we want to develop their skills and talents through occupational training, knowledge transfer, and skills sharing between our employees.

#### Continue to train staff

Despite pandemic-related restrictions, we moved forward with our 2020 skills-development plan and complete 55% of the plan, with 74% of Bontoux SAS employees taking at least one training course in 2020.



#### Transfer skills between staff at different production sites

In January 2020, a nine-person delegation from the Saint-Auban-sur-l'Ouvèze production workshops embarked on a three-day visit to their peers at Guédant, a French subsidiary of the Bontoux Group since 2018.

Through tours, discoveries, and discussions over the three days, each team was able to learn beneficial lessons in areas as varied as workshop life, training new arrivals, continuous improvement, and workspace organization (the 5S method), as well as the technical skills specific to each position.

It was an enriching experience for all involved and established a dialogue to be continued in the future to jointly tackle challenges and celebrate successes!



### 4 - Employment longevity: putting down roots.

We are proud to be a team that remains strongly united as the years pass, with men reaching an average seniority of **12.5 years** and women longer still, at **13 years**.

#### Share the Bontoux spirit, generation to generation: Celebrating our 30-year employees

Thirty years was the number of the day, an excellent reason to hold a celebration for our five employees who have served us for more than three decades.

They remember the company when we had fewer than 15 employees, they have watched us grow, and, for more than three decades, honed precious savoir-faire in raw-material sourcing, logistics, production, analysis, and olfactory expertise in essential oils.

At our event, they were eager to talk about their Bontoux journey and humbly reminded us of the importance of more senior employees sharing support and wisdom with new arrivals, enriching the company and everyone who works with us.

The day's event included testimonials from both the young generation (the under-30s) and our in-house experts, and a countryside lunch under the oak trees. A sunny day of sharing and remembrance!







### 2.4.3 Join forces with our employees for a sustainable model

It is said that great oaks from little acorns grow, and that is why we celebrate every action, big or small, taken by our employees, for we believe that the planet's ecological future depends on individual responsibility.

#### Eco-friendly employee actions

Employees who have worked on recycling for more than 10 years.

55% of employees volunteered to collect and bale cardboard boxes recovered from all departments (meaning two employees dedicated to collection for one hour per week).

100% of employees recycle their office trash and ink cartridges.



#### Form a "Greener Eating" work group

An employee group composed of representatives from the Social and Economic Committee (CSE), the cafeteria service, and volunteers established and tested the objectives of this program (called "*Pour une cantine plus verte*" in French).

In 2020, initiatives focused on gathering employee suggestions using a suggestion box. In response to employee demand, we conducted a **15-day experiment** serving menus made with **local and organic** ingredients and established a network of around fifteen new suppliers from the neighboring valleys, with very positive results.

The 2021 program is also responsible for drafting cafeteria guidelines, reaching the target of at least **50% local and organic ingredients**, with the company paying any additional costs, partnerships with market gardeners and local breeders within a **15-mile radius** around the site, and planning improvements in the dining facilities.



#### Objectives :

1. Promote sourcing organic and local products to serve our employees healthy, high-quality foods.
2. Be part of a comprehensive sustainable development approach that incorporates:
  - waste impact (reduce food waste, improve waste management)
  - having positive regional impact by developing and supporting local supply chains in our valleys, enhancing local supplier support.
3. Create an enjoyable workplace for cafeteria employees and a pleasant meeting place for all company employees.



### 2.4.4 Joining with our peers for progress

By sharing its knowledge, skills, and financial and human resources, our parent company helps move the industry forward and spread savoir-faire through involvement in various joint trade associations.

In partnership with some of these associations, our company actively works on and/or supports projects and themes addressing sustainable development.

#### COMMITMENTS LASTING MORE THAN 20 YEARS



PDO (AOP) for lavender essential oil from Haute Provence

Bontoux SAS member for **33 years**.

Represented by **Elisabeth Dadole** (Jury Member).



The International Federation of Essential Oils and Aroma Trades.

Bontoux SAS member for **32 years**.



Association Française de Normalisation (French Standardization Association)

Bontoux SAS member for **32 years**.

Represented by **Elisabeth Dadole** (Chairwoman of the T75A Essential Oils Commission).



National Union of Fragrance and Flavor Manufacturers

Bontoux SAS has been an associate member for **27 years**.

2020

Signature of the "Sustainability Charter" in 2020. (See page 25)



Regional Joint-Trade Experimentation Center for Perfume, Aromatic and Medicinal Plants

Bontoux SAS member for **26 years**.

Represented by **Arthur Audran** (Vice President).



Comité Interprofessionnel des Huiles Essentielles Françaises (Joint-Trade Committee on Essential Oils).

Bontoux SAS member for **23 years**.

Represented by **Pierre-Philippe Garry** (Secretary).

2020

Work in progress on a methodology for a "Perfume Plants" Low Carbon label. (See page 32)

#### MORE RECENT COMMITMENTS



Bontoux SAS member for **16 years**.



European Pharmacopoeia

Expert representing the interests of France: **Elisabeth Dadole**, for **16 years**.



Fonds de Sauvegarde du Patrimoine Lavandes en Provence (Endowment fund to protect Provençal lavender)

Bontoux SAS has been represented for **8 years** by **Pierre-Philippe Garry** (Founding member and member of the Board of Directors).

2020

Green & Lavandes program - Aims at reducing carbon emissions from the lavender supply chain by 50% by 2029. (See page 32)



European Federation of Essential Oils

Bontoux SAS member for **4 years**.



Syndicat National des Ingrédients Aromatiques Alimentaires (National Trade Association for Food Flavorings)

Bontoux has been member of the Board of Directors for **2 years**, and is represented by **Rémy Bontoux**.



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UN GLOBAL COMPACT  
COMMUNICATION ON  
PROGRESS

This is our **Communication on Progress**  
in implementing the principles of the  
**United Nations Global Compact** and  
supporting broader UN goals.

We welcome feedback on its contents.

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