



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.



**BONTOUX**

DEPUIS 1898

# Global Compact Communication on progress 2018

**WE SUPPORT**



June 2019



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# Global Compact Communication on progress 2018

**WE SUPPORT**



June 2019

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Responsible  
Local commitment  
Together



# PRESIDENT'S STATEMENT

We are an independent, family-owned company that has developed over time, through four generations, always driven by the same values: a passion for nature and a taste for excellence.

The concepts of sustainability and sustainable development are at the heart of our DNA by the very nature of our activity of producing essential oils and natural extracts and also by our commitment to the preservation of the terroirs and landscapes that have accompanied the development of our business.

As from 2016, the Bontoux group decided to structure its long-term vision of sustainable development around four directions and has created a Sustainable Development Steering Committee with the job of implementing and applying the commitments of our Sustainable Development policy.

In 2018, we decided to include our sustainable development approach within the UN's universal commitment. By signing up to the Global Compact, we committed to including its 10 principles in our strategy, organizational culture and operations, as well as sharing the progress made each year with our stakeholders through the Communication on Progress/Communication on Commitment.

The publication of our first communication on progress presents all the actions in terms of responsibility that have been implemented at our main production sites in Saint-Auban sur l'Ouvèze in France and Mananjary in Madagascar.

**Remy Bontoux**  
**President of Groupe Bontoux**



# BONTOUX IN FIGURES



**82**  
Employees in France  
**200**  
Around the world



**5**  
Production sites  
**More than 200**  
Aromatic ingredients



**6**  
Distribution subsidiaries  
**95 %**  
Sales outside France

*Turnover:*

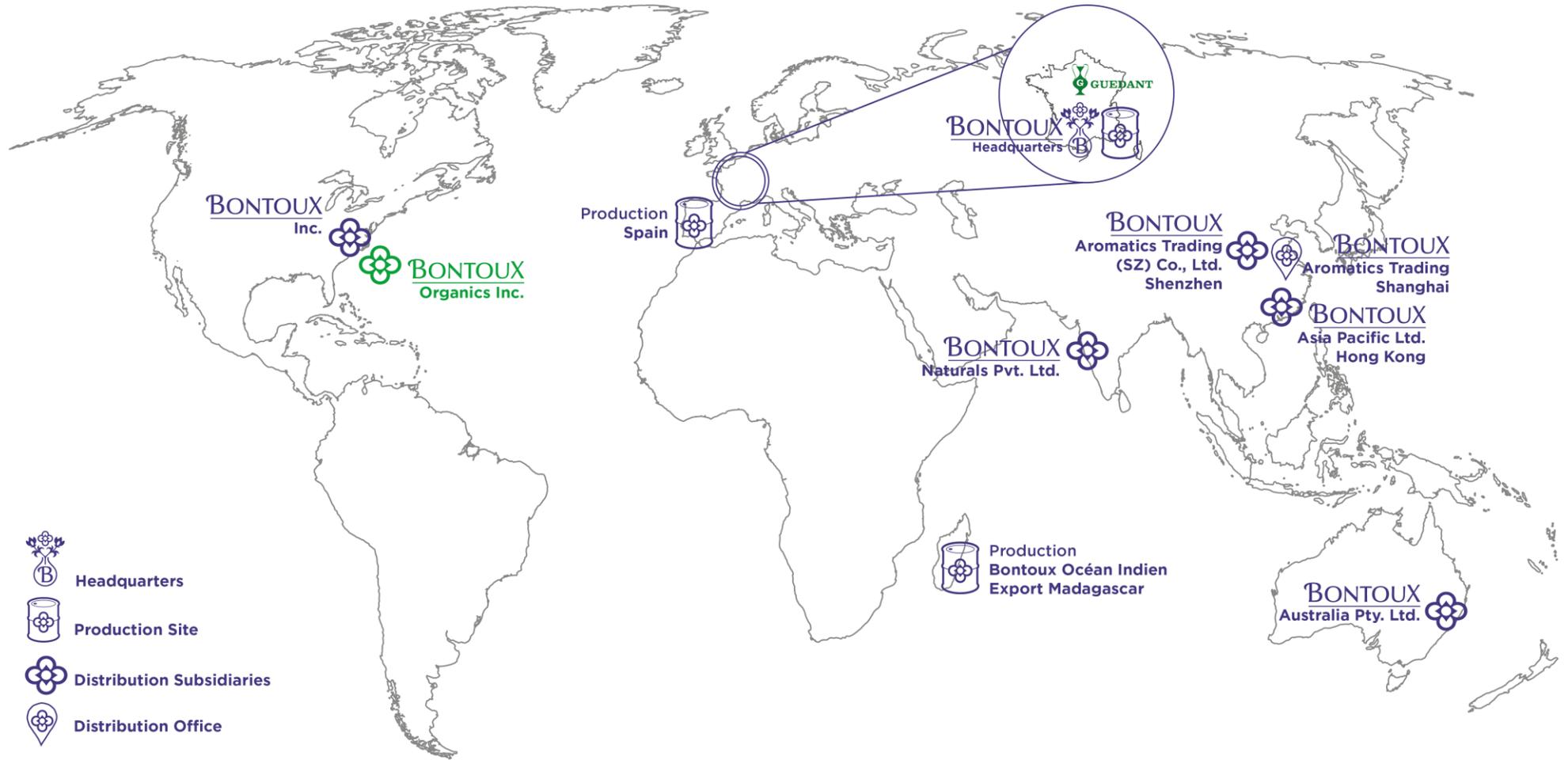


**40%** Perfume & Cosmetics

**35%** Flavorings

**25%** Aromatherapy, other

# BONTOUX AROUND THE WORLD



# A LONG-TERM STRATEGY BASED ON 4 DIRECTIONS AND 11 SUSTAINABLE DEVELOPMENT GOALS OUT OF 17



## 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



# A LONG-TERM STRATEGY BASED ON 4 DIRECTIONS AND 11 SUSTAINABLE DEVELOPMENT GOALS OUT OF 17

## SUSTAINABLE DEVELOPMENT GOALS





# ENVIRONMENT

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



For more than 120 years, Bontoux has been dedicated to developing a direct relationship with producers around the world with a constant concern to preserve and take care of the diversity and richness of plant species. Preserving the balance between nature and man is our aim.

That's why, at Bontoux, we want to contribute to a better world by taking action to reduce the environmental footprint of our activities with three priorities: waste management, water and waste water control and energy usage.

6 CLEAN WATER AND SANITATION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



15 LIFE ON LAND





# ENVIRONMENT

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

## *Sorting our waste, recovering it, recycling it*

Through increasingly selective sorting, Bontoux France has forged partnerships with waste recovery and recycling companies. For more than 10 years, all employees have been made aware of waste management and the need to limit their impact on the environment.

# 99.9%

of waste produced at our main French site in 2018 has been recovered

# 58.7%

of waste produced at our main French site in 2018 has been recycled \*

\* Paper, cardboard, wood, plastics, glass, metals, used oils, wrapping film, light bulbs and neon lights...

In Madagascar too, selective sorting has been in place for about ten years and waste that cannot be used and is not recyclable is deposited at the Mananjary communal landfill.

## *Composting our used plant material*

In France, the organic waste leaving our distillation and extraction plants is processed in an 11,000 m<sup>2</sup> composting facility.

The resulting compost is analyzed according to NFU Standard 44-051.

It is submitted to Ecocert each year to qualify as an:

“Input that can be used in Organic Agriculture”.

In Madagascar, the used plant material is:

- either processed in a composting facility of more than 1,000 m<sup>2</sup>
- or mixed with other material to fill roads and facilitate local access.

# 5,500 tons

of compost has been produced at our main French site in 2018 and sold to local farmers within a radius of 40 km

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# ENVIRONMENT

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

## Controlling our water consumption

In France, we have invested in an osmosis and storage installation for processing drinking water. This installation has also eliminated the risks of leakage due to old networks and considerably reduced the use of water treatment products.

*More than €160,000*

Investment dedicated to water management at our main site in France

*More than 1,000 m<sup>3</sup>*

of water from the public network in Madagascar is saved each year

In Madagascar, a well provides water for employees' needs (showers/WC/washbasins) and the kitchen, and two tanks have been installed to collect rainwater used for watering the plant nursery.

## Processing our wastewater

In France, our wastewater is processed using an internal treatment plant with physico-chemical pre-treatment and a membrane bioreactor (MBR).

*100%*

compliance with all parameters for release to the natural environment at our French site

*Between 96.8% and 100%*

treatment efficiency in 2018 according to the monitoring parameters at our French site



In Madagascar, a filtering system with chips, charcoal and reeds is used to treat the wastewater from the site (mainly herbal distillates and washing water). This station is controlled by the Ministry of the Environment, Ecology and Forests and regular analyses are carried out internally and by an external laboratory.



# ENVIRONMENT

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

## Using certified paper

In France, all our employees use:

- either recycled paper
- or paper from sustainably managed forests.



## Reducing our energy consumption

In France, fluorescent, incandescent and halogen bulbs have been replaced by LEDs, which consume less energy, and several thermal insulation campaigns and the insulation of 750 m<sup>2</sup> of workshop ceiling have been carried out.

# 8%

estimated energy saved

# €50,000

committed to energy savings between 2015 and 2018

In Madagascar, a solar water heater supplies domestic hot water and a wood boiler provides steam for the distillery and extraction. This boiler is fueled with local wood that is sourced under the supervision of the Ministry of the Environment, Ecology and Forests, which also checks the annual reforestation that takes place.



# 14,256

eucalyptus trees planted in 2018



Starting of reforestation with the Head of Forests in the Mananjary region as well as with schoolchildren and villagers in the Mahatsara Sud region.

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# RESPONSIBLE

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



We buy and process natural raw materials in France and throughout the world.

We have always made it a point of honor to buy close to the source of supply, from women and men who know how to treat the best that nature has to offer with respect.

This proximity to our producers and plants helps us to better control the quality of our raw materials and to ensure that we buy responsibly.

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*"Buy responsibly to preserve the best that nature has to offer."*



# RESPONSIBLE

Implementing sustainable and fair sourcing with respect for people and nature

## Buying responsibly at the source

Knowing where our raw materials come from is paramount. Bontoux has always preferred to buy directly at source.

# 87%

of our Natural Aromatic Raw Materials were bought at source in 2018 in **36 countries** (by value)

## Being closer to the ground

Because buying at the source is not enough: a real knowledge on the ground, of the supply chains and of our suppliers is essential to be able to buy responsibly.

To this end, we have strengthened our buying/procurement team. Over the past 18 months, 3 new people have joined the team, which now consists of:

- 2 senior buyers, each with over 25 years' experience
- 1 agronomist in charge of sustainable sourcing
- 1 agronomist in charge of technical follow-up and traceability of French supply chains
- 1 assistant



# 209 days

Spent on the ground in **7 countries** in 2018

Better understanding our supply chains  
Improving the traceability of our main raw materials  
Mastering the issues and risks associated with each supply chains and specific to each country

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# RESPONSIBLE

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

In 2018, we carried out a survey of our suppliers of Natural Aromatic Raw Materials. This allowed us to highlight what is important to us in our relationships with our suppliers :

## *Maintaining long term relationships*

Over the years, we have built close relationships with our suppliers in France and around the world.

**40%\***

of our suppliers have been working with us for more than 10 years, **6%\*** for more than 20 years.

\* Representativeness of the survey: 76% of suppliers of Aromatic Raw Materials in 2018

## *Supporting small businesses*

It is essential for us to work as closely as possible with the raw material. This is why we mainly work with Small Businesses : **82%\*** of our suppliers of natural raw materials have fewer than 50 full-time employees, and Very Small Businesses : **59%\*** have fewer than 10 permanent staff.

## *Guiding young producers*

**5%\***

of our suppliers are young companies with less than 5 years of trading

It is also very important to support new suppliers, whether they are young producers or young distillers.

We provide them with all our help and expertise in terms of regulations, logistics and/or transport. We also provide financial support, including facilitating payment terms.



**8** DECENT WORK AND ECONOMIC GROWTH



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# RESPONSIBLE

Implementing sustainable and fair sourcing with respect for people and nature

## Developing our offer of Raw Materials from Organic Farming

Because it is important to preserve our environment, each year we expand our catalogue of raw materials from organic farming.

70

Listings of Organic certified raw materials (CE and/or NOP) in 2018

x 15

Volume of Raw Materials certified as organic (CE and/or NOP) during the last 10 years



Agriculture that is respectful of People and the Environment

Traceability all along the supply chain

Labelling of products that is precise and controlled



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We perform in-house pesticide analyses on certified organic raw materials. In addition, and because it is also essential to control the quality of all our Raw Materials, we also analyze the presence of pesticides on conventional Raw Materials that we consider at risk.



more than 250

molecules can be detected thanks to the expertise of our laboratory team

398

pesticide analyses were carried out in 2018



# RESPONSIBLE

Implementing sustainable and fair sourcing with respect for people and nature

## Setting up fair-trade supply chains in Madagascar

### Focus on fair trade in clove plants

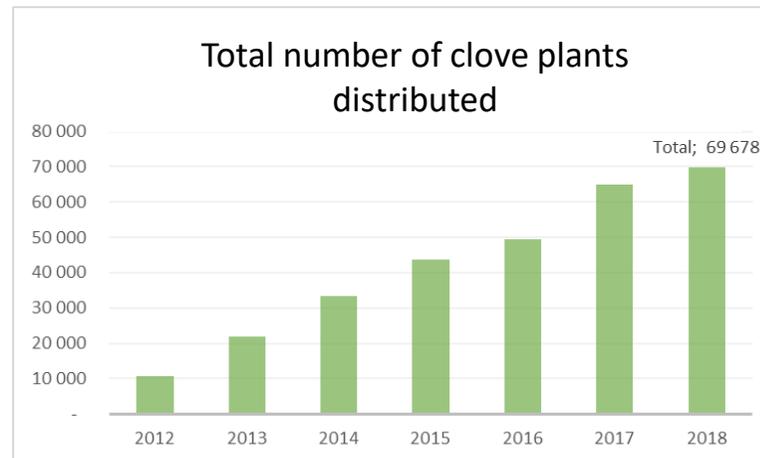
Technical support and training for producers and employees around the concept of what is “fair”, by our local consultant in the Malagasy language.



Clove plants prepared in our nursery are distributed to growers and employees to renew their plantations.

69,678

Clove plants have been distributed during the past 7 years



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# LOCAL COMMITMENT

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



Our main production sites are located in rural areas in Saint-Auban in the Haute Ouvèze valley and in Mananjary, a rural and isolated community in Madagascar.

Roots in these regions and concern for local development are important to our Group.

Through our actions, we want to be a committed corporate citizen and contribute to the economic, social and cultural dynamism of these regions.

**3** GOOD HEALTH AND WELL-BEING



**4** QUALITY EDUCATION



**17** PARTNERSHIPS FOR THE GOALS





# LOCAL COMMITMENT

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

## *Investing in youth education and international openness*

We have introduced introductory programs for foreign languages and civilizations that allow all students in primary school to learn English and Chinese.

With the secondary schools, we have put the emphasis on exchange programs and meetings with our employees to explore our jobs and welcome trainees within our various departments.

In addition, we have set up a special partnership with a local apprenticeship training institution.



## *Establishing citizen partnerships*



Due to difficulties recruiting firefighters volunteers in our region, we signed an agreement with the departmental fire and rescue service, setting up a special training program to allow our employees wishing to become volunteer firefighters to reconcile training with professional life and firefighting service.

**3** Employees  
Firefighters  
Volunteers

**37%**

of the call-outs from the fire station closest to the site included at least one Bontoux employee on the team

**3** GOOD HEALTH AND WELL-BEING



**4** QUALITY EDUCATION



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# LOCAL COMMITMENT

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

## *Supporting local initiatives in France*

Through our patronage policy, we support projects that cultivate the desire to discover and live well together as well as projects to preserve local heritage.



## *Taking part in local life in Madagascar*

We take an active part in local life in Mananjary by supporting a local football team, providing football jerseys, and participating in town festivities such as International Women's Day on 8 March and the National Day parade on 26 June.





# TOGETHER

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



We have set up an action plan to create an environment conducive to talent development for our employees.

Safety, health, quality of life and training are the basis of our commitment.

Together with our stakeholders, we actively participate in the work of sharing, developing and valuing our know-how and expertise.

1 NO POVERTY



3 GOOD HEALTH AND WELL-BEING



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



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10 REDUCED INEQUALITIES



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## Promoting health and the quality of life at work

In partnership with health insurer EOVI, healthy living programs on the themes of sleep, balanced diet and smoking have been offered to all employees over the past three years. In addition to these programs, specialist (a relaxation therapist, nutritionist and tobacco-addiction expert) led workshops organized by the company.

# 3

Preventive Actions for Health



"Precious Sleep" 2016



"Healthy eating on the menu!" 2017



"The harm of tobacco" 2018



In partnership with the inter-company Occupational Health Service, two ergonomics and screen-risk awareness sessions were offered in 2018 to all staff who spend most of their working time in front of a computer. Following that, management allocated a budget.

# €5,848

budget allocated to improving office ergonomics in 2018

Top-up health insurance is provided by the company at **100%** for each employee regardless of length of service. In addition, negotiated rates are offered for spouses and children to provide the best possible conditions for reimbursement of health-care expenses.

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## Welcoming and training our employees

In France, all new recruits benefit from an induction course including a site visit and an introduction to all departments, training in quality, hygiene, safety, and risk and environmental awareness. Training on the job is then provided by the head of the department, workshop or laboratory that the new employee has joined.

# 29

induction courses completed in 2018

A training plan is presented each year to the Works Council and validated by management.

This not only satisfies our legal obligations in terms of safety but also maintains the employability of our staff and/or provides them with additional and complementary skills to progress in their position or within their department or company .

# 2,535 hours

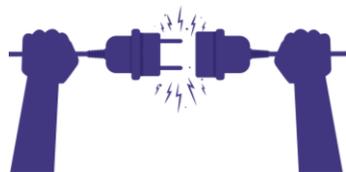
of training provided in 2018

# €49,338\*

\*In educational costs

Allocated to training in 2018

## Giving the right to disconnect



A charter on the right to disconnect was adopted at the end of 2018, recognizing the right to disconnect for all.

This sets out best practices for reasonable use of digital and communication tools, allowing everyone to better understand these tools and preserve their privacy.

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# TOGETHER

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

## Managing human resources in Madagascar with respect

Local wage laws are followed and enforced. In addition, the company opens bank accounts for all employees, for better financial management of their income.

# 100%

of our permanent employees are over 18 years old and have a written contract.

Internal regulations specify some obligations, in particular regarding hygiene, safety and sanctions, which both the employee and the company must respect.



For all employees, whether permanent or daily, the company provides clothing and personal protective equipment depending on their job.

A staff representative elected by the employees to ensure their collective expression.



## Supporting our employees in Madagascar and their families



Each year, financial assistance is given to each employee at the Mananjary site to help finance their children's education.

One-off financial assistance may be paid in the event of a disaster (fire, helping to rebuild a collapsed house, etc.)

# 100%

of our permanent employees are affiliated to a social security system

Health-care costs for employees and their children can also be covered by the company on request, to offset the shortcomings of the social security system and local health services.

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## Engaging with our staff

In France, for a number of years and with an increasingly wide range of waste, all employees are involved in sorting and managing refuse. Weekly rounds of communal collection and bailing of cardboard and paper are carried out by employees. More specifically, production teams are involved in the sorting of plastic, metal and wooden waste.

59.3  
tons

of **CARDBOARD** were sorted and compacted between 2008 and 2018 by employees at the St Auban site

## Engaging with our partners

Sharing our expertise, promoting our business, creating examples of successful and lasting cooperation, advancing and engaging with all of our stakeholders are at the heart of our memberships of interprofessional associations. This special commitment, beyond the status of being active members, often results in our employees working actively within the executive committee of these organizations, whether they are national, European or international.

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