



Communication on Progress - 2021 -



BONTOUX

SINCE 1898



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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 independence, sustainability, and lasting commitments.

The company's journey is also about people, guided by the strength of the ties we maintain with all our ecosystems: the individuals with whom we work, the natural environments that are the sources of our raw materials, and the lands on which our production sites are established.

This is why, in 2016, we built our Sustainable Development commitment around four pillars: preserving our environment, implementing sustainable procurement, protecting and proactively contributing to the local socio-economic fabric, and, lastly, remaining determined to act together, with our employees and stakeholders, to put this policy into practice.

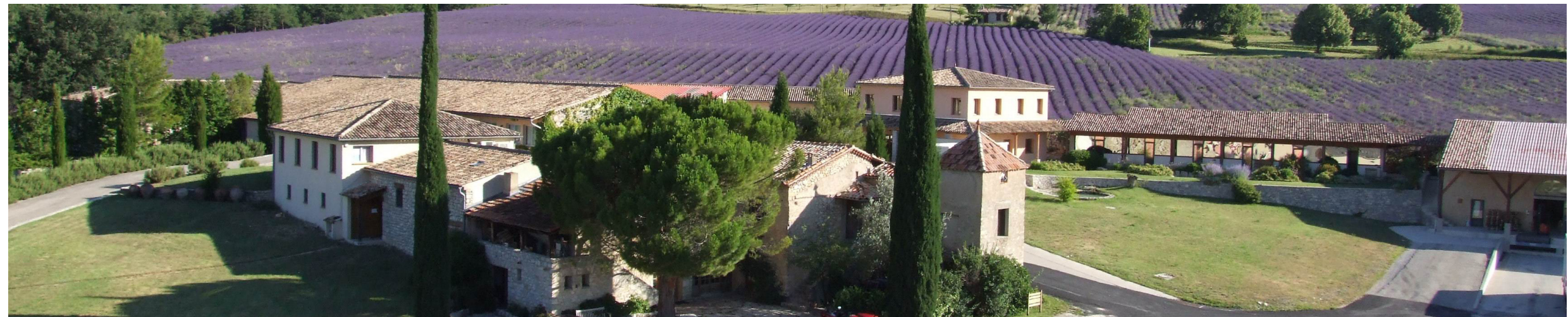
In 2018, we chose to give this commitment still greater weight by embracing and implementing the Ten Principles of the United Nations Global Compact and sharing the progress we have made each year with our stakeholders.

Today, between the desire to keep our entrepreneurial heritage and unique savoir-faire alive and thriving and our commitment to responsible business development and the need to adapt to the environmental and social challenges of today's world, our group is setting an ambitious course to transform how we work and to pass what we know down to future generations.

These objectives are shared by all our employees, as well as my daughter, Orane, and we will pursue them together.

We are therefore pleased to present our fourth annual Communication on Progress detailing the projects and initiatives that punctuated 2021.

Remy Bontoux
President of the 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

200 employees as of December 31, 2021.

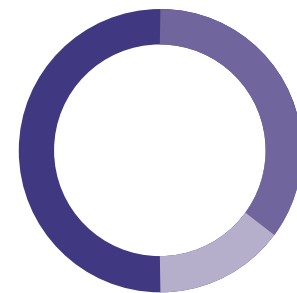
Raw materials from about **forty different countries**.

10 subsidiaries

91% 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



“Product” certifications



CSR auditing authority





Principle production sites and scope of the 2021 COP.



Production sites.



Distribution subsidiaries.

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.



Our 4 Sustainable Development Pillars



ENVIRONMENT

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



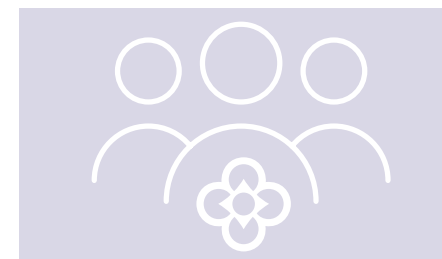
RESPONSIBLE

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



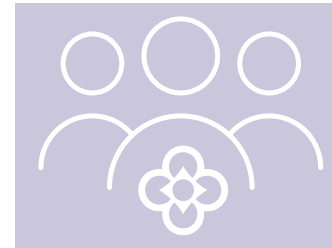
- Ensure that human rights and labor rights are respected
- Preserve natural resources and biodiversity and minimize our environmental footprint
- Respect business ethics and fight corruption in all its forms
- Support the development of our local and international partners
- Increase our knowledge of 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



2018

Join **Global Compact**

2020

Implementation of **Sustainable Procurement on Raw Materials**
Distribution of the **Code of Ethics and Conduct**
First **SMETA Audit - 4 pillars**
ISO 14001 **Environmental Analysis**
ECOVADIS evaluation (silver medal)
CDP assessment Water Security
Become **IFRA-IOFI Sustainable Development Charter** signatory

2022

ISO 45001 occupational health and safety compliance assessment
Second **SMETA Audit - 4 pillars**
Carbon footprint assessment of Group subsidiaries
Group CSR monitoring
Risk-mapping by country and raw material

2016

Creation of the **Sustainable Development Committee**
SD plan structuring
Consultant support

2019

Begin **Green & Lavandes** collective project
Strengthen **raw-materials purchasing team**

2021

Carbon footprint assessment of BONTUUX S.A.S. parent company
CDP Water Security and Climate Change assessment
ISO 14001 **environmental compliance** assessment
ECOVADIS evaluation (gold medal)
Sustainable Procurement Policy distributed to our raw material suppliers
Formation of the **CSR Operational Committee**

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 and make our actions and progress known.



Evaluate, compare, and improve our CSR performance

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

In 2021, after addressing our identified areas for improvement, we earned a score of 70/100, an increase of 12 points over 2020, and the gold medal. This places our company in the top 5% of all assessed companies on this platform.

Our business partners can access the details on our CSR performance by joining our network on the platform, allowing them to monitor our annual reviews and results.



Identify new ways to improve water security and address climate change

In 2020 and again in 2021, 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. In 2021, we used this same platform to record our data on climate change.

This helped us better understand the risks related to water resources and climate change and to develop short-and medium-term action plans addressing these concerns, with the objective of improving our scores in 2022.



Evaluate our social compliance with an annual self-assessment and a biannual social audit

Bontoux has been a member of the Supplier Ethical Data Exchange (SEDEX) since 2013 and annually updates all its data on the SEDEX platform dedicated to ethical supply chain data.

After undergoing an initial SMETA-4 Pillars audit in 2020 (SMETA = Sedex Members Ethical Trade Audit), we decided to perform this audit every two years, meaning the next audit is scheduled for 2022.



Four Pillars:

- Labor standards
- Health and safety
- Environment
- Business ethics

Certify our CSR performance in Madagascar

Bontoux Océan Indien has been For Life-certified since 2018 in human rights, working conditions, respecting ecosystems, promoting biodiversity, implementing sustainable agricultural practices, and improving local impact.



Group CSR monitoring

Bontoux has begun a new phase of being able to measure and improve its extra-financial performance and sharing that data throughout the group.

We are therefore establishing CSR monitoring for all group entities to provide clear, practical information for the sites' operational management and to improve their performance. This will also allow us to convey certain types of information to employees to raise their awareness of our environmental impacts and the importance of providing feedback.

In 2021, we finalized the choice and configuration of the tool for gathering our data and managing our extra-financial indicators based on our four Sustainable Development pillars. The tool makes it possible to collect data by entity, as well as to monitor indicators by entity and consolidated indicators for the group. It has been tested by the parent company with 2020 data.

The tool is scheduled for implementation across all group entities in the first quarter of 2022 after distribution of the tool to collectors and training in its use.

Collection operations will take place in the first quarter of each year for the previous year's data.



CSR in our coding and algorithms

The quest for sustainable development is rooted in the ideals of continuity and respect. Not everyone, however, shares these values. Today's business world is now almost entirely digitized, which means protecting oneself against the risk of cyberattacks is not only fundamental, but in the collective interest. It is also a question of ethics, because financing terrorism in any way is out of the question, and it is equally out of the question to leave a business vulnerable. The planet's cyber-reality is now of matter of grave concern.

Our in-house IT team has been working diligently since 2016 to transform our IT management and change the ways in which we work, making them more secure. All employees have been informed of these issues and trained in best practices. This is also part of our orientation program for new employees.

In 2021, with the help of the non-profit organization *Entreprise & Numérique* (ENE), we embraced a clear, well-structured IT strategy that helps us prevent risks and minimizes the impact on our employees, customers, and third-party entities in our ecosystem. This process began with a diagnosis in the form of a penetration test to spotlight system flaws. Since that "ethical hacking," we have been working with an IT professional on ways in which we can improve.





Preserve our Environment

1.	ENVIRONMENT	20-35
	<i>Preserve our Environment</i>	
	Structure our approach to reduce our environmental impact	22-23
	Reduce our water and energy consumption	24-25
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1.1 Structure our approach to reduce our environmental impact

The group's parent company chose to establish an **Environmental Management System (EMS) based on the ISO 14001 standard** and has committed to producing better by consuming fewer resources; reducing, reusing, and recycling its waste as much as possible; and guiding its employees in being active and proactive when it comes to our impact on the environment.

Conduct an environmental analysis of our business

The environmental-impact assessment of all the parent company's business activities, the cornerstone of our EMS, was completed in 2021 with the objective of:

- Assessing and identifying significant environmental impacts, both real and potential, by examining the facilities along with current in-house practices, rules, and regulations
- Raising awareness and increasing involvement of all company stakeholders
- Establishing a program of clear, appropriate, and meaningful initiatives to improve environmental performance and risk management

Key figures:

- 14 activities analyzed
- 380 environmental aspects analyzed
- 15 contributors
- 24 types of impact identified
- 17 significant aspects retained

Results :

53% of environmental aspects involve **energy**

17% of environmental aspects involve **water**



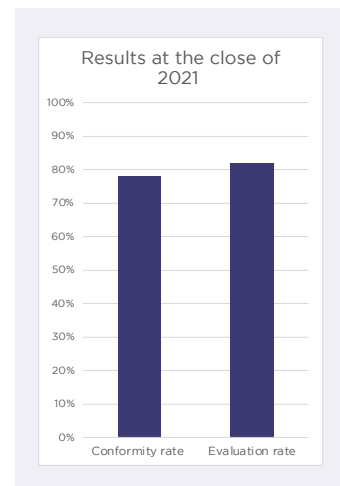
Carry out an exhaustive assessment of our environmental regulatory compliance

In partnership with a specialized firm, an exhaustive assessment of our environmental regulatory compliance was carried out using a dedicated software solution. This software lets us monitor and improve our compliance rate, and also makes possible personalized monitoring with an update of the regulatory database.

Each of the assessed requirements is given the status of "compliant" or "non-compliant," but also "not applicable," "for information only," "to be assessed," and "to be verified."

This means we can determine a work program with two points of focus:

- Identifying nonconformities with priorities for each year
- Continuing to evaluate the requirements "to be evaluated" and "to be verified" as regulations change



Key figures:

- More than 1,1000 requirements studied
- More than 2,700 applicable requirements
- 10 areas concerned
- 5 contributors

Objectives:

- Conformity rate >80%
- Evaluation rate >90%

The first action plan approved in late 2021 will be implemented in 2022 with the creation of themed working groups, and a thorough audit of our EMS will be conducted by an outside entity in the first half of the year.





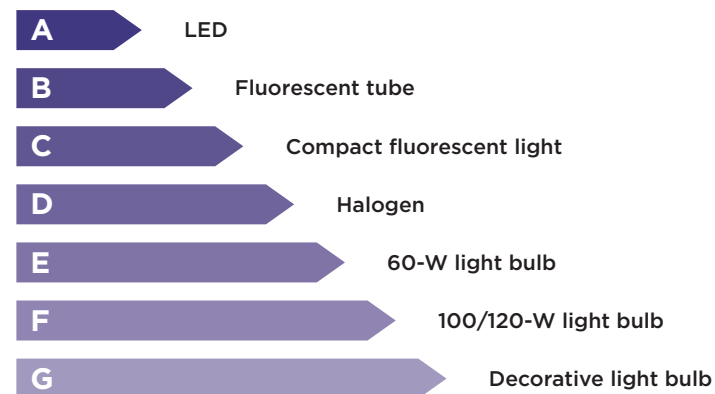
1.2 Reduce our water and energy consumption

The use of steam produced using petroleum gas and water is an essential component of our distillation and extraction processes on botanical raw materials, and is also critical to ensuring that our cleaning processes meet the hygiene standards for manufacturers of fragrance and flavor ingredients.

This is why we have already taken steps to reduce this consumption in the production chain, such as performing leak diagnostics, inspecting steam traps, replacing defective equipment, conducting temperature controls in our cooling systems, closed-circuit systems, recycling loops, etc.

100% of our steam traps inspected

13 % found to be defective and were replaced



With respect to infrastructure, we are also continuing to replace light sources:

80% of our lighting equipped with LED by the end of 2021, with an investment of €4 850.
The objective is 90% by the end of 2022.

In 2021, in order to continue and go further in preserving these resources, we have committed to mapping our consumption more precisely so as to more effectively reduce it. To do this, we have begun equipping our facilities with connected objects and have set batch coverage targets for monitoring our consumption in 2022:

Industrial water or security monitoring

Building coverage rate - 100%
→ 8 sensors to install

Drinking water monitoring

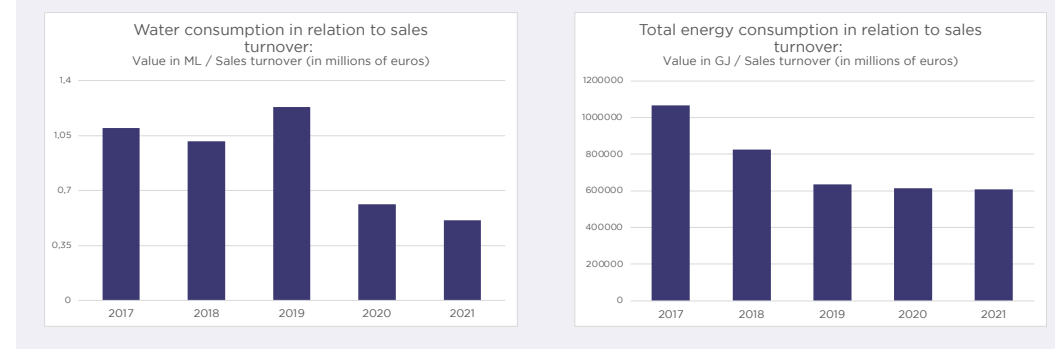
Building coverage rate - 100%
→ 5 sensors to install

Electricity monitoring

Building coverage rate - 50%
→ 14 sensors to install

Steam monitoring

Coverage rate - 75%
→ 4 sensors to install



MADAGASCAR

In Madagascar, water consumption is also essential to producing extracts.

There are three different water sources, all of which must be authorized by the National Water and Sanitation Authority (ANDEA) for a renewable five-year period:

- Water from the distribution network, mainly for cleaning production equipment
- Water from a pond, mainly for cooling the production units.
- Water from a well for various other uses (bathroom facilities, nursery watering, various cleaning needs)

Water consumption from these three sources is monitored; consumption is tracked and recorded through monthly reports.

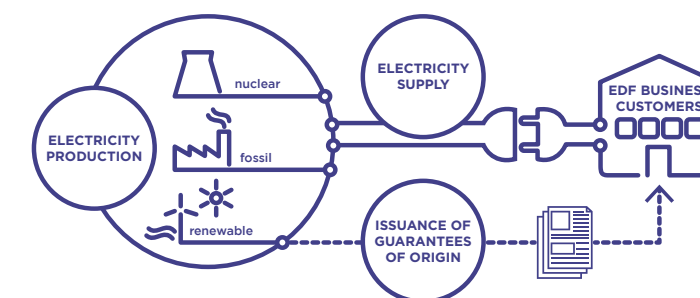


1.3 Use more renewable energies

Since January 1, 2019, with our Renewable Energy Contract, our site has been a part of a collective undertaking to facilitate the energy transition. One hundred percent of our electricity is from renewable energies, with certified origins.

In 2021, 1,551 MWh of electricity, produced via renewable energy sources among Electricité de France's (EDF) 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.





1.4 Optimize our waste management

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

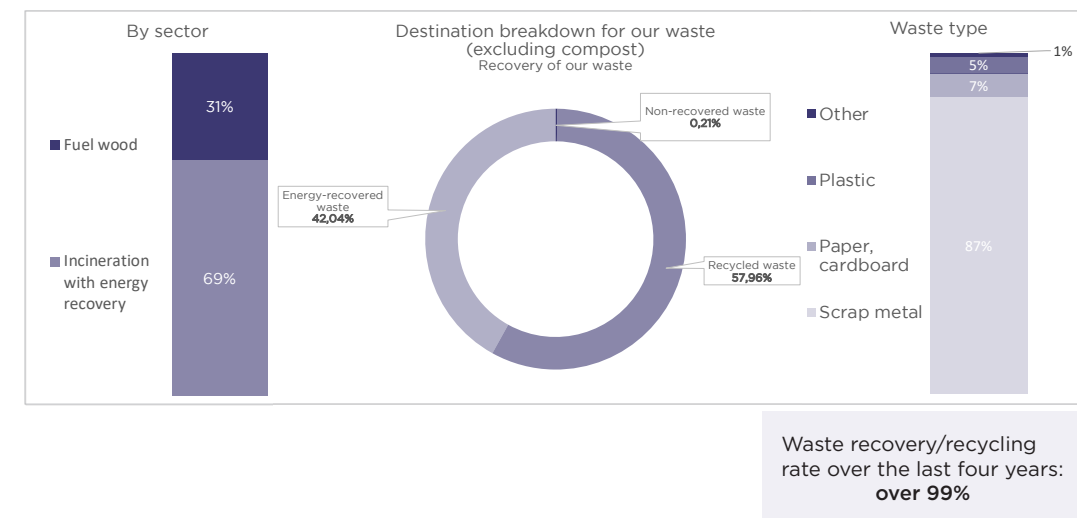
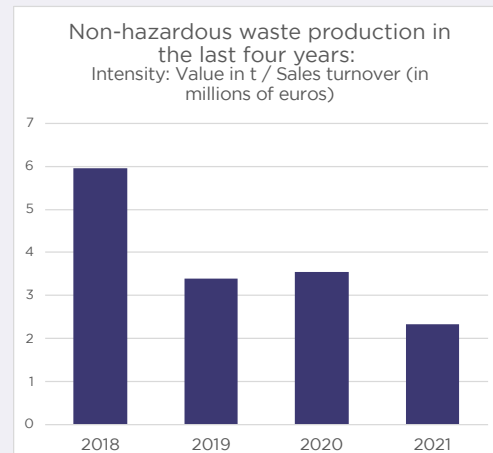
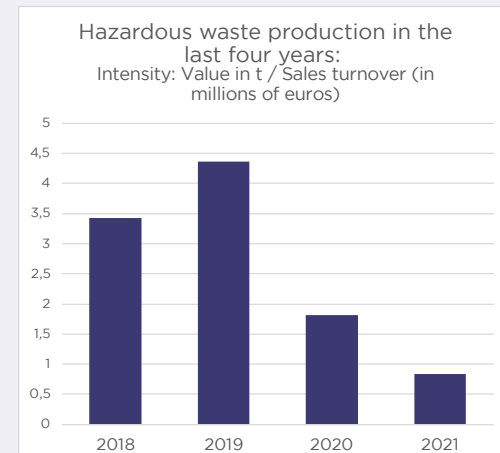
For more than a decade, all employees have remained informed of this waste management commitment and the need for continuous improvement in recycling using the technical means available.

French regulations have also guided our sorting processes at the source, first with 2016 laws governing management of five streams, then, in 2021, seven streams, obliging producers to sort non-hazardous waste: plastic, glass, textiles, non-ferrous metals, ferrous metals, paper and cardboard.

The rule of the 3Rs – “Reduce, Reuse, Recycle” – and then the 5Rs – “Refuse, Reduce, Reuse, Recycle, Rot” – inspires and provides new perspectives on promoting the circular economy: composting used plant materials, reusing wooden pallets, reselling or locally donating (companies, non-profit organizations, individuals) thousand-liter Cubitainers®, reusing recycled solvents for cleaning, reusing solvents, assigning a single solvent to a single natural raw material and reusing it in each production cycle for that raw material, etc.

All packaging waste (wooden pallets, metal and plastic packaging, glass and containers) is sorted and recycled in dedicated outside centers.

When it is not possible to recover/recycle materials, Bontoux relies on recovering energy from waste (incineration with energy recovery), setting the target of zero waste going to landfills.



MADAGASCAR

In Madagascar, a three-category waste-sorting system has been in place for more than a decade, with a disposal method determined for each class:

WASTE SORTING	
CLASS 1	Plastic, battery, glass, metal: taken to the city landfill
CLASS 2	Paper, cardboard: incinerated in the boiler
CLASS 3	Plant waste: composted on site

The disposal of Class 1 waste in the city landfill is governed by an agreement with the City of Mananjary.

Composting of Class 3 waste is done in a dedicated area on site. Concrete embankments allow retention of runoff water. Resulting mature compost is either transported to the company's plantations (reforestation area or nurseries) or donated upon request to the MEDD (Ministry of the Environment and Sustainable Development).



Composting area



Example of a recycling bin

Waste production is monitored, tracked, and recorded through monthly reports.



1.5 Control and reduce our emissions

Control and reduce our emissions into the air

The parent company's processing activities require emissions monitoring for industrial pollutants released into the air.

These are mainly volatile organic compound (VOC) emissions resulting from the use of petroleum solvents in our extraction processes. Each year, we prepare a solvent management plan and file it with the appropriate authorities, and also have annual measurements conducted by a competent outside laboratory. This ensures up-to-date identification of emission sources and quantification of emissions into the atmosphere.

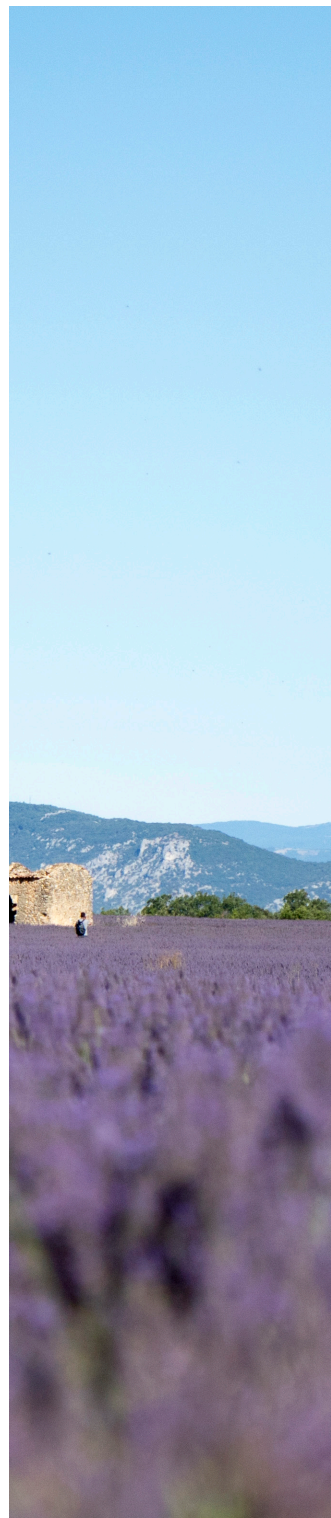
The objective is to reduce these emissions by optimizing solvent consumption and recovery in our production processes by implementing best practices and developing alternative extraction techniques, such as supercritical CO2 extraction, which needs no volatile organic solvents.

Examples of best practices and technical solutions to limit emissions and spills:

- Direct transfers of solvents to intermediate tanks, then to our extractors (closed circuit)
- Ensuring watertight connections between the storage tank and the receiving tank
- A pipe and pump system to allow gravity draining at end of use
- Traps for the most volatile compounds on certain devices and vacuum circuits
- The installation of a lid for the wait and stir phases, with minimal openings for sample taking and/or stirring rod insertion
- Keeping closed any empty tanks that have contained solvents and awaiting later reuse or disposal as waste

The use of two gas boilers to produce steam generates other atmospheric emissions: carbon dioxide (CO2), carbon monoxide (CO), nitrogen oxides (NOx), sulfur dioxide (SO2), and dust.

A competent outside laboratory conducts biannual monitoring of these emissions, combustion monitoring checks are carried out every six months with performance measurements, and our boiler stokers take special care to ensure that the operating parameters, particularly the burner adjustments, limit emissions as much as possible. An approved organization issued a certificate of interim inspection in 2013 for a 10-year period and a new interim inspection is already planned for 2023.



MADAGASCAR

In Madagascar, the company has the steam boiler regularly inspected and maintained to ensure proper operation and minimal emissions into the air.

This boiler underwent a ten-year inspection at the end of 2020 and an inspection certificate was issued by the Ministry of Mines and Strategic Resources for a 10-year period. Since the boiler's installation, there have been no complaints filed by local residents or any comments from employees about abnormal odors or emissions.

Control and reduce our discharge into the water

The group's production sites are committed to keeping the quality of their industrial wastewater below the regulatory thresholds in force in the country.

On the parent company site, the internal wastewater treatment plant (WWTP), completely renovated in 2012 and which includes physicochemical pretreatment and a membrane bioreactor, allows us to treat all of our industrial effluents. Two buffer basins, one upstream and one downstream from the WWTP, ensure smoothing of pollutant loads to be treated for optimal treatment and a smoothing of volumes released into the natural environment, for the lowest impact possible. A twice-monthly analytical monitoring of the quality of water discharged into the natural environment means we can precisely manage our plant and ensure effective treatment.

QUALITY OF TREATED WATER IN 2021

90,2 g COD/ton produced
1,7 g BOD5/ton produced
3,8 g of suspended solids/ton produced



©Francis Gallo

MADAGASCAR

On the Madagascar site, a settling system followed by filtration with chips, charcoal, and reeds is used to treat the site's wastewater (mainly hydrosols and wash water). This plant is inspected by the Ministry of the Environment, Ecology, and Forests.

Daily, bimonthly, and quarterly maintenance is performed to keep all the basins in perfect working order. Internal monitoring measures and monthly analyses conducted by an outside laboratory make it possible to monitor the quality of the treated water. The samples for measurements and analyses are taken at the treatment basin outlet before the wastewater enters the reed bed.



In-house monitoring plan:

- pH
- Conductivity
- Total dissolved solids (TDS)

External analysis plan:

- BOD5
- COD
- Nitrates and Orthophosphates

Prevent accidental spills

Our industrial activity necessarily involves the storage, transportation, and handling of various substances that could cause severe ecological damage were they to be released into the natural environment. This is why, both at the parent company and our production subsidiaries, we take great care in preventing accidental leaks and spills to avoid any environmental damage or to minimize such impact.

To this end, a number of large-scale investments have been made and equivalent works carried out on our sites to provide passive or active technical solutions that prevent ground infiltration and spillage into waterways in the event of accidental spillage or fire.



On the parent company site, the production and storage buildings are under containment or are equipped with watertight manual retaining barriers inserted between two fixed vertical rails. Once in place, two compression handles placed on either side of the crosspiece are used to lock the barrier and ensure it is watertight. First-response fire crews are given training in their use as part of their annual overall training.

The production-zone courtyards are used to hold water for extinguishing fires and dam valves are test-operated every three months and regularly maintained to ensure they function properly in the event of a disaster. Full-scale tests are carried out during exercises with firefighters and during annual training.

For small-quantity spills, absorbent emergency spill kits adapted to the stored and handled products are available to ensure swift intervention, thereby stopping the spread of spilled liquids.

They contain different types and quantities of absorbents to address the accident (socks, cushions, sheets, etc.). The staff concerned are trained in their use and this is part of the orientation program for new employees.



MADAGASCAR

In Madagascar, organic solvents and fuel stocks are the main hazardous products on the site. They are kept in specific places designed especially for storage of this product type:

- A watertight door raised above ground level prevents any accidental product spillage to the outside and prevents rain-water penetration
- A concrete coating and a concrete wall at the base allow creation of containment capacity of 20 cubic meters
- A wall of wire mesh for maximum ventilation
- Sand (fire buckets) and shovels are available in case of accidental product spillage on the premises

Access to this area is limited to persons having been trained in handling chemical products and a manager must always be present when these products are being handled.





1.6 Develop more sustainable processes and products



Bontoux's research and development is guided by two key driving forces in our quest for innovation:

- Searching for greener processes that apply the fundamentals of green chemistry
- Optimizing recovery/recycling of all co-products to minimize waste, otherwise known as upcycling.

Searching for greener processes allows us to work on and optimize both existing traditional products and the design of new products:

- Using biosourced raw materials: this is the case for our botanical raw materials
- Using alternative, biosourced, and biodegradable extraction solvents, be it to protect employees from toxic exposure or to prevent environmental pollution. An example is the supercritical CO₂ extraction that we have been developing in R&D for several years, and other solvents are currently being studied by our R&D division.
- Using alternative, biosourced, and biodegradable support solvents. For example, across the board, we have moved from using glycerin to using 100% rapeseed glycerin and we are continuing to look into ways we can substitute other solvents.
- Minimizing energy consumption by optimizing production-operation conditions. For example, following an R&D study, we have minimized production heating times, as well as the number of unit operations, batch sizes, etc.

We are developing our upcycling along several lines:

- The raw materials used can come from upcycling in other supply chains: for example, seeds downgraded because of low germination rates in seeding; plants that are too small for food or herbalism use, etc.
- After an initial extraction or distillation, plants can be re-extracted in other ways to exhaust all substances that may have a specific use.
- All co-products are subject to research in an effort to find reuse/recycling opportunities by creating new products, sometimes targeting applications that differ from our usual aromatics markets, and by seeking partners for these other supply chains.

The main principles of green chemistry guide, as well our developments in the analysis laboratory.

For example, our engineers are working on high-performance liquid chromatography (HPLC) analysis methods that require less solvent and analysis time.

For citrus, their work and the use of new columns have allowed us to achieve these objectives. These more efficient columns halve the solvent flow rate and, being shorter, they reduce analysis time.

Lastly, as they are more selective, they reduce the number of different solvents used.

Of course, we have long had other practices in place:

- All evaporated solvents are recycled for reuse in our own manufacturing to minimize our carbon and environmental impact.
- All fully exhausted plants are composted and then used in agriculture, thanks to annual analyses and evaluations per the NFU 44-051 standard on organic soil improvers, allowing us to have Ecocert authorization to use them in Organic Agriculture.

All these environmentally responsible principles have been wholly integrated into our research for innovative solutions as we consistently improve our sustainability actions.





1.7 Mitigate our impact on climate change

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.

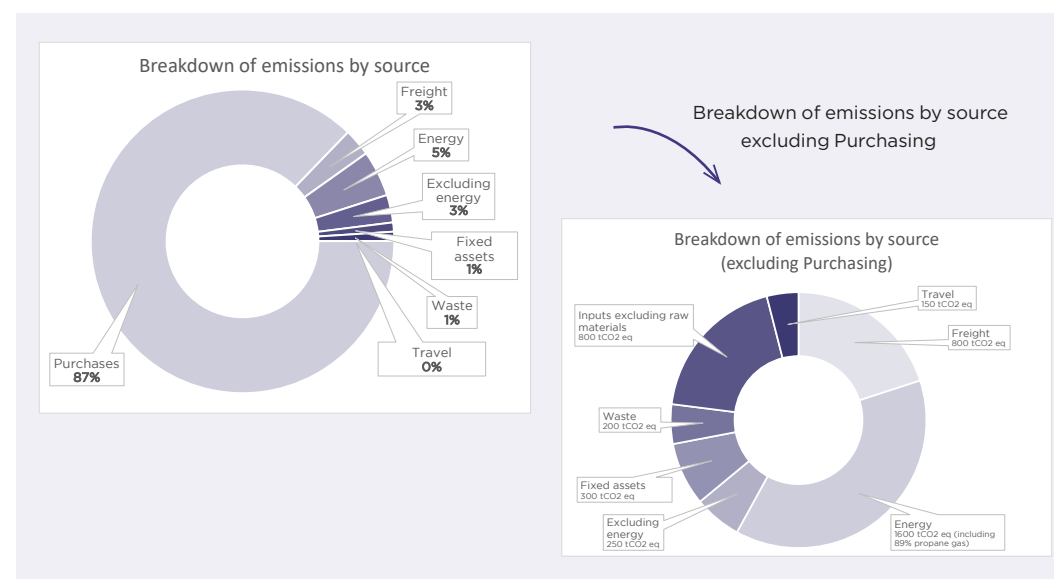
In 2021, we were supported by a specialized firm authorized by the ADEME (French agency for ecological transition) to perform an in-depth carbon footprint assessment (Bilan Carbone®) and chose the broadest evaluation possible covering the three Emission Scopes:

- Scope 1 for direct emissions such as gas or fuel combustion
- Scope 2 for indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by our company
- Scope 3 for other indirect emissions, including purchases, fixed assets, and transportation.

This Bilan Carbone® targeted the parent company's site in Saint-Auban-sur-l'Ouvèze and our objective for 2022 is to identify the main sources of greenhouse gas (GHG) emissions from all group subsidiaries using the same method.

Measures are already in place to reduce our emissions at the parent company, including application of a travel policy, new company vehicles, grouping shipments whenever possible following customer approval, and better transport choices, such as favoring sea transport over air transport.

We have formed work groups to study and implement ways to reduce emissions, primarily addressing Scopes 1 and 2 in the initial phase, as Scope 3 is much more complex and requires substantial data collection and analysis work involving our suppliers.



Help reduce the lavender industry's carbon impact

Bontoux SAS, already a very proactive presence in the lavender industry, is a founding member of the *Sauvegarde du Patrimoine Lavandes en Provence* endowment fund. We are one of the initiators of the Green & Lavandes project and determined to reach our objective of reducing the carbon footprint of the French lavender industry.

The lavender supply chain 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), which was continued in 2021.

Drafting a specific "Perfume Plants" methodology for France's Label Bas Carbone (Low Carbon seal) is planned as a continuation of this LCA.

In 2021 we continued our work throughout the supply chain. The promotion of cover crops, through seeds distribution, is starting to show signs of success.

We have also begun studying the work needed to scale up the Ecovaporator, a system allowing the energy transfer from the cold part to the hot part during distillation.

An increasing number of committed and iconic sponsors are joining us in this effort.



OBJECTIVE

To halve carbon emissions within a decade.

OBJECTIVE

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





Source sustainable and responsible raw materials

2.	RESPONSIBLE	36-53
	<i>Source sustainable and responsible raw materials</i>	
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2.1 Implement a Sustainable Procurement process along our supply chain



Our process

Our purchasing activities have great potential to advance our commitment to sustainable development.



Each purchasing act has an impact on society, people, and their environment. Guaranteeing sustainable procurement means taking into account a number of the social, economic, ethical, and environmental impacts of our purchasing processes and ensuring they are as positive as possible, while doing our best to minimize negative impacts. This is a major challenge for our industry, but essential for the sustainability of our companies and those of our partners, suppliers, and customers.



Our supply chains are numerous and varied. We source our raw materials in **more than 40 countries** through a network of more than **300 suppliers** with radically diverse profiles.

The challenge is enormous, but we must meet that challenge to guarantee supplies that respect people and the environment, throughout our supply chains.



Our Sustainable Procurement Policy

We initiated the process in 2020 by drafting our Sustainable Procurement Policy based on six major, fundamental, and specific principles:

- Ensure that human rights and labor laws are respected
- Preserve biodiversity
- Reduce our environmental footprint
- Respect business ethics and fight corruption
- Support the development of our local and international partners
- Ensure the quality and safety of our products and deepen our knowledge of our strategic supply chains



Our Sustainable Procurement Pledge

Alongside our Sustainable Procurement Policy, the in-house document that sets out our values, intentions, and objectives, we have drawn up a Sustainable Procurement Pledge. This document, destined for suppliers, outlines all our commitments regarding sustainable development, as well as the reciprocal and required commitments in our supplier relationships.

This pledge is designed to make our suppliers aware of the various social, environmental, and ethical issues that they are likely to encounter in their activities.

These issues have been translated into requirements:

- **Social requirements:** respecting labor rights, ensuring healthy and safe working conditions
- **Environmental requirements:** preserving biodiversity, reducing the environmental footprint
- **Ethical requirements:** fighting corruption

Raise supplier awareness and have them commit to the process

We began disseminating our Sustainable Procurement Pledge to our raw-material suppliers in January 2021. This is an important step in the process. Our goal is to raise the awareness of all our raw material suppliers first, then to reach out to packaging and general purchasing suppliers.

By signing this Pledge, our suppliers agree to respect the fundamental and specific principles set forth in the document. Our initial intention is not to require that our suppliers sign this document, but to make them aware of the various issues.

Using this document, we want to show our suppliers the direction that Bontoux is taking, raising awareness and sharing principles and best practices as part of a continuous-improvement process.

Fifty-five percent of our informed suppliers have agreed to respect the fundamental and specific principles set out in our Pledge. Together, these suppliers represent 51% of our raw-material purchases (in value).

Being the interface between raw-material producers around the world and international companies using these ingredients, we play a central role.

In 2021, **more than 280 suppliers** were made aware of this initiative and **153 suppliers** signed the Pledge or already demonstrate shared values through their own CSR policies.

OBJECTIVE

Progressively reach 100% of suppliers within two to three years (signing our Pledge and/or having a CSR policy indicating common values and principles).

Signing this Pledge will subsequently become a prerequisite for being a Bontoux supplier.

Ensure commitments are honored

After defining and disseminating the Sustainable Procurement principles, we must then be able to ensure they are properly respected, and we have several tools at our disposal to accomplish this.

On our raw-material purchases:

Honor our commitments in terms of:

- **Traceability:** improve the geographic and botanical traceability of our raw materials to better ensure compliance with the legislation in force
- **Knowledge:** improve our knowledge of the supply chains, beginning with agricultural production methods
- **Risk mapping:** map the risks on our strategic supply chains to make it possible to anticipate and monitor them and act accordingly.

Verify our suppliers' compliance through:

- **Supplier assessments:** assess our suppliers based on identified risks
- **Supplier audits and supply-chain analyses:** audit our suppliers and supply chains

Our main challenge now and in the future is to ensure that our suppliers comply with the specified principles.



2.2 Continue our sustainable procurement

Improve our geographic and botanical traceability

Ensuring our suppliers fully comply with the conditions governing resource access is a fundamental point of our Sustainable Procurement Pledge.

To respect this commitment, we have improved **the traceability of our natural raw materials**: internally, through work with our IT team to facilitate data recording in our ERP and improve internal traceability; and with our suppliers, asking them to provide the geographic origin of each raw material as well as specifying the growing or harvest region within the country. This lets us refine certain criteria related to country risk.

The **botanical species** specification is also a crucial datum that allows us to verify the status of the raw material on international watchlists of threatened and endangered species:

- **CITES** species list (Convention on International Trade in Endangered Species of Wild Fauna and Flora),
- **IUCN** (International Union for Conservation of Nature) Red List of Threatened Species

When the raw materials are protected by the CITES, a strict inspection of export and import permits is conducted to ensure that the raw material has indeed been produced and marketed in compliance with the Convention.

Nagoya Protocol and national biodiversity laws

We also pay special attention to compliance with the Nagoya Protocol and its incorporation into national laws. For more than three years, in our Purchasing and Regulatory Departments, we have been actively monitoring the industry to keep pace with changes in national legislation.

The conditions of access to genetic resources and fair sharing of benefits arising from their use are scrupulously studied in the national regulations of each country in which our raw materials are grown or harvested.

Increase the share of organic

We continue to increase the share of certified organic raw materials and the number of such materials in our purchases.

In 2021, certified organic raw materials represented 16.71% in value of our total purchases of natural raw materials, meaning 3.8 points more than in 2020 (12.90%).



16,71% : share of **organic** in purchases of natural raw materials, in value.



2.3 Map the risks in our supply chains

To be able to identify the major risks associated with our supplies, we have drawn up a risk map.

Risk assessment is a complex exercise because risks are numerous and can appear in different links all along the supply chain.

To identify them as accurately as possible and remain as relevant as possible, we have chosen to apply several approaches:

- **By country**, in order to assess the risks inherent to the countries:

The country risk assessment combines several criteria that cover risks such as modern slavery, corruption, climate risks, political stability. The rating is based on internationally recognized indexes that are reassessed annually.

- **By raw material**, in order to integrate the specificities related to each raw material:

For the raw material risk assessment, we have chosen to restrict the assessment to ten criteria to ensure our mapping remains relevant, dynamic, and “easy to follow.” Our risk criteria are based on the fundamental principles set out in our Sustainable Procurement Pledge, to which we have added more specific risks, such as traceability, adulteration risk, and climate risks.

Our risk mapping is classified by major areas of concern (social, environmental, ethical, and specific) and addresses major themes, such as pressure on resources, pesticides, health and safety risks, child labor, water and energy resources necessary for cultivation and processing, traceability, food fraud, etc.

Each raw material is associated with its growing country so as to take into account the country’s influence on the probability of the risk’s occurrence.

These assessments are based on the state of our knowledge of raw materials and their supply chains at a given time, knowledge supplemented by our field missions, supply chain analyses, suppliers’ CSR assessments, as well as with the frequent interactions we have with suppliers.

More than 90 strategic supply chains will be meticulously mapped.

This colossal project was begun in 2021 and will continue in 2022.



2.4 Assess our suppliers

Question our suppliers

Risk mapping makes it possible to identify potential or proven risks in our supply chains and to identify those showing the greatest number and/or severity of threats.

Initially, we focus on the supply chains that are the most at risk and question suppliers on very specific points highlighted by the risk mapping.

We choose to prioritize assessment quality over assessment quantity. Supplier assessments are completely individualized to specifically address each supply chain’s characteristics.

Each year, a group of suppliers will be questioned on very specific raw materials and supply chains presenting potential risks previously identified by risk mapping.

26 supply chain pre-assessments carried out in 2021.

Audit our suppliers

Supply-chain and supplier audits complement supplier assessments.

We have always favored purchasing natural raw materials at the source and believe it is very important to meet our suppliers in the field.

These field visits are tremendous moments of discovery, learning, listening, and sharing with men and women who care deeply about the raw materials they grow, collect, and/or process.

The audits are a way for us to get to know our suppliers better, more thoroughly understand their role in the supply chains, deepen our knowledge of the supply chains, and discuss problems they may encounter.

With the implementation of sustainable procurement, we pay much greater attention to the risks previously identified in the supply chains.

Unfortunately, the Covid-19 pandemic prevented us from completing supplier audits abroad in 2021.

Visit local producers daily

Despite the Covid-19 pandemic, our agronomist in charge of local supply chains, mainly Lavender, Lavandin, and Clary Sage, was able to continue to visit local producers regularly.

In our business, keeping in close contact with production is essential.

137 days of presence in the field.
66 local producers visited.

2.5 Deepen our involvement with our supply chains in Madagascar

MADAGASCAR



A local presence for more than 25 years



Bontoux first began working in Madagascar in 1997, establishing facilities in Ampangabe, east of Antananarivo. The Bontoux Océan Indien subsidiary was founded and the first distillery was built in 2001 for distillation of geranium, vetiver, pepper, cinnamon, and other plants.



Twenty years later, in an effort to further establish itself locally, Bontoux decided to broaden its palette of Malagasy raw materials, adding the most delectable of spices: Vanilla.



In 2017, Parapharma, one of our longstanding suppliers based in Madagascar, joined the Bontoux group, bringing its solid experience in the field and in-depth knowledge of the vanilla supply chain.



The experience gained in setting up organic and fair-trade supply chains is a major asset for continuing to develop traceable, sustainable, and responsible supply chains.



This second production site is based in Mananjary, in the Vatovavy Fitovinany region, centrally located in a production area for vanilla, cinnamon, clove, and other raw materials.

Committed to CSR for more than 15 years

Bontoux Océan Indien, through Parapharma, has been involved in certified-organic and fair-trade supply chains for more than 15 years. The first certified-organic supply chains were Vanilla and Clove in 2005. In 2006, these same supply chains were awarded fair-trade certification (formerly ESR certification).

Bontoux Océan Indien has been For Life-certified since February 2018.



For Life performance achieved: 93.5% (audit of August 21, 2020)

In October 2021, a monitoring audit was performed and resulted in a very good score of **106.6%**, by virtue of earned bonuses.



MADAGASCAR

Certified organic raw materials

In Madagascar, certifying organic supply chains is a real challenge. Unlike simple supply chains involving few people, most of the raw materials grown and produced in Madagascar involve several dozen or even hundreds of small producers.

Identifying, listing, and training producers, plotting all the land parcels one by one, monitoring production, and organizing harvests are all operations that require a great deal of time and discipline. This monumental work is performed on a daily basis by our reliable team of nine in-house controllers.

Train producers

Beyond the work on traceability and certification, another major component involves training the producers, which is an essential step in the certification process.

Several days of training are held each year, scheduled with producers by our teams so as to give them the means to understand and the necessary knowledge specific to organic farming.

These training sessions cover many topics, such as 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.

Plot land parcels

Each producer parcel is geolocated and precisely described on a plotting sheet.

The parcels are then monitored throughout the crop using cultivation notebooks in which the producers record all growing operations conducted on that land.



In 2021, > 900 producers were identified, catalogued, and trained in Madagascar.

30 days of training at 24 producer organizations.

1,126 parcels plotted on the Vanilla, Clove, Cinnamon, and Ginger supply chains. On average, our in-house controllers can plot seven parcels per day, depending on ease of access to the lands.



MADAGASCAR

As a result of the work carried out by our teams and the commitment of all our producers to crops that respect organic farming requirements, again this year we are able to offer four Malagasy certified-organic supply chains:



Ginger supply chain:

67 new producers were certified in 2021, in addition to the 55 producers certified in 2020.



Vanilla supply chain:

720 producers certified in 2021, in addition to the 261 producers certified in 2020.



Cinnamon supply chain (Bark and Leaf):

81 producers certified in 2021, in addition to the 20 producers certified in 2020.



Clove supply chain (Stem and Bud):

70 producers certified in 2021, in addition to the 87 producers certified in 2020.



2.6 A closer look at the Vanilla supply chain

MADAGASCAR

Purchase from local producers

The Vanilla supply chain involves a great number of producers and many small parcels of land.

We source our vanilla as close as possible to our factory in the Vatovavy Fitovinany region. We buy green vanilla beans from more than 720 producers, and each has been identified, catalogued, and trained beforehand by our team of in-house controllers.

The vanilla's traceability is particularly meticulous, as each vine is registered and its beans production estimated.

Traceability and producers training

The organic certification process requires several field missions:

- Identifying and cataloguing producers and parcels
- Training producers
- Estimating production and preparing beans collection
- Purchasing green vanilla beans

Meetings with producers take place directly at the producers' homes, on their land parcels, or in the producer association offices.



720 producers catalogued as organic in 2021, across **18 producer associations** in **18 municipalities**.

8 in-house controllers spent **54 days** in the field.

More than 40 tons of certified organic green vanilla beans purchased in 2021.



MADAGASCAR

Locally develop added value

The vanilla beans are prepared directly on our premises in Mananjary by our Malagasy team. The long phase of preparing the vanilla beans is an exacting task demanding great vigilance. It is our privilege to be able to count on a team of more than 220 experienced women who sort and ripen the beans daily for more than seven months.

Because we want to locally develop added value, the vast majority of our beans are then processed on site to obtain vanilla extracts for food flavorings.



HERBALISM

Vanilla beans

In 2021, we added vanilla beans to the catalog of herbs and spices for our herbalism trade.

Having the vanilla beans prepared by our own team in Madagascar means we can select the best beans to sell the finest "Black Gourmet" quality to the spice market.



2.7 A closer look at our herbalism business

HERBALISM

Promote the local supply chains

We have the good fortune to be centrally located in an area where superb raw materials are produced, such as the Baronnies linden tree (*Tilleul des Baronnies*) and Provencal lavender (*Lavandes de Provence*), two of the region's venerable and emblematic supply chains.

Being so close to these crops provides an excellent opportunity to implement direct initiatives and have positive impacts on these supply chains.

Continue supporting the Linden supply chain

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.

Nevertheless, in recent years, the supply chain has seen the dynamism of the past diminish and, today, many trees are no longer exploited.

To reenergize the harvesting activity and give this emblematic tree renewed momentum, Bontoux has decided to join a partnership formed with other entities in the supply chain, so as to act locally. Since 2019, we have been on the *Sauvegarde de la filière Tilleul dans les Baronnies* steering committee (Safeguarding the Baronnies linden tree supply chain).

Train producers

In 2021, some thirty people were trained in linden-picking techniques over three sessions. These sessions were held in the Diois, Nyonsais, and Baronnies valleys, with technical support from a grower and a pruner.

Bring back the emblematic “Buis les Baronnies Linden Festival”

Buis les Baronnies, the traditional linden-tree capital, witnessed the rebirth of its emblematic Linden Festival in July 2021, an historic event dating back to the early 19th century. In a show of support for the supply chain and the producers, Bontoux hosted a stand at the event to showcase this exceptional crop to the festival's many visitors.

Some 30 people were trained in linden harvesting.



HERBALISM



Offer fair-trade certification on Lavender flowers

Lavender flowers and bouquets are emblematic products of our region. They are a true source of economic opportunity in our valleys and we care deeply about this local heritage.



We have been working with a number of local lavender producers for many, many years. About a dozen of them are certified as organic growers.



To do more to promote this essential product, we are prepared to begin fair-trade certification. In 2020, we conducted a study on setting up Fair For Life certification on certified-organic French lavender flowers. The producers were unquestionably enthusiastic and the supply chain meets the criteria for this certification.

Please feel free to contact us if you are interested in this project and wish to join us as a fair-trade partner.

Recruit to improve

A new recruit joined the team in 2021 to strengthen supplier monitoring, from the moment the order is placed until its administrative receipt, as well as customer relations, by overseeing quality monitoring.

Today and in the future, this employee's cross-departmental work with our Quality and Regulatory Departments allows us to provide the necessary product guarantees to our customers.



Reassess our pest management

In herbalism, pest management is a parameter that must be mastered to be certain our customers receive the highest-quality products. In 2021, we reassessed our pest management and, based on the results, adapted our parameters.

Train in pest management

In September 2021, our workshop foreman took a five-day course in pest management and received an official training diploma. This training is compulsory for any company using phytosanitary products and was a chance to review key topics, including regulations on the use of phytopharmaceutical products, gas toxicology, recognizing pests in stored foodstuffs (biology, ecology, detection), application techniques and effectiveness monitoring, etc.

The use of phytosanitary products is not an inconsequential matter. It is essential to master the subject to ensure the product, operator, environment, and end consumer are all respected.

32 hours of training on pest management.

HERBALISM

Verify the effectiveness of cold treatment

The company simultaneously called upon an eco-entomology laboratory to conduct an expert assessment on various dried-plant samples so we can better understand any insects that might be present to ensure we select the appropriate pest treatments.

Since fumigation is prohibited in organic farming, we also needed to investigate the effectiveness of cold treatment as a form of pest control.

To keep pace with the increase in certified-organic products, we have acquired a new cold container to help us improve our products' quality.

13 samples of Lavender, Lavandin, Linden, Chamomile, Cornflower, Thyme flowers were analyzed.

The study's conclusions enabled us to adapt the cold treatment parameters for maximum effectiveness.





Commit to making a difference locally

3.

LOCAL 54-59

Commit to making a difference locally

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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 29 new positions over the past seven 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.



CREATE NEW POSITIONS

29 new positions created over the 2014/2021 period
Including **6** new positions created in 2021

New partnership to expand local recruitment

A partnership with branches of Pôle Emploi, France's public employment service, and the Nyons Mission Locale youth integration agency was formed in 2021 to promote local recruitment. During the applicant search, two "speed interview" sessions were arranged as part of this partnership. One of these led to the recruitment of a new picker-handler.

Furthermore, as part of Industry Week, the Bontoux company hosted five young people registered with the Mission Locale's "youth guarantee" scheme. After visiting a production workshop, they were introduced to the responsibilities of a marketing officer, a computer technician, and a chemical technician.

Continue to recruit and host interns in 2021

33 new hires via with permanent and fixed-term contracts in France (excluding interns)

9 interns hosted in France, including 2 work-study internships, 4 introductory internships and 3 immersive internships proposed by Pôle Emploi, France's public employment service

50% of recruitments are local (Haute Ouvèze Valley and surrounding area)



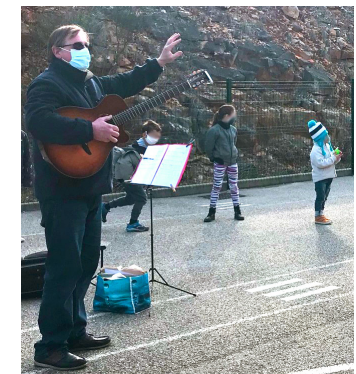
3.2 Through citizen initiatives

Make education a priority

The objective of this program is to introduce students from our area's rural schools to new ideas and opportunities by helping to finance field trips, outings, and/or outside speakers.

In 2021, we supported:

- An educational program on the theme of "music and the four elements" for kindergarten and primary school pupils in Saint-Auban-sur-l'Ouvèze;
- A nature project and a school trip to Grenoble for primary school students from Buis les Baronnies.



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*.

An agreement celebrating the fifth anniversary

By an agreement signed in 2016, the company committed to helping employees serve as volunteer firefighters.

Four volunteer employees took advantage of this agreement since its signing and have used their annual quota of hours out of their working time for training and to join interventions and operational field missions.

In 2021, a new volunteer firefighter joined the company and officially acts as Chief Warrant Officer at the Fire and Rescue Center and as a logistics operator within the company.

AGREEMENT OBJECTIVES

- 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).
- Diversify annual training for site employees.
- Make the site available for **full-scale emergency safety drills** performed every two years.

A commitment illustrated by the Drôme Fire and Rescue Center's "Employer" status

On November 19, 2021, the company was given "Employer" status by the SDIS 26 (Fire and Rescue Center in the Drôme *département*).

This status rewards and promotes the company's civic involvement and community spirit expressed in its long-term commitment with the nearest fire and rescue center in Buis-Les-Baronnies.



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.

The organization of these friendly outings partially resumed in 2021 and will return to its regular frequency as soon as the pandemic situation allows.



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.

In 2021, we supported **six cultural non-profit organizations** and **one athletic association** in France

Jazz concert held in the village of Saint-Auban-sur-l'Ouvèze

The Parfum de Jazz festival is a traveling festival designed to promote cultural initiatives in rural areas through high-quality concerts. The program offers a mix of free daytime concerts in area villages and evening concerts in the cities and towns of Drôme Provençale.

As part of the 2021 Parfum de Jazz Festival, we supported a free concert held in the village of Saint-Auban-sur-l'Ouvèze.



MADAGASCAR

Our sponsorship initiatives in Madagascar

In Madagascar, we helped repair of the road in the urban commune of Mananjary.

We made financial contributions toward the regional reforestation of Vatovavy and the communal reforestation of Tiatosika.



Saint-Auban-sur-l'Ouvèze



Build a sustainable model together

4.

TOGETHER 60-69

Build a sustainable model

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Joining with our peers for progress 69





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.

As a company, we support our employees throughout their careers in four specific areas: orientation, the work environment, development, and commitment over time.

An environment conducive to forging teams

Take great care with orienting new employees as they become part of our team and trade.

In 2021, we held **21 orientation sessions**, including:

- 12 complete orientation sessions
- 7 short sessions for seasonal workers and production operators

Content of the full orientation course – 10 hours

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



A quality work environment: 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.

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.

81 employees took advantage of the complementary insurance coverage funded by Bontoux SAS in 2021 and **177** members of their families enjoyed preferential rates.

STAYING SAFE

4 lost-time work accidents in 2021.
Severity rate: **0.73**
Frequency rate: **28.93**

MADAGASCAR

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

Promote health and quality of life in the workplace

A “*BOUGEZ +*” (“Move More”) working group within the company began a process of promoting physical activity and quality of life in the workplace.

The main actions carried out in 2021 were:

- The weekly proposal of hiking trails around the company site compatible with the meridian break time. These routes gave employees a chance to get some fresh air, enjoy the outdoors, and savor healthy exposure to sunshine during the period of strict lockdowns in winter and spring 2021
- Leading and organizing employee participation in a regional sustainable mobility challenge.



Photo taken by an employee during Spring hiking trails



Motivate employees to get involved in the mobility challenge of the Auvergne Rhône Alpes region and raise their awareness of soft mobility

The challenge's objective is to give employees the chance to experiment with new forms of travel to get to work for a day and reduce the environmental footprint of their travel.

To encourage everyone to take part in a friendly group event, the company provided employees with electric bikes and held a refreshment breakfast for them to enjoy upon arrival.

For the first test-run of these ideas, our employees were exceptionally motivated and involved:

- **75% of employees** traveled to their workplace using an **atypical mode of travel**
- **26 people** came to work on **foot** or by **bike** for a total of **579 miles** and nearly **21,000 feet of ascent** covered during the day
- **33 people** opted for **carpooling**, with an average of 3 people per car

With the result:

- The company winning a **prize** on the departmental level
- **1193 miles of road by car avoided** that day, or **0.37tCo₂e** not emitted into the atmosphere

An awards ceremony held on our site

On November 19, in Saint Auban sur l'Ouvèze, we hosted the awards ceremony for the sustainable mobility challenge organized by the Rhône Alpes region.

There were four winners for the Drôme département – including our company. The ceremony emphasized environmental commitment and dialogue between the winners, the challenge organizers, the territory's representatives, the sponsors/partners, and all of our employees.

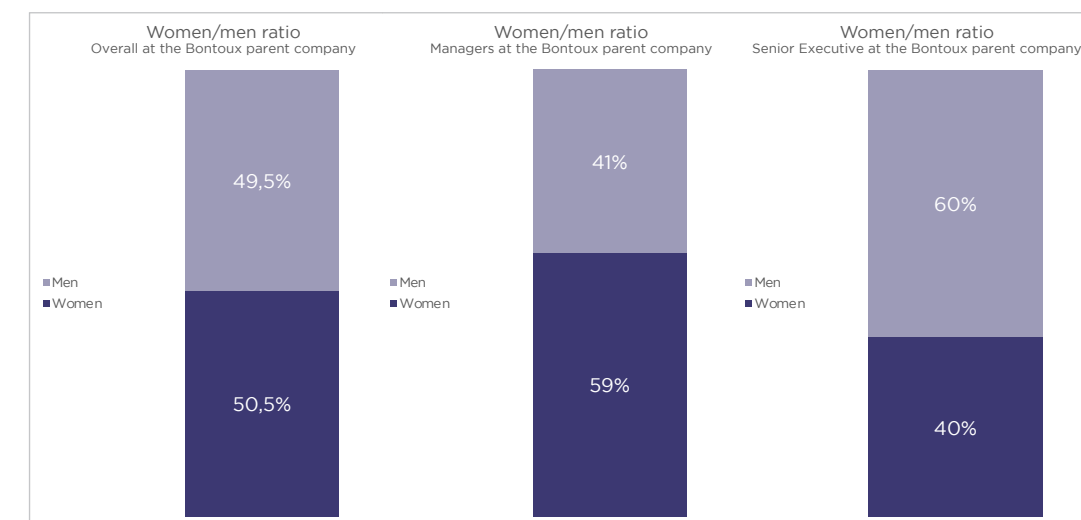


Maintain gender equality and equal opportunity in the workplace

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

This set of agreements is designed to guarantee and promote professional and wage equality between men and women in terms of recruitment, compensation, professional training, career development, and the balance between work life and family life.

Women/men ratios at the Bontoux parent company:



Gender Equality Index

The Gender Equality Index is a national indicator whose calculation rules are established by the Ministry of Labor and Employment.

It takes into account the gender pay gap, differences in distribution of individual raises and promotions, the percentage of employees who received a raise on return from maternity leave, the gender parity among the 10 highest-paid employees.

Score: 87/100

Gender Equality Index
2021 - Bontoux SAS



Dialogue and work with the SEC

In France, labor-related dialogue is structured around the Social and Economic Committee (*Comité Social et Economique* or CSE), the employee representative body. Fourteen meetings were held in 2021.

In addition, in 2021, several CSE representatives actively participated in cross-departmental working groups related to Quality of Life in the Workplace within the Bougez + unit and the “*Pour une cantine plus verte*” (“Greener Eating”) working group.

Among the members of the Social and Economic Committee is now a staff liaison on fighting sexual harassment and sexist behavior, appointed and trained in 2021.

Developing skills and the employees who possess them: a framework for progress

Our employees’ expertise and know-how are the life’s blood of our company.

We want to develop skills and the employees who possess them:

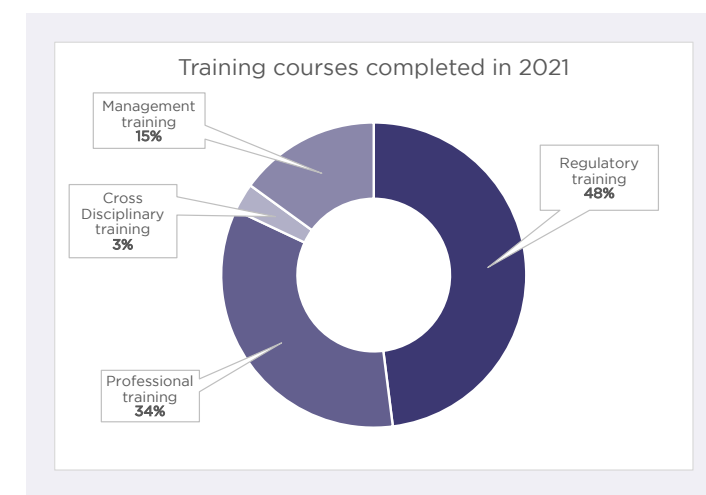
- Through vocational training,
- By sharing expertise between our employees,
- By conducting awareness-raising sessions on cross-departmental and multidimensional themes.

Continue to train through vocational training

A Skills Development Plan for 2021 was maintained and **45%** achieved, despite the pandemic-related restrictions.

67% of Bontoux SAS employees received at least one training course in 2021.

1 employee obtained a *diplôme de licence professionnelle* (roughly equivalent to a professional Bachelor’s degree) via the **Validation of Acquired Experience (VAE)** system.



New directions in the Skills Development Plan and French Industry Restart Agreement (*Convention Relance Industrie*)

To support new-skills development in our employees, we called upon France’s National Employment Fund, established in late 2021.

The subsidies will allow us to accelerate the technological transition through implementation of specific training, but also to conquer new emerging markets and keep pace with our customers’ needs and desires.

Hold awareness sessions on multifaceted, cross-departmental themes

These awareness sessions are designed for all parent company employees and take the form of a one-hour session focused on a specific theme. In 2020, the theme our employees learned about was the code of ethics and conduct.

In 2021, we addressed the theme of confidentiality as concerns subjects such as the challenges of information management and protection, the organization of confidentiality, and the purpose and implementation of the GDPR within the business.

Commitment over time

This career support for our employees is our way of ensuring that they find the resources and space necessary at Bontoux to progress and grow.

In return, our employees demonstrate their trust in and commitment to us by remaining with the company.

Form a close-knit team over time

Average parent company seniority: **11 years**





4.2 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.

66,3% 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.



Continue the "Greener Eating" work in 2021

An employee group composed of representatives from the Social and Economic Committee (CSE), the cafeteria service, and volunteers, drafted and distributed a code of ethics based on the initial experiments carried out in 2020.

After a full year of experimentation, without increasing the meal price, the results are as follows:

- 20% of the supply was sourced from local and mostly organic producers and suppliers.
- Cafeteria users appreciated the quality of the local meat, organic bread, and local raw vegetables and fruits they were served

The goals for next year are:

- To continue to expand supplies from local market gardeners and breeders
- To set up an online tool to manage user reservations and payments to make cafeteria team's work easier.



OBJECTIVES OF THE "GREENER EATING" PROGRAM

- Promote sourcing organic and local products to serve our employees healthy, high-quality foods.
- 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.
- Create an enjoyable workplace for cafeteria employees and a pleasant meeting place for all company employees.



4.3 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

	<p>PDO (AOP) for lavender essential oil from Haute Provence</p> <p>Bontoux SAS member for 34 years.</p> <p>Represented by Elisabeth Dadole (Jury Member).</p>
	<p>The International Federation of Essential Oils and Aroma Trades.</p> <p>Bontoux SAS member for 33 years.</p>
	<p>Association Française de Normalisation (French Standardization Association)</p> <p>Bontoux SAS member for 33 years.</p> <p>Represented by Elisabeth Dadole (Chairwoman of the T75A Essential Oils Commission).</p>
	<p>National Union of Fragrance and Flavor Manufacturers</p> <p>Bontoux SAS has been an associate member for 28 years.</p>
	<p>Signature of the "Sustainability Charter" in 2020. (See page 15)</p>
	<p>Regional Joint-Trade Experimentation Center for Perfume, Aromatic and Medicinal Plants</p> <p>Bontoux SAS member for 27 years.</p> <p>Represented by Arthur Audran (Vice President).</p>
	<p>Comité Interprofessionnel des Huiles Essentielles Françaises (Joint-Trade Committee on Essential Oils).</p> <p>Bontoux SAS member for 24 years.</p> <p>Represented by Pierre-Philippe Garry (Vice President).</p>
2020	<p>Work in progress on a methodology for a "Perfume Plants" Low Carbon label. (See page 35)</p>

MORE RECENT COMMITMENTS

	<p>Innov'Alliance</p> <p>Bontoux SAS member for 17 years.</p>
	<p>European Pharmacopoeia</p> <p>Expert representing the interests of France: Elisabeth Dadole, for 17 years.</p>
	<p>Fonds de Sauvegarde du Patrimoine Lavandes en Provence (Endowment fund to protect Provençal lavender)</p> <p>Bontoux SAS has been represented for 9 years by Pierre-Philippe Garry (Founding member and member of the Board of Directors).</p>
2020	<p>Green & Lavandes program - Aims at reducing carbon emissions from the lavender supply chain by 50% by 2029. (See page 35)</p>
	<p>European Federation of Essential Oils</p> <p>Bontoux SAS member for 5 years.</p>
	<p>Syndicat National des Ingrédients Aromatiques Alimentaires (National Trade Association for Food Flavorings)</p> <p>Bontoux has been member of the Board of Directors for 3 years, and is represented by Rémy Bontoux.</p>

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COP EDITORIAL COMMITTEE MEMBERS



Marie-Bénédicte BONTOUX
Copywriting
HQSE and Sustainable
Development Manager



Elise LECLERC
Copywriting
Agronomist Responsible for
Sustainable Sourcing



Bénédicte ROZENBLAT
Copywriting
Executive management representative
and Sustainable Development
Committee Member



Orane BONTOUX
Graphic Design
Marketing Director

PHOTO CREDITS

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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 SAS: 583 Route du Col de Peyruergue - Quartier Aguzon - 26170 Saint Auban sur l'Ouvèze - FRANCE
T. +33 (0)4 75 28 64 64 - F. +33 (0)4 75 28 60 32 - contact@bontoux.com - bontoux.com