

CSR REPORT

COMMUNICATION
ON PROGRESS (COP)
REPORT 2020





OVERVIEW

This report represents our Communication On Progress (COP) published to support our Global Compact France membership. It gives detailed information of our sustainable commitments.

This COP gives an overview of our actions from March 1st 2020 to February 28th, 2021.



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“ A WORD FROM THE PRESIDENT

Our group has a unique profile in the industry, both farmer and industrial. Therefore we have a high responsibility in our territory and the global value chain, as key player for the transmission and the preservation of the historical know-how in the Pays de Grasse, from the cultivation to the transformation of aromatic raw materials.

While taking over the top management of the group, it is with the same entrepreneurial vision as my father that I have been developing our activity for 14 years with projects of complete traceability and respect of Human and Environment.

Co-building programs in the area of Agriculture, Research & Development or Production in collaboration with all the stakeholders in our value chain, allow us to keep holding sustainability in our commitment. Our social responsibility becomes both our reason for being and our performance lever.

In this third Communication On Progress, our 2020 actions are detailed as well as our global strategy that renews our support to the 10 principles of the United Nations.



Cécile Mul



#1

OUR
APPROACH



OUR COMMITMENT TOWARDS THE 17 SUSTAINABLE DEVELOPEMENT GOALS (SDG)

Adopted in September 2015th by 193 countries of the United Nations, the 17 SDG call for action and require the creation of partnership and global alliance to change our society.

Since 2018, Gazignaire has been working for the achievement of the sustainable goals in all its value chain. We have a key role to play and we share our vision with all our stakeholder. Therefore under the scope of the 2030 action plan, we have identified our 5 strategic SDG and 6 additionnal SDG to our activity.



OUR CONTRIBUTION TO THE 17 SDG



Guarantee health, safety and well-being for our collaborators and our value chain stakeholders.



Promoting gender equality through a fair and brand new organization.



Promoting a sustainable and inclusive economic growth with decent working conditions for all.



Developing responsible production processes by reducing environmental impact from natural raw material and waste.



Acting for a sustainable agriculture towards farmers and partners to fight against climate change.

ADDITIONAL SUSTAINABLE DEVELOPMENT GOALS

The additional SDG are included in our short and mid-term action to reach our goals towards strategic SDG.



A detailed photograph of industrial distillation equipment, featuring large stainless steel tanks, pipes, and valves. The equipment is complex and multi-tiered, typical of a chemical or pharmaceutical processing plant.

OUR STORY

THE NATURE, OUR CULTURE

Created in 1865 in the heart of the french Aromatic industry, Gazignaire is specialized since its creation in the distillation of natural raw materials for the Aromatic and Perfumerie industry.

Farmers for five generation, Marius MUL decided in the early 70's to increase value of its natural raw material with the implementation of an extraction and distillation site, allowing the Groupe to create a complete project of traceability, from the plant cultivated in Pégomas to the aromatic extracts.

Thus, in 1990, he takes over the top management of the company Gazignaire. Fortified by its aquisition in 2008 of the Ernerst Cavasse extraction activity of spices and aromates, Gazignaire therefore extend its offer of aromatic extract with Vanilla oleoresin and extracts for 65% of its activity.

While taking over the top management of the company after her father, it is with the same entrepreneurial vision with agricultural know-how and natural ingredient expertise that Cecile Mul develops Gazignaire business through sustainable and responsable commitments.

SUSTAINABLE DEVELOPMENT APPROACH

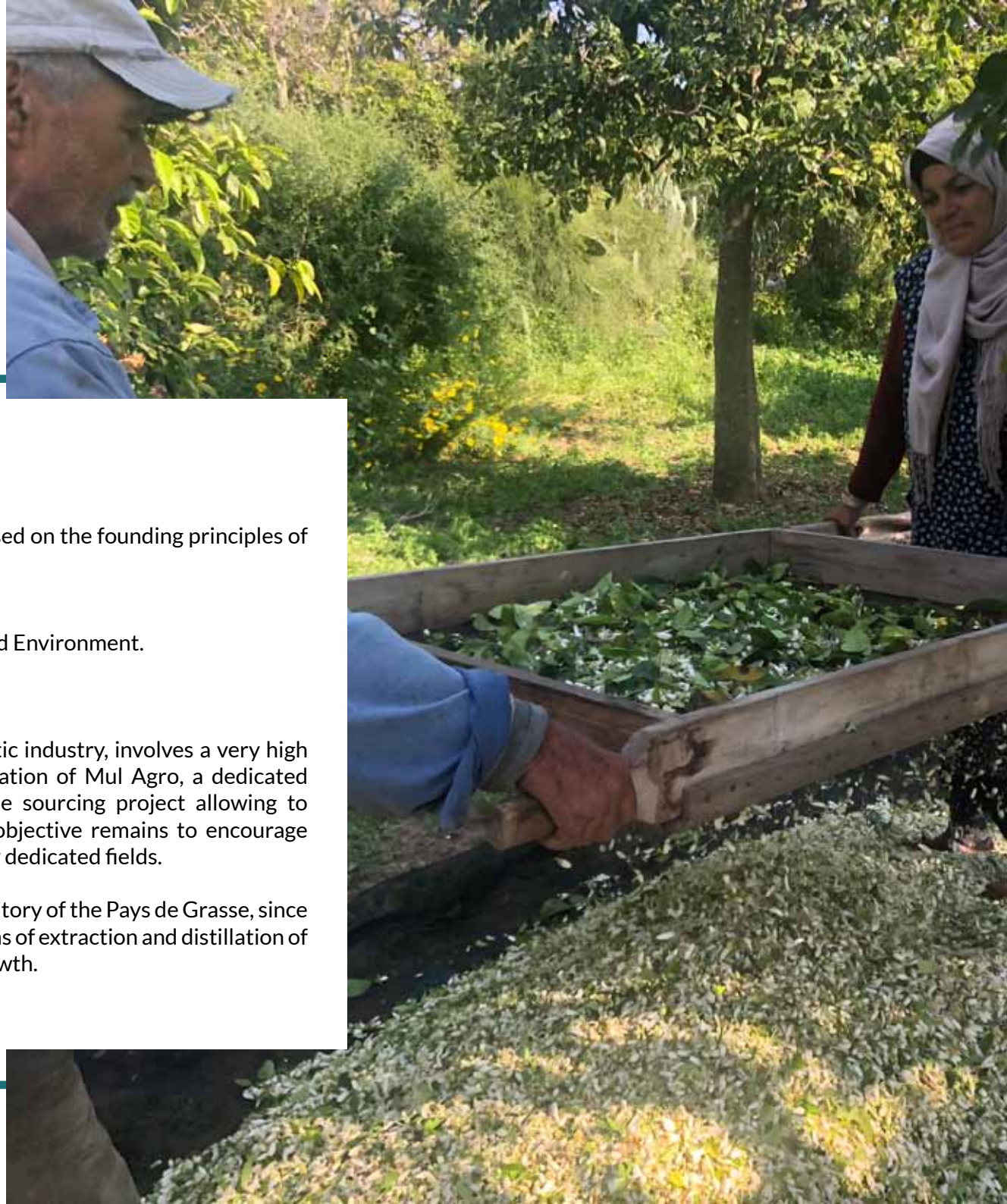
PRINCIPLES & ORGANIZATION

At Gazignaire, our sustainable development approach is based on the founding principles of the company since 1865:

- Respect and support tradition;
- Manage all the supply chain production;
- Encouraging natural raw materials that respect Human and Environment.

The upstream positioning of Gazignaire regarding Aromatic industry, involves a very high level of natural raw material expertise. Therefore the creation of Mul Agro, a dedicated company specialized in the implementation of sustainable sourcing project allowing to guarantee a complete traceability to the field. The main objective remains to encourage existing farmers in their activity or to cultivate plants in new dedicated fields.

Gazignaire sustainable approach is deeply settled in the territory of the Pays de Grasse, since its creation. The territory valorization and know-how in terms of extraction and distillation of natural raw materials is key in the quest of a sustainable growth.



OUR STANDARDS

CORPORATE SOCIAL RESPONSIBILITY

Our corporate social responsibility is based on the ISO 26 000 and ISO 26 030 guidings. It is used as guiding principles in our action plan and annuel performance assessment. The main axes are given bellow and detailed in this report.

The ISO 20 400 standard comes as an additionnal reference to complete our CSR and Responsible sourcing approach.

**1. CONSUMER
HEALTH
& SAFETY**

**2. EMPLOYEE
HEALTH
& SAFETY**

**3. ENVIRON-
MENTAL
IMPACT**

**4. WELL BEING
AT
WORK**

**5. EMPLOYEE'S
TRAINING AND
PROGRESSION**

**6. TRANSPARENCY
WITH
STAKEHOLDERS**

**7. RESPONSIBLE
SOURCING**

**8. LOCAL
INTEGRATION**

MATERIALITY ANALYSIS

OUR STAKEHOLDER'S STUDY AND ANALYSIS

The implementation of our sustainable development approach requires a deep and detailed study of our stakeholders, in order to create an action plan suitable for meeting expectations. Some measurable goals are then validated with every stakeholder and annually assessed.

Our stakeholder analysis brought us to define nine categories detailed here-after:

This study is updated every two years and allow the integration of new stakeholders.

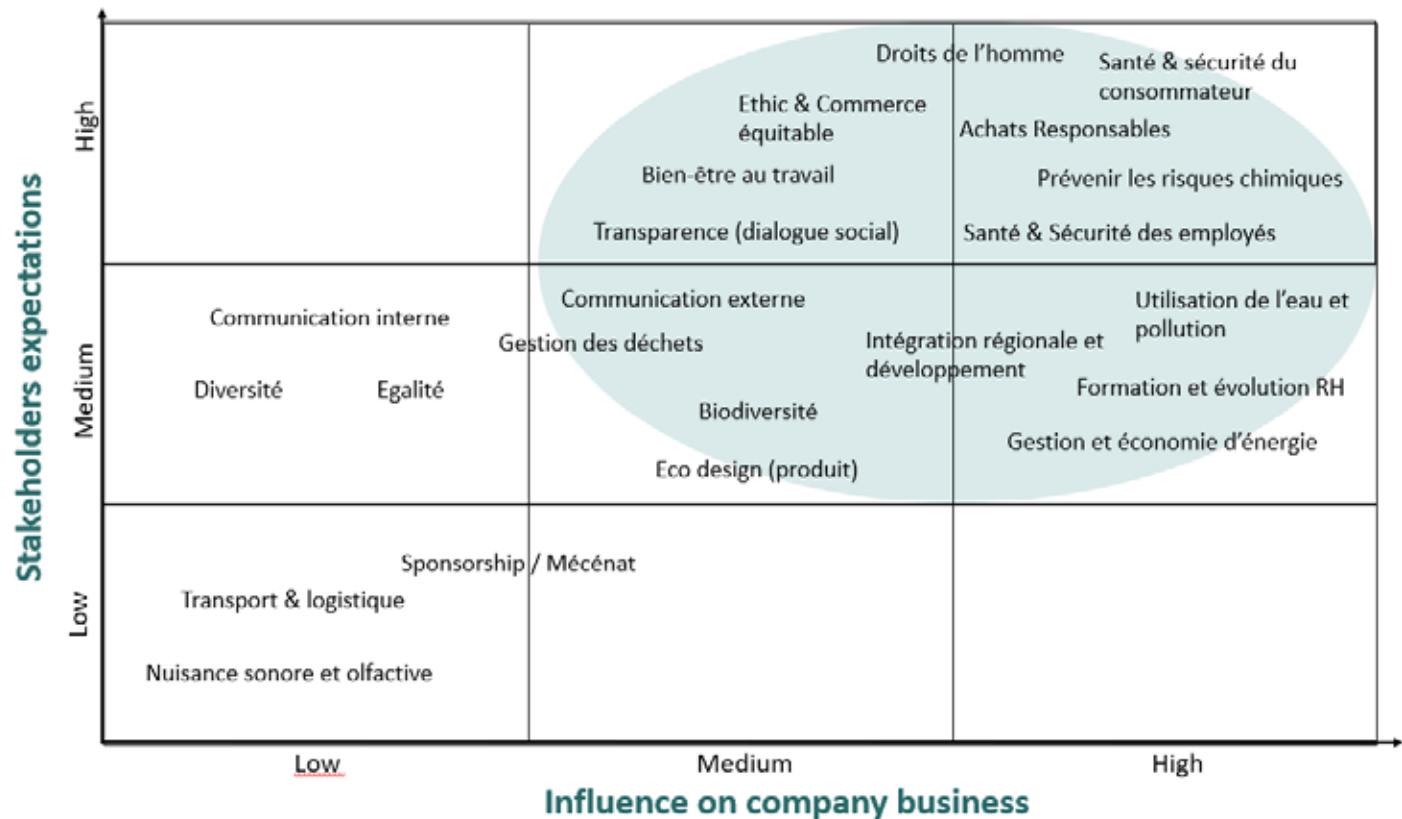
Stakeholder's categories	Stakeholder's categories detail
1. Company	Employees, Intern, Apprentice, Staff representative, Management, Temporary workers.
2. Value chain	Client, Suppliers, Farmers, Laboratory, Carrier.
3. Sub-contractors & service provider	IT service, Training organism, Technical and maintenance service provider, water, electricity, gas, certification organism..
4. Economic area	Banks, Insurance provider, family shareholding, certified accounting.
5. Public authority	Communication agency, National, European and International regulation authority.
6. Social area	Occupational medicine, Schools/ Universities, Employee's families, future employees.
7. Non profit organization	MUL Foundation, Professionnel syndicate (PRODAROM, Pôle Innov'Alliance, SNIAA)).
8. Environmental area	State service (DREAL, ADEME, DDPP), waste management service provider.
9. Locality	Conurbation authority, Neighbour, Emergency service.

CARTOGRAPHY AND ANALYSIS

THE STAKEHOLDER'S INFLUENCE ON OUR COMPANY

The study and analysis regarding stakeholder's influence aims to guide us in the definition of priority action in the company, in a short, mid and long term. Every stakeholder is having an influence on the company. This analysis also aims at bringing face to face our client, suppliers, employees and service provider's expectations. The cartography presented here-after is one of the guiding principles to our sustainable development policy.

The main topics located in the green cercle represents current major issues for Gazignaire. In 2021, we have seen an increase in the well-being and biodiversity expectation. These two issues are then integrated in a short-term action plan.



KEY FIGURES

STRATEGY & POSITIONING

Gazignaire has a very specific positioning, upstream from the Aromatic, Food processing, Cosmetic and Perfumery sector. Manufacturer of natural aromatic extract, we are developing an innovative strategy both on Research & Development and on the natural raw material selection.



16 376 K €
2020 turnover
(+7% compared
to 2019)



4%
payroll increase
between 2019 and
2020



17%
increase of
production between
2020 et 2019



30,65%
of turnover abroad in
2020 (France and
UE excluded)



7 330 €
donated to Non profit
organization and
14 085 €
of patronage



9
certifications
renewed in 2020
including
FSSC 22 000

OUR CORE ACTIVITY

POSITIONING & STRATEGY

Every day we are working in the extraction and distillation process improvement, in order to offer some aromatic extracts with a low environmental impact.



Since 2008, Gazignaire has reinforced its positioning on brown notes such as: Vanilla, Cocoa, Coffee, Tonka, with a complete traceability from the plant to the extract.

We are developing some extract range suitable for several industries such as:

- Aromatic
- Food processing
- Cosmetic
- Perfumery

We are offering several extract range:

- Product processed with extraction such as: oleoresin, absolute or concentrate
- Product processed with distillation such as hydrolate, floral water and essential oil.
- Product from infusion

The Vanilla extraction is nowadays our main activity. Over the year, we have developed a specific Vanilla extract range that enhance organoleptic and botanical specificity from Vanilla bourbon from Madagascar, Vanilla planifolia from Mexico or Vanilla Tahitensis, with secured and sustainable Vanilla sourcing. Our aromatic preparation are then used in liquid ingredient, powder or pasta to be used in the Aromatic or Food sector.

NATIONAL AND INTERNATIONAL INTEGRATION

Gazignaire supports and is integrated in several professional association regarding issue related to aromatic or extraction activity but also with environment protection for our raw material.



PRODAROM is the National Association for ingredient manufacturer related to Perfumery and Fine Fragrance. It is a dedicated professional trade-union for the defense of interest for companies in the French and European sector.



The SNIAA is the National trade-union for Aromatic and Food Ingredients. It is an essential partner in the Flavor and Fragrance industry in France and abroad. The SNIAA works in very close collaboration with the EFFA and IOFI. Gazignaire has been a SNIAA member since 1993.



Innov'Alliance is the former Pôle Pass. Gazignaire became member in 2015. The Pôle Innov'Alliance has a very specific position in France because it is dedicated to naturality. Its mission is to support the ecologic and technological transition in the agriculture area.



Since 2020, Gazignaire has been member of the International Federation of Essential Oils (IFEAT). IFEAT represents the interests of companies committed in the manufacturing and distribution of ingredients for the Flavour and Fragrance industry.

NATIONAL AND INTERNATIONAL INTEGRATION

In the scope of its sustainable development commitment, Gazignaire is also involved in local and national organization. The participation in Non Profit Organization also gives us the opportunity to work on sustainable action and create synergy in our activity.



Member since 2018, we have been supporting the Global Compact France as Participant. Since September 2015, all the Global Compact member are invited to act for the 2030 Global Agenda and the 17 Sustainable Development Goals.



Gazignaire has been a member of SEDEX since 2016. SEDEX is a worldwide organization created to implement responsible and sustainable supply chain. An online platform has been created to work on the respect of the 4 pillars in the value chain: social, ethic, health & safety, environment.



In 2020, Gazignaire joined the initiative 4 per 1000 created during the COP 21. This initiative aims at gathering all the voluntary actors (public, private, NGO) to show that the soil conservation plays a key role in the fight against climate change. Based on a solid scientific guidelines, this initiative invites every partners to get to know or implement some concrete actions on the soil carbon storage and agronomic practices that encourages agroforestry. The initiative underlines the fact that 0,4% of the soil carbone storage in the 30 or 40 first centimeters would have a significant impact on CO2 concentration.

NATIONAL AND INTERNATIONAL INTEGRATION

In terms of sustainable development and commitments, Gazignaire wishes to go beyond legal and national regulations. In 2020, we have signed the IFRA-IOFI Sustainability Charter. It gathers several companies of the Flavour and Fragrance industry all around the world, that want to commit for sustainable action and transparency towards farmers and consumers.

SIGNATURE OF THE IFRA-IOFI SUSTAINABLE CHARTER

The Charter is a sector-specific initiative, voluntary and based on the IFRA (International Fragrance Association) and the IOFI (International Flavour Association). It deals with communicating and supporting all the sustainable commitments of the Flavour and Fragrance industry:

- Sustainable sourcing in the value chain
- Environmental footprint and climate change
- Well being of employees and working condition
- Guarantee health & safety of product to consumer
- Ensure an information transparency with all the stakeholders.

The implementation of criterias and steps to overcome by each company, allow the overall initiative to reach a global maturity level regarding sustainable practices. The Charter offers a guiding tool and a methodology to implement every step. Every year, the IFRA-IOFI will commit to publish a report regarding the global maturity and action of the Flavour and Fragrance industry.



EXTERNAL RECOGNITION

PERFORMANCE IN TERMS OF SUSTAINABLE DEVELOPMENT



Since 2019, our CSR annual performance is being assessed by the rating agency EcoVadis, internationally known to assess companies on 4 pillars of the sustainable development. The global rank of the company is then compared to the one given to the other companies from your own sector. In 2020, we got the EcoVadis Platinum medal related to 1% of the worldwide companies assessed by the agency. Our global rank is 75% of maturity level and allow us to be ranked among the top of the companies committed in sustainable development.



In December 2018, Gazignaire won the CSR Trophée from the PACA region. We are then part of the CEDRE program giving us the opportunity to have a short and mid-term action plan to improve the company performance.



For the third consecutive year, Cécile MUL is part of the Women Equity 2020 ranking that highlights SME (Small and Medium Enterprise) performance managed by women. In 2019, Cécile MUL won the award of the Women Equity CSR Performance. The Women Equity ranking rewards the 50 companies the most performant, run by women from the 40 000 SME french index with at least 3 years of business activity and a turnover between 4M and 150M€.



Ranked in the 5th position of the Choiseul Region sud ranking in 2020, Cécile MUL has been recognized as a young generation of manager. This year, a new regional déclinaison has been created to highlights the company CEO that are among the most dynamic.

#2

HUMAN
RIGHTS



POLITIC & GOALS

HUMAN RIGHTS

The 2020 assessment carried out by the rating agency EcoVadis, allows to increase our social policy maturity level, along with the formalization of our commitment in all our value chain. Our EcoVadis 2020 rate is 80%.

We respects all the international standards and norms related to Human Rights. We are also being carreful in our collaboration with partners that commit to:

- Respecting obligations and international principles regarding Human Right never be accomplice of Human Right violation;
- Eliminating all the different forms of the forced labor, such as respecting fundamentals conventions from ILO n°138 and n° 182 regarding children labor;
- Respecting the liberty of creation and organizing trade unions for employee's defense and rights, and recognizing the right for collective bargaining.

Human Rights protection is part of our global value chain policy. Our stakeholders assessment on that topic is mainly carried out through audits and diagnosis on the field. These last two action gave us the opportunity to implement local project and to seek for sustainable solutions with our suppliers and partners. The COVID 19 crisis has deeply impacted our movements and visits initially planned in 2020. However we have managed to succeed and keep ongoing project moving forward, thanks to our local partners.



In 2020, all of our local programs in France and abroad have been carried out in our supply chain. In the Pays de Grasse, we have continued to support actions towards partners and farmers such as the training of a young farmer that created its own farm in 2019 to cultivate Camomilla and Mint. The training aims to give her support in its set up and during the first harvest in 2020. It allowed her to understand better the expectation regarding maturity level and the quality of the plant.

ACTING FOR HUMAN RIGHTS

ACTIONS & RESULTS

In 2020, the COVID 19 crisis has created an unprecedented climate in France and abroad, with several issues at stake regarding Human Rights. In our sourcing project, we have had the occasion to test out some cultural, social or societal differences in each country in our supply chain.

OUR SOCIAL POLICY

In 2020, our social policy formalization allowed to underline and communicate our commitments:

- Our values definition: Commitment, Trust, Proximity and Safety.
- Commitments in terms of:
 - Fight against forced and children labour
 - Non discrimination and sexual harassment
 - Employee's health & safety
 - Working conditions, well being at work and balance between private and professional life
 - Social dialog
 - Career management and access to training for all
 - Commitments towards our stakeholders.



OUR SEXUAL HARASSMENT POLICY

We have a zero tolerance policy in terms of inappropriate behaviors, moral and sexual harassment. With the implementation of this policy, we are committed to respect impartiality principles, non-discrimination, responsibility and transparency. Our policy is communicated to all our employees, sub-contractors and service providers in order to prevent any type of inappropriate behaviours and to launch an alert in case of incident. In 2020, there has been no incident declared in terms of moral harassment in the company.

100%
of employees are
specifically trained
on sexual harassment

46% ♀
54% ♂
in our
management team

MUL FOUNDATION

OUR 2020 PROJECTS

Created in June 2018, MUL Foundation is an endowment fund in which Gazignaire is the founding member. The fund aims to support general interest project in France and abroad.



CREATION OF A FRUIT GARDEN FOR LOCAL SCHOOL IN CHATEAUNEUF DE GRASSE

In April 2020, MUL Foundation has created a local project aiming at offering fruits to elementary and primary school in Chateauneuf de Grasse. Nowadays, this village has 3 500 inhabitants and the specificity of offering a soil suitable for the citrus fruit production and aromatic plants.

In a social and fair goal, MUL Foundation partnered with the municipality to create the fruit garden in a global area of 2 000 square meters. The garden has 22 different species of fruits such as Sweet Orange, Sanguinello Orange, Apricot, Plum tree or Cherry tree.

This project is part of our educational and societal commitment towards local school and children. It will allow them to discover the fruit lifecycle from the plant to the harvest. It is an organic certified project and all the fruits harvested will be freely given to local schools with the objective of giving a traceable and reliable fruit supply to children at school.



7

supported project
in 2020



50%

of social project



73 300 €

in donation in 2020

HUMAN RESOURCE WITHOUT BORDER (HRWB)

ACTING FOR HUMAN RIGHTS

Our value promotion in all our supply chain is a major issue. Therefore we have been supporting the non profit organization since january 2020.

ACTIONS AND FIELD DIAGNOSIS FOR OUR SUPPLY CHAIN

The vertical integration implemented in our strategic supply chain allow to have a better understanding of the risks and the issues we are facing. Therefore we have been supporting HRSF for their commitment towards human rights and more specifically to eradicate children and forced labour in the global supply chain.

HRSF expérimente donc des solutions pour prévenir les risques dans notre chaîne de valeur en développant des actions de sensibilisation et de formation.

When we talk about Human Rights, many issues are in stake such as cultural, social or political issues in the country. An isolated company cannot solve that kind of issues when it comes to culture or social policy. That is why HRSF is working with us to create detailed diagnosis on the field, with local communities to understand better the real matter and find common solution.

HRSF is a non profit association created in 2006 to fight against forced and children labour around the world. The HRSF mission is to create experimental project on the ground with local communities. These projects all mixing both innovation and transparency to act at the root of the decent work. There is currently no solution already prepared to face children labour in the supply chain. HRSF offer tailor made solutions to prevent risks in the supply chain and train people within Purchasing or CSR services.



HRSF is working on 3 main topics that are experimented on the field such as:

- Labour condition and decent work
- Children and forced labour
- Social integration of local communities

#3

LABOUR
CONDITION



POLICY & GOALS

LABOUR CONDITIONS

Working conditions are a major issue for our social and sustainable development policy. The decent work is entirely linked to the reduction of Health & Safety risks onsite.

The implementation of our social policy in 2020, allowed us to write down our commitments and actions in terms of Working and decent conditions in the company, but also in our value chain. Therefore we have created several working projects to guarantee decent working conditions:

- Employee's training and personal development

In 2020, the rating agency EcoVadis has evaluated our social policy and gave a 80% maturity rate for our commitment and action. This high rate allows us to reach an external recognition of our commitments in favour of decent labour conditions.



46%
OF WOMEN
in the management
team

45
people in the
company on
2021/02/02
(+4% increase of payroll)

37
average age in
the company on
2021/02/05

4,26%
4,26% of turnover
in 2020
(against 4,44% in 2019)

3
job creations in 2020 related
to Agronomy, Sales and
Health & Safety

100%
of employees with
permanent contract

ACTIONS & RESULTS

TRAINING ET PROFESSIONNAL INSERTION

In 2020, the COVID 19 crisis has led to many organizational changes in the company, both on production and administrative functions.

SKILLS DEVELOPMENT



Our policy and actions in terms of training and skills development is related to our internal mobility and promotion ratio. Indeed, 17,78% of employees have had some jobs evolution in 2020. Training is key when you start a new position and it allows every collaborator to be more confident in its new role and responsibility.

In 2020, the average number of training hours per employee is 12 hours.

17,78%
of employees
promoted in 2020

100%
of professional
interviews carried
out in 2020

CUSTOMIZED TRAINING PROGRAMS



Every year, professional interview are carried out for all the employees. In 2020, 100% of our collaborators have made it. The goal is to have an overview of the challenges and the success of the year. It also allows the employee to highlight its ambitions and skills related to potential career evolution.

The creation of dedicated training plan is then shared with the collaborator to support him in its evolution.

OCCUPATIONAL INTEGRATION AS KEY POINT IN THE SUSTAINABLE RECRUITMENT



Encouraging occupational integration is a key point to ensure social diversity within the company. Our senior employment rate is currently at 20% and our employment rate for people with an age under 25 is 6%. Our partnership with ASFO Grasse (training center related to our professional union PRODAROM), allows us to welcome some of people having professional training contrat. Those programs have a theoretical training and a global integration within company to finish the training and have a better understanding of production process.

ACTIONS & RESULTS

HEALTH, SAFETY AND WELL BEING AT WORK

Health & safety at work is one of the main pillar of our sustainable development policy. In 2020, we have reinforced our QHSE (Quality, Health, Safety and Environment) service with the creation of a dedicated job in charge of Health & Safety at work in the production site.



The COVID crisis started in 2020 has led to the implementation of global changes in the company and sanitary measures to tackle COVID. Social distance, break time changes to avoid contacts in common spaces, working in remote, etc. In order to keep our activity going, as essential part of the food and aromatic industry, we have deployed in march 2020 our continuity plan. It has been updated more than 8 times in the year to face COVID 19 restrictions and rules. The QHSE and HR teams have been deeply working on that and were very reactive in applying new process and measures for COVID 19 in both production and administration site.

The Health & safety concerns at work are increasing and is nowadays at the heart of the company. Therefore during COVID 19, many actions have been taken:

- Work in remote for 30% of employees;
- Increase in cleaning frequency in production and administration site;
- Training and preventing gestures to limit COVID 19 risks;
- Arranging production site with new common spaces (additional room for lunch and break time);
- Increasing social dialogue with every employee.

The completion of our brand new administration building in 2020 has also helped in improving our well being at work with bigger common space.

The absenteeism rate has strongly decrease in 2020 from 5,89% in 2019 to
0,1% in 2020

The number of accident at work in 2020 is up to **4** and is less important than in 2019 (5 accidents)

2% of our turnover invested in health & safety of employees

#4

ETHIC



29
4
30
BRANA

POLICY & GOALS

ETHIC & CORRUPTION

We have adopted a formal policy to fight against corruption with all our stakeholders. Transparency, ethic and communication are key elements to ensure sustainable value chain.



Our code of ethic relies on the following principles:

- LAWS : we do not accept any violation of the law applicable
- ETHICS: We work in coherence with our ethic principles and our code of conduct.
- OUR SOCIAL RESPONSIBILITY: We are committed to work for having a positive impact on the society, local communities and our stakeholders.



Our policy in terms of ethics and fight against corruption is divided in measurable goals and integrated in our value chain and specifically in our sustainable sourcing program abroad.



THE VERTICAL INTEGRATION OF OUR SOURCING PROGRAM TO IMPROVE OUR RISK MANAGEMENT SYSTEM

Our risk management in terms of ethic and corruption is carried out with different internal tools. Purchasing, Agronomic and CSR department are working on securing sourcing and programs all along our value chain, to evaluate social, environmental and ethical risks through:



- The signature of our code of conduct, mandatory for raw material approval.



- The signature of our bill of specifications including human rights, environment protection, information transparency and ethic.



- The achievement of diagnosis on the field regarding sustainable development risks. Diagnosis are carried out with audits grids such as SMETA, ISO 26 000, Fairtrade International, etc.

ACTIONS & RESULTS

ETHIC & CORRUPTION

Our ethic and corruption approach involve a training and a collaborator sensibilization and more globally actors from all over our value chain. In a continuous improvement approach, every year we update our policy and goals in our fight against corruption.

CREATION OF A PROCESS TO REPORT ETHIC AND CORRUPTION ALERT

In 2020, we kept going with our fight against corruption policy and we have created a new procedure in terms of ethic and corruption alert.

Introduced to all employee and particularly to the members of the social and economic committee, this process aims to:

- Implement a clear and transparent procedure of alert and an investigation mechanism within the company.
- Sensibilizing all the employees and be able to prevent and alert without delay on specific matter regarding national or international law violation.

SUPPLIER, SUB-CONTRACTOR AND SERVICE PROVIDER SPECIFICATION UPDATE

In our sustainable sourcing approach, we have in 2020 updated our supplier, sub-contractor and service provider bill of specification. Some new clause were integrated to assess supplier on:

- Human rights: working condition, employees collaboration, Health & Safety
- Ethic and corruption
- Environment: Use of natural resources, biodiversity protection, etc.



70%
of our suppliers and
service providers are
located in France in
2020

Among them, **42%**
are located in the
South of France
(Région Sud PACA)

and **29%**
are in our
local department
(Alpes Maritimes)

ACTIONS & RESULTS

ETHIC & CORRUPTION

The risk management in terms of ethic in the sourcing value chain is a major issue nowadays. Stakeholder expectations in terms of transparency of information, traceability and product quality but also in labor condition that circle production value chain are important.



In terms of reducing ethical risks in our value chain, we have choose to work for more than 10 years on sustainable sourcing programs to guarantee:

- A certified origin
- A complete traceability
- A commitment towards local community
- A complete transparency in our production chain allowing to ensure a high quality and fair practices.



Gazignaire has established several sustainable programs set up such as:

- 1 Partnership creation with local producers and support in financial, social and fair practices. Training can be also offered to meet quality expectation.
- 2 Creation or support of groups of farmers or cooperative in their self-sufficiency in order to avoid economic dependance.
- 3 Implementation of our own culture in identified fields and support of a local farmer with financial and technical support.

80%
of our EcoVadis
rate in 2020
regarding Ethic &
Corruption

100%
of our suppliers
have signed
the Gazignaire
ethical charter

45 plants and spices
sustainable sourcing
programs in 2021,
among them: 17 in
France and 28 abroad

80%
of our suppliers
act and fight
against
corruption

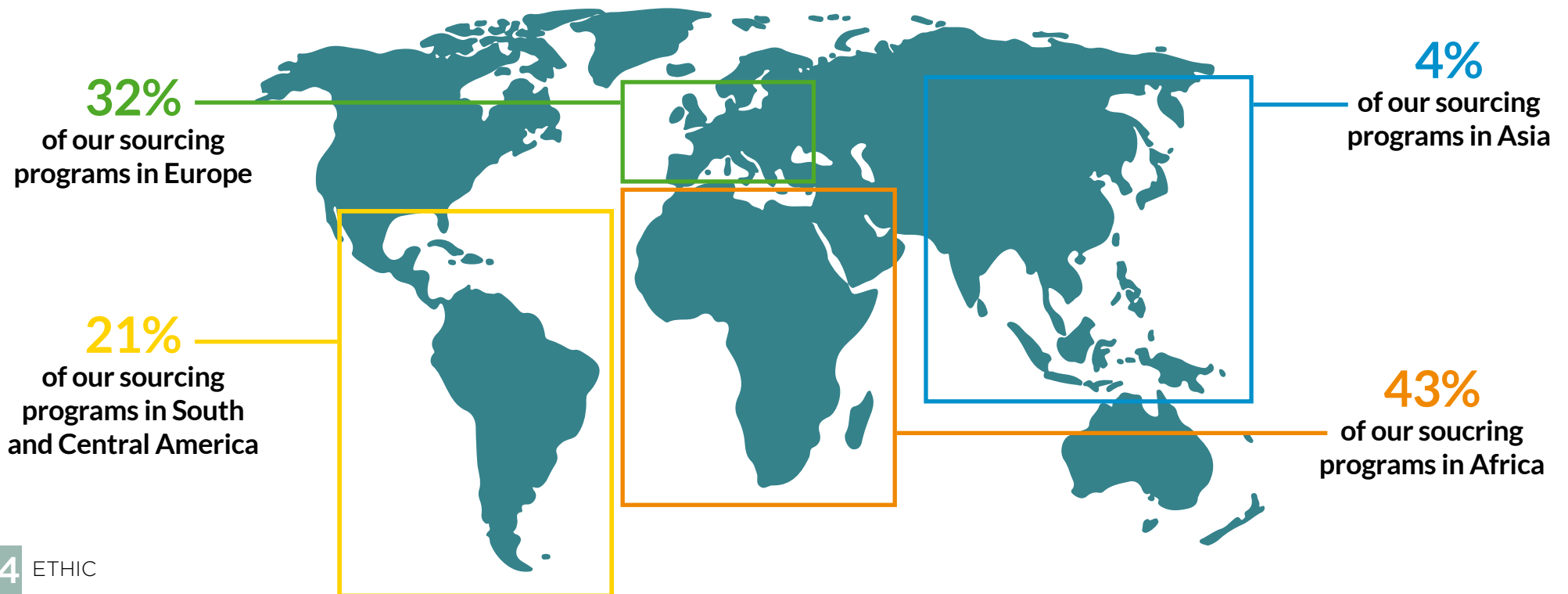
SUSTAINABLE SOURCING PROGRAMS

ETHIC & TRANSPARENCY

Our sustainable sourcing programs are located in very specific area well known for its excellence in the savoir-faire of the spices and plant production. Our global sustainable sourcing programs are detailed in the map below.

All our sustainable sourcing programs have been assessed regarding sustainable development pillars (Social, Environmental and Ethic). The goal is to implement and support fair practices all along the value chain.

Therefore we have launched the Fairtrade International certification (FLO Cert) on several strategic programs such as Vanilla in Madagascar. The achievement of this certification is giving a global frame to small producers and ensure a fair and minimum decent revenue. A fairtrade premium is also given to local producers. It aims to support local community development with project such as access to clean water, transport, road infrastructure or even school.



#5

ENVIRON-
MENT



POLICY & GOALS

ENVIRONMENT & BIODIVERSITY

Environmental issue is key for our activity and is at the heart of main changes and concerns. The impact on climate change from both raw material production and transformation process raise concern on how to reduce our environmental impact.

The environmental policy at Gazignaire gather all our commitment in terms of environmental impact on our activity, fight against climate change and biodiversity protection.

Our policy is updated every year in order to take actions and improve our practices. It relies on the main pillars detailed below:

Improving
environmental
conscience of
employees

Supporting
responsible
production
processes

Energetic
optimisation
and green energy

Waste
management
& upcycling

Protection
of Biodiversity

Carbon footprint
reduction

These different issues have been detailed in measurable goals with a dedicated key performance indicators in terms of environmental impact:

- Raising awareness of 100% of our collaborators regarding a specific environmental issue (with yearly training);
- Reducing by 5% our water, gas and electricity consumption per kilo of extract produced.
- Having 10% reduction in waste production per kilo of extract produced.

Our environmental policy is divided in several internal procedure on water, air, waste and industrial risk management; Gazignaire is an ICPE site with declaration process. It means that activity don't have important dangers or pollution



ACTIONS & RESULTS

ENVIRONMENT

Our core activity of natural raw material extraction and distillation requires natural resources use such as water, gas or electricity. We give a major importance to reduction of our own consumption in our production processes.



ELECTRICITY CONSUMPTION OPTIMISATION

The electricity consumption is established on a monthly base in our production site. We have started the optimisation of our lighting equipment by switching to LED energy power lighting. It allows to have a better lifecycle in terms of long-term investment and in reducing electricity consumption.



ECO-FRIENDLY PRODUCTION PROCESSES

The implementation of new eco-extraction processes is a major issue for our industry and our environmental impact. Indeed, the study of our extraction and distillation consumption aims to optimize our production processes and offer aromatic extract with a reduced environmental impact.

Many actions are ongoing regarding environmental impact in our production processes such as the potential reuse of our upcycled water coming from cooling system process. In addition, the study for boiler to improve productivity and reduce gas consumption is also a potential key.



-26%
of our electricity
consumption in 2020
(0,30 kWh / kg finished
product)

-18%
gas consumption
in 2020
(0,053 m³ gas / kg
finished product)

-20%
consommation
eau en 2020
(0,003 m³ d'eau / kg
produit fini)

+18% of waste emission
(1,22kg waste/ kg finished product)
related to an increase of
+17% of production

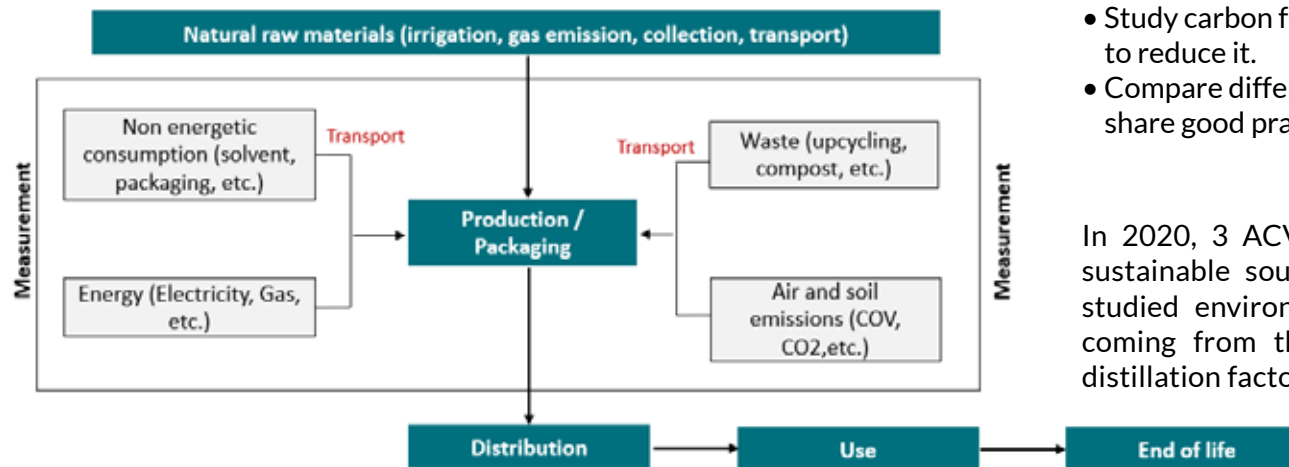
EcoVadis 2020 ranks
our environmental
policy with
70% maturity

ACTIONS & RESULTS

ENVIRONMENT

Our environmental study goes along with studies and analysis on lifecycle from our raw materials to the aromatic extract we produce. The lifecycle analysis (ACV) is a specific tool used to measure environmental impact of the extract and aims to look for solution to reduce it.

AROMATIC EXTRACT LIFECYCLE ANALYSIS (ACV) AS AN ACTION TO FIGHT AGAINST CLIMATE CHANGE



The ACV study is an approach that aim to :

- Creating key indicators to follow and improve environmental performance
- Study carbon footprint on specific extract and work on action to reduce it.
- Compare different transformation processes and methods to share good practices.

In 2020, 3 ACV have been carried out in our Bigaradier sustainable sourcing program in France. We have mainly studied environmental impact on Petitgrain Essential Oil coming from the Bigaradier wood and produced in our distillation factory.



MUL ENVIRONNEMENT

A CIRCULAR ECONOMIE AT THE HEART OF OUR ACTIVITY

In 2020, the brand new company MUL Environnement has been created to complete the portfolio of action of the Groupe MUL and particularly of Gazignaire, in terms of upcycling and waste management.



MUL Environment is integrated in the circular economy principle with several actions:

- Upcycling green waste program with byproducts use and partnership creation with collective actions.
- Byproduct upcycling coming from Aromatic industry, that can be used in biomass treatment or plant based waste coming from extraction and distillation process.
- Waste and upcycling programs to ensure sustainable actions and job creation in several thematic such as cardboard, kraft, glass, wood, etc.



UPCYCLING FROM KRAFT BARREL TO USEFUL TRASH.

Since 2018, through the Aroma'Tri program created by local professional union PRODAROM, Gazignaire is part of the upcycling program for its kraft barrel with the association La Drisse and the Chiris High School in Grasse. This initiative support the collection of kraft barrel to recycle and reuse it in sorting waste within companies or public areas. This program has been supported by the ADEME since 2018 and is nowadays self-sufficient with a circular economy.

BIODIVERSITY PROTECTION

SUSTAINABLE SOURCING PROGRAM

All of our sustainable sourcing program are part of our environmental policy in terms of climate change fight and biodiversity protection.

Our approach in terms of biodiversity protection starts in the diagnosis and the assessment of the risk of each sustainable sourcing program:

- Nagoya protocol and local Access and Share benefit rules;
- CITES and IUCN list;
- Agricultural practices implemented for biodiversity protection, soil preservation and environment.



SOIL PROTECTION AND NATURAL BARRIER IN OUR ROSE DAMASCENA SOURCING IN BULGARIE

In 2018, we have started a field diagnosis to go deeper in the environmental impact of our Rose damascena sustainable sourcing program in Bulgaria. Following experimentation carried out in Rose fields in Organic and Biodynamic agriculture, the action of 100% covering soil and increase biodiversity in the field. In addition, plant barrier have been implemented all around the field, allowing to limit pollution coming from road and wind.

#6

2021
PERSPECTIVE





CONCLUSION

2021-2022 PERSPECTIVES

2020 has been a year deeply affected by the COVID 19 crisis all around the world. This context has underlined the need for ethic, transparency and risk management in terms of health & safety. Despite the uncertain social and economical context, we kept going on our project by supporting our collaborators and our sustainable sourcing program in France and abroad.

The COVID 19 crisis has been asking a huge effort in terms of reactivity, adjustment all year long from all the team in both production and administrative site. Trust and proximity with every collaborator give a more adapted and customized follow up support.






Our trajectory in terms of Human Rights and well being at work is going on in 2021 with new improvement action and new office moves in the company. The will to implement sustainable action for collaborator and company is at the heart of our sustainable development trajectory.

Project development in terms of environmental protection and biodiversity are key to reduce our natural resources consumption in our production processes and within our sustainable sourcing program. It gives us the opportunity to take concrete action to fight climate change.

Finally, the call for ethic, transparency and traceability are at major stake in the company. Social and societal issues in value chain have to be the top priority of every company. The link between SDG (Sustainable Development Goals) and actions is therefore a priority to promote sustainable partnership in France and abroad.








CONCLUSION

2021/2022 GOALS

SDG	GOAL	2018	2019	2020	2021 GOAL
 	Stakeholders awareness	10 audits	6 audits	Covid 19: audit suspension	6 audits carried out
		80%	85%	85%	90% of our suppliers are acting for Human Rights
	MUL Foundation support	22 000 €	27 400 €	73 300 €	Annual budget over 50 000€
		2 projects	5 projects	7 projects	7 projects supported in 2020
	Training and create employee's evolution	17 %	31 %	18 %	Maintaining an internal job evolution rate >18%
		12 %	4,44 %	4,26 %	Reducing turnover at 0%
	Guarantee health & safety	2 AT	5 AT	4 AT	Objective 0 labour accident
		4 %	5,89 %	0,1 %	Reducing absenteeism rate of 0,1%

CONCLUSION

OBJECTIFS 2021/2022

SDG	GOAL	2018	2019	2020	2021 GOAL
  	Eco-extraction & energetic consumption	0	0,5	3	3 additionnal ACV carried out
		0,37 kwh electricity / finished product	0,37kWh electricity / kg finished product	0,30kWh electricity / kg finished product	5% reduction of electricity consumption / kg finished product
	Waste management	0,86 kg waste / kg finished product	0,96 kg waste / kg finished product	1,22 kg waste / kg finished product	10% reduction of waste created / kg finished product
	Transparency with stakeholder	70 %	90 %	90 %	Training and sensibilization to fight anti-corruption
 	Sustainable sourcing	40 %	41 %	42 %	Suppliers in the SUD PACA Region
		64 %	66 %	66 %	10% increase of supplier audits



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