

CSR Report

Year 2022

elixens
France

The management's word



In May 2022, ELIXENS published its ethical and CSR charter in order to share its philosophy and values with its employees, customers and stakeholders.

This work was an opportunity to take stock of our historical commitments and to set new objectives for the coming years. Formalizing our CSR charter was the first step. It was rich in questions about our raison d'être and the objectives we wished to pursue. To do so, we exchanged with our employees, our customers, our suppliers and our partners.

One year later, we are happy to share a first progress report with you.

We are committed to action. We are learning on this path, which is new for us, every day by moving forward with our small successes and with the difficulties we have encountered.

In this way, we are acting like a hummingbird to multiply the number of gestures that are favorable to the environment and/or to society on a daily basis, both at our level and in collaboration with our stakeholders.

Our teams mobilized for the year 2022 have been encouraged by the ECOVADIS platinum and CDP B-evaluations received for the work done.

There is still a lot to do, and we are working on it.

Enjoy your reading.

Carole ABDELLI,
President

Jean-Pascal ABDELLI,
Director

Elixens is first and foremost a French family history.

« We are passionate people who have built an independent and sustainable company over the years. We are a company that has mastered every step of the production chain, from the cultivation of perfume plants to the international delivery of its products.

We produce and market cosmetic, aromatic and perfume ingredients for professionals. We have chosen to rely primarily on traced channels, **with respect for human and nature.**

The heart of our activity is located **in the Drôme (in France)**, on several sites completed by international establishments and teams. **Among the main producers of essential oils, hydrolats and aromatic specialties**, we benefit from a solid experience in the organic sector.

We offer our customers specific support for their projects, a wide range of high quality natural ingredients, with strong commitments to sustainable development.

So, let's share what nature inspires us to do! »

Summary

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*Analysis of our indicators
& achieving our goals*

Honesty and loyalty

• Fair product quality

No customer complaints regarding the status of our products: **Objective achieved**

• Fiscal compliance

Absence of Tax Adjustment: **Objective achieved**

• Fight against corruption

No referrals of corruption cases: **Objective achieved**

• Respect for competition

No anti-competitive complaints: **Objective achieved**

• Customer satisfaction

Indicator	2019	2020	2021	2022	Objective
Service rate (%)	96,4%	98,4%	98,7%	98,8%	>98%
Quality of service (%)	98,3%	97%	98,4%	98%	>98%

Serving our customers better is a priority. Our service rate and service quality are monitored monthly. In 2022 we reached our target on both indicators.

For 2023 we have decided to raise the level of these targets to > 99%. (Decision taken at the Quality Management Review of the Food Safety Management System (FSMS) on February 20, 2023).

In 2022, we have maintained our portfolio of quality certifications: ISO 22000, Organic, COSMOS, Organic Fair Trade.

Preservation of the environment

• Energy sobriety

Because we are convinced that sobriety is necessary for the preservation of natural resources and the sustainable development of our society, we have determined four indicators dealing with this theme:

Indicator	2019	2020	2021	2022
Electrical energy (Mw consumed)	244	148	160	174
Energy propane gas (MWh)	450	487	656	601
H2O (m3 consumed)	695	354	778	1280
Tons of plastics (Eurre)	ND	44	45	62

Electricity :

Our electricity consumption is up by 9% compared to the previous year. This increase can be explained by two factors:

- The full-year operation of our new Extraction-Distillation workshop
- The growth of our activity (4.2% in turnover)

Last year we described an energy trajectory that included an assumption of growth in our activity and assumptions of energy sobriety and optimization for the period 2020 - 2030. By 2022 we are in line with this trajectory.

A number of actions have taken shape in 2022:

- Green electricity: in the first quarter of 2022, we converted 100% of our supply contracts to green electricity.
- Relamping»: started in July 2022, ELIXENS has carried out a complete «relamping» of its 3000 m2 storage building with the replacement of neon blocks by LED lamps. This investment will allow an estimated annual gain of 1.3% of our electricity consumption.

Propane gas:

Propane gas consumption is down 8% from the previous year. (Further explanations in the «Carbon footprint» tab).

Water :

Water consumption at our Eurre site has increased by 64%, also due to the full-year operation of our new distillation/extraction workshop. Actions are underway to reduce this use.

However, it remains relatively low compared to the average industrial consumption in our sector of activity.

The technical coefficients approach, in particular the indicator thousands of m3 supplied / employee* : (25.8 full time equivalents as of 12/31/2022) allows us to place Elixens France at 0.05, which is a very low level compared to the averages of similar sectors of activity.

Several actions have been initiated:

- At the beginning of 2023, two additional water meters were installed to carry out more accurate monitoring of consumption by production workshop.
- Despite the drought in the summer of 2022, the activity of our Eygluy-Escoulin distillery has not been impacted. The technical solution of the adiabatic cooler installed on this site has, this year again, demonstrated its relevance and efficiency.

ELIXENS plans to carry out additional actions over the year 2023 aimed at limiting its water consumption such as the closed circuit operation of certain equipment.

Packaging:

Our consumption of plastics, mainly through our packaging, is one of our most important factors of CO2eq emissions.

The first step in this process was to switch from polypropylene bags to Kraft paper bags in May 2022 for our herbalist business.

This change resulted in a saving of approximately 300 Kg of plastic materials and about ½ ton of CO2eq.

The consumption of packaging cartons is slightly down over 2022.

In addition, 50% of our purchasing cardboard is now from recycling.

	Quantity (kg)	CO2Eq (kg)	Comment
Cardboard packaging 2020	384	169	Not determined
Cardboard packaging 2021	357	197	57% from recycling
Cardboard packaging 2022	330	180	50% from recycling

The amount of plastic, on the other hand, increased significantly between 2021 and 2022.

	2021	2022
Amount of plastic (tons)	45	62

This increase has a negative impact on our carbon footprint.

It is linked to a sharp increase in some of our activities and to actions to secure supplies to our customers, leading to the creation of safety stocks.

The achievement of our objectives to reduce the carbon impact of our packaging has been delayed. Several projects to change practices are underway and should lead to substantial reductions in the use of plastic packaging.

The investment in a washing device for our packaging was made in the first quarter of 2023 and should bear fruit during this year. The expected carbon savings are 39 tons of CO2eq per year.



Two other projects are underway in partnership with customers and suppliers to significantly optimize packaging use.

• Reducing our carbon footprint

In 2021, we carried out our first carbon assessment using 2020 as the reference year. We have defined targets for 2025 (in absolute terms) in order to participate in the effort to reduce global carbon emissions to stay below the 1.5°C temperature rise by 2050.

Our emissions are recalculated every year for all items, SCOPE 1, 2 and 3, with the exception of our inputs for which the emission factors are not yet available in the databases (French and International).

Indicator	2019	2020	2021	2022
GHG production in T CO ₂ eq /year (Scope 1 and 2 and part 3 - excluding inputs)	/	896	998	1155

The details of the emissions per item are presented in the table below:

Emission item TCO ₂ eq / Year	2020	2021	2022
Subtotal SCOPE 1	71	106	129
Mission travel	12	20	52
Air conditioning cold	-	-	-
Fixed assets	59	86	77
Subtotal SCOPE 2	140	186	173
Energy	140	186	173
Subtotal SCOPE 3	685	706	853
Freight	410	425	493
Employee commuting	42	16	20
Future packaging	227	240	325
Direct waste	6	10	9
Various	-	15	6

Direct travel by our employees («mission trips»):

Mission trips were corrected in 2021 due to the omission of two vehicles. In 2022, emissions from «mission» trips increased due to

- The resumption of international travel post COVID,
- The increase in vehicle mileage, also linked to the resumption of physical visits to suppliers and customers.

In 2023, a complementary solution to the hybrid vehicles already introduced is being considered through a subscription to 100% electric cars offered as car-sharing near our company's site.



CO2 emissions from Scope 2 (energy consumption) have fallen slightly. This is due to the early filling of propane tanks at the end of 2021 and the optimization of working hours in certain workshops.

Moreover, the electricity purchased by ELIXENS France since the beginning of 2022 is 100% green and therefore less carbon intensive than the average French energy mix.

Employee commuting:

In 2022, our employees' home-to-work travel represented 20t CO2eq, a slight increase due to the arrival of new employees.

However, the ratio of kg of CO2eq/day of presence on site is globally stable from 6.11 to 6.15. This result was obtained thanks to the relocation of one employee to be closer to the company and two employees who chose to come to work by bus and bicycle.

Travel of our visitors:

A form has been set up in July 2023 to start accounting for our visitors' travel emissions. The year 2023 will allow us to have a complete vision of these trips.

• Promote organic farming and virtuous agri-cultural models

Indicator	2019	2020	2021	2022	Objective
% of sales of organic or labelled products	40	52	63	61	2025 >= 75%

In 2022, sales of organic or labelled products grew less quickly than sales of conventional products. The economic crisis induced by the war in Ukraine weighed on organic product sales from the beginning of the second half of the year in food and then in cosmetics. However, we remain confident about the underlying trends that support organic products, which remain the most effective option to date for preserving human health and the environment (see summary note entitled «Organic products and health, focus on food» - ITAB study).

• Reduce our waste and increase its recovery and reuse

Indicator	2019	2020	2021	2022
% of recovery, recycling and reuse of waste	80	88	75	98

In 2022, almost all of our waste will be recycled, reused or reclaimed. As a reminder, the work carried out on the site to make our industrial investments had contributed to a significant deterioration in this ratio in 2021.

A much better result was obtained in 2022 thanks to the efforts of ELIXENS France teams in terms of waste sorting as well as the implementation of agreements with two local circular economy partners.

Overall, the implementation of recycling and reuse channels for our waste has made it possible to avoid emissions of about 100 t CO₂eq in 2022.

Reduced emissions by recycling our waste		
	Saving kg CO ₂ e	Tons of packaging recycled
Plastic (average)	84 837	39
Steel or tinplate	16 409	13
Box	-484	2
Total	100 761	

• Prevent pollution, especially water pollution

Spill procedures are in place and absorption and recovery equipment has been installed at appropriate locations within the company. This procedure will be the subject of an annual training session in 2022.

The first rinsing water from our equipment (tanks, etc.) is isolated for destruction by an approved service provider.

The analysis of our waste water was in conformity in 2022 with the criteria imposed by our waste water agreement with the city of Eurre.

The vast majority of the cleaning products used are COSMOS approved.

• Working for biodiversity

Convinced that Biodiversity is essential to the survival of our planet and our agricultural activities, ELIXENS has been involved in organic farming for several decades.

The benefits for biodiversity of this type of agriculture have been and are currently being studied in numerous studies. This is why we wanted to introduce several indicators to work in the direction of «Organic» and respect for Biodiversity within our sectors. These indicators are advised by the SYNABIO which has published an educational guide for organic companies on this subject.

Indicator	2019	2020	2021	2022	Objective
Number of plant species purchased from our contracted partners	-	37	37	37+3 under experimentation	2025 = 40
% of industries assessed for biodiversity risk	-	0	0	0	2025 : 100% evaluated
% of biodiversity conservation and restoration projects within the sectors	-	/	Approx. 20%	Approx. 20%	2030 : 50%
Number of actions taken to preserve natural ecosystems at each company site	-	1	1	1	2022 : +1

The increase in the number of plant species contracted in 2022 is in line with our goals. In addition, several projects have been carried out:

- The «Under the trees let's join together» action in partnership with the Biovallée Association which allowed the planting of 750 trees in the territory. Elixens contributed to this program by donating tanks for the recovery and storage of rainwater. This action will be expanded in 2023. <https://biovallee.net/sous-les-arbres-lancement-des-commandes-darbres/>

- In agroforestry, implementation of a lime tree project in the Baronnies region.

- Concerning hedgerows: in 2021 and 2022, 1.3 km of hedgerow plantations have been carried out with the farmers of the SICA Bioplantes, in partnership with one of our clients.

- Tests of grassing between the rows of lavender and lavandin with the fund for the development of lavender in Provence and the Chamber of Agriculture of the Drôme.

Commitments to our employees

• Recognition and development of our employees

Indicator	2019	2020	2021	2022
Respect of the salary framework	Yes	Yes	Yes	Yes
Employee profit-sharing	Yes	Yes	Yes	Yes
% of employees who have had a change of function	34	32	39	36
Training effort (% time of presence)	1,67	1,65	1,51	1,73

The criterion defined by the Biopartenaire benchmark relating to a maximum multiple of 7 between the lowest and highest salaries in the company has been respected.

A profit-sharing bonus was paid to employees in accordance with the profit-sharing agreement in force.

A «value-sharing» bonus has been allocated in both 2022 and 2021

Since 2019, the training effort with our employees has been above our target of 1.5% of time worked.

- Safety at work

The guarantee of safety at work for our employees is achieved through various preventive actions. Our indicators are the following:

Theme	Indicator	2019	2020	2021	2022	Objective
Updating of our unique documents (1 per site)	Annual	Bi-annual	Annual	Annual	Annual	Achieved

ELIXENS complies with the regulations concerning the updating of our Single Occupational Risk Assessment Documents at least once a year. Improvement actions have been carried out such as the provision of PPE work clothes in certain specific areas.

The follow-up of these actions, the implementation of preventive actions and the detection of possible anomalies are made possible by internal safety audits.

Theme	Indicator	2019	2020	2021	2022	Objective
Number of audits security	2	2	2	2	2	Achieved

Two main prevention actions are implemented:

- Conducting a fire drill (triggered by our Fire Safety System installed on our Eurre site at the end of 2021).
- The realization of annual HSE training for our employees, in particular «First Response Team».

Theme	2019	2020	2021	2022	Objective
Fire drills	No	Yes	Yes	Yes	Achieved

These actions have borne fruit in 2022, with a decrease in the frequency rate (FT) and severity rate (SR) of work-related accidents (12 months on a rolling basis and in the current year), in line with objectives.

Thème	2019	2020	2021	2022	Objectif
(FT) frequency rate at year-end	18	73	41	13	max 20
(SR) severity rate at year-end	/	1,00	0,55	0	max 0,5

In addition, audits and controls have been carried out:

- a safety audit was carried out by our Safety Advisor in the context of our hazardous materials transport,
- controls of lifting and electrical equipment...

For 2023, the focus will be on the management of ATEX zones, load calculations for our structures (distillery hoist and racks) and the regulatory control of the compressed air tank.

• Promoting diversity

The fight against discrimination is one of our priorities and our results reflect this commitment. Thus, women represent 45% of our workforce and more than 50% of the members of our management committee. Similarly, ELIXENS France does not wait for the creation of a senior index to retain its most experienced employees, with 33% of its workforce being over 50.

The integration of young people into the workforce is also one of our company's concerns. In 2022, ELIXENS welcomed 3 interns in its various departments, including 2 third-year school students as part of an observation course.

Indicator	2019	2020	2021	2022
% women in the effective	47	49	51	45
% women in management	60	55	47	45
% women in the CODIR	75	75	62	57
% effective < 25 ans	6	8	9	4
% effective > 50 ans	25	24	23	33
Disabled Personal Work Full Time Equivalent	-	-	1 month	1,7 month

Respect for fundamental rights

- Respect for human rights

Failure to report harassment or gender-based violence: **Objective achieved**

• Respect for privacy

Indicator	2019	2020	2021	2022	Objective
Number of reports RGD deviation	NS	NS	0	0	Achieved

Concerning our stakeholders

• Fairness to suppliers and providers

Indicator	2019	2020	2021	2022	Objectif
Number of seized corruptions	0	0	0	0	0
Number of seized conflicts of interest	0	0	0	0	0
Number of proven cases of corruption	0	0	0	0	0

Objectives achieved.

ELIXENS pays particular attention to fairness with its suppliers and to the CSR evaluation of its suppliers and service providers. This commitment is controlled by monitoring indicators (see above), as well as by annual multi-criteria evaluation.

Since 2021, this rating includes a CSR criterion and specific questionnaires (CSR, Biodiversity, etc.) sent to all our suppliers in 2022.

The % of suppliers/service providers evaluated on these CSR criteria is 100% for the year 2022.

75% of our suppliers have responded to our questionnaires or provided CSR feedback (Questionnaire, or Ecovadis or Sedex type rating, certification, etc.)

The analysis of the answers will allow us to better understand their commitments to our values.

• Responsible purchasing

Responsible purchasing will account for 19% of our material purchases in 2022.

The improvement of this indicator and the finalization of our responsible purchasing charter are our main lines of action for 2023.

• Partnerships and membership in associations

In fiscal year 2022, Elixens France contributed to various actions in different bodies dealing with energy and ecological transitions:

Association Biovallée

- Member of the board of directors,
- Contribution to the project «Under the trees, let's join together»,
- Contribution to the business club «J'entreprends en biovallée» with initiatives in carbon footprinting, circular economy and CSR,
- Signing of local waste recovery agreements (Eure-Drôme), particularly plastic waste with La Chignole, l'Or des Bennes and the Fab-Lab.

Biopartenaire

- Member of the Board of Directors,
- Promotion of Fair Trade Week 2022.

CRIEPPAM and CIHEF

- Member of the boards of directors,
- Contribution to agro-ecological practices working groups.

Development Fund for Lavender in Provence

- Financial support,
- Contributor to the program of characterization of the practices of grassing between rows in culture of organic lavenders.

Association Authentic Provence

- Member of the board of directors,
- Valorization of the Provençal soil,
- Labeling of a hundred natural ingredients.

Cluster Bio Auvergne - Rhône Alpes

- Member,
- One-day theme reception.

Other actions and results

- 2022 was the opportunity to create an environment team by analogy with the HACCP team. It has met twice. Its initial work focused on energy efficiency. A Charter of good energy practices was drafted and distributed to all staff at the end of the year.

Regular internal communications have stimulated employees' environmental awareness.

- ELIXENS has been awarded the **ECOVADIS Platinum medal**, ranking in the top 1% of companies in its sector of activity in terms of CSR policy



- The company was awarded the Dynamic'R Trophy: **CSR Environment by the CCI of the Drôme**

- The Carbon Disclosure Project rating has improved from D to B-.

The CDP is an international non-profit organization that manages one of the largest environmental databases in the world. It encourages investors, companies, states and regions to measure their impact and then take concrete action.

Conclusions and perspectives

The foundations of our social and environmental responsibility management system have been laid. Improvements have already been noted in 2022.

The collection and processing of CSR data will be the subject of reflection with a view to making them more reliable and easier to use.

Our objectives will probably have to be revised, in particular supplemented by relative objectives that will incorporate variations in our scope of action, and we will have to position them in relation to the SBTi trajectory. The SBTi trajectory will allow us to participate in the international effort to avoid exceeding the global temperature increase of 1.5°C by 2030.

We will have to focus on actions that will bring quick results on major issues and prepare longer term solutions in a second phase.

Given the lack of data (particularly emission factors) consistent with our activities, we will invest in 2023 in conducting LCAs of our main production processes. We hope to be able to make a reliable contribution to the environmental «scoring» systems for our products developed by our customers.

In 2022, the ELIXENS France teams have mobilized to meet these challenges in a difficult general context.

We hope that you will have been able to measure the efforts made by our company, its progress and the challenges that remain.

We are at your disposal for any further information.



Let's share
what nature inspires!*

*Partageons ce que la nature nous inspire



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