

# PRINCIPLES OF THE NATUREX SUSTAINABILITY PROGRAM:

## Environmental Stewardship, Economic Prosperity, and Social Responsibility



Naturex, as the world's leading manufacturer of specialty plant-based ingredients, utilizes globally-sourced natural resources on a large scale. In recognition of the need for environmental preservation, the improvement of living conditions, cultural protection and preservation, and overall good planetary stewardship, Naturex is engaged in a formal program for defining and complying with sustainable practices.

Naturex is engaging in this initiative to ensure that the company is operating according to policies and practices that support a healthy environment, while enhancing the lives of its employees and the people from whom the company derives natural resources. Sustainability touches every aspect of Naturex and its operations. We define sustainability in a way that brings responsibility and accountability into every activity and process. Accordingly, Naturex commits itself to implementing practices for integrating sustainability and social responsibility throughout its overall organization and to addressing the following subjects: organizational governance, human rights and labor practices, environment, fair operating practices, consumer issues, community involvement and development.

We have developed a strong corporate culture and firm set of business principles and we are dedicated to continuous improvement in sustainability.

## I. ENVIRONMENTAL STEWARDSHIP

### A. Promotion of good environmental practices at all stages of our operations

We are committed to driving improvements in responsible and ethical business practices throughout our operations by:

- Considering environmental aspects at every stage, including R&D and new projects.
- Developing local purchasing offices in close proximity to sourcing areas in order to optimize quality and logistics for our supply chain.
- Monitoring our global environmental performance following the GRI (Global Reporting Initiative) guidelines.
- Minimizing and reducing the amount of waste sent to landfill by developing their segregation, reuse, and recycling.
- Encouraging the reasonable use of natural resources (energy, water) and continually improving energy efficiency and water usage.
- Preventing pollution by monitoring environmental risks and adopting appropriate measures, including efficient and reliable treatment processes for waste water and air emissions.
- Ensuring compliance with environmental legislation at all of our production sites.
- Involving our suppliers, contractors, employees and clients in our environmental policy.

### B. Promotion of biodiversity and sustainable agricultural practices

- Supporting diversity of farms and agricultural areas, including diversity of crops and vegetation, herbs, trees, and bushes; as well as the use of beneficial insects and microorganisms.
- Advocating healthy soil-building practices, including the use of compost, soil adjuncts such as green manure, beneficial soil microorganisms, erosion control, soil analysis monitoring, and responsible use of mineral fertilizers.
- Improving soil and environmental quality by supporting the implementation of Integrated Pest Management principles and helping to protect farms from sources of contamination such as genetically modified organisms.
- Ensuring the implementation of good wild collection practices when applicable, such as preventing scarce resources from extinction due to over-exploitation, cultivating plants, regulating wild-harvests by following precise rotations, avoiding collection of the entire plant when only a part of it is of interest, and prohibiting collection of recorded endangered species, according to relevant international and local regulations.
- Employing detailed quality control standards, including careful documentation of farm inputs, traceability of crop sources, plans to avoid contamination and control pests, and a quality assurance program for farm products acquired.

## II. ECONOMIC PROSPERITY

Since its creation, Naturex has had consistent, stable, and accelerated growth in overall turnover. By focusing on making natural ingredients that positively impact the health and well-being of consumers, Naturex's business model is consistent with a sustainable growth strategy.

Naturex is conducting an ambitious global quality and product safety initiative in parallel with innovative R&D programs in all our markets.

We are committed to pursuing our economic development based on solid growth and trusted relationships with our various stakeholders through:

**Clear and understandable information:** We ensure supply security and customer satisfaction through our own network of purchasing offices, our comprehensive ERP system, the maintenance and the continuous upgrade of our industrial equipment, and highly skilled teams in R&D, technical support, production, sales, and order processing.

**Ethical wage practices:** We promote practices that at least conform to wage laws and requirements, and that may exceed actual market wages. We favor long-term partnerships and build trusting relationships to ensure that our suppliers are in compliance with all laws and regulations pertaining to wages in their respective geographic areas.

**Benefit sharing:** Naturex engages in ongoing efforts to improve living conditions by providing needed goods and services, depending on the nature of the community. The Naturex-Jacques Dikansky foundation targets communities from which botanical materials are derived.

**Corporate governance:** Naturex is building its governance on principles and values that are core subjects of sustainability: accountability, transparency, ethical behavior, respect for the interests of all players, and for human rights. Naturex's board of directors aims to apply and develop these practices in all decision-making processes.

**Transparent communication:** Naturex conducts a strategic, pro-active and ongoing dialogue with its stakeholders in order to deepen the group's insights into their drivers and needs. Our principles cover in particular the following areas: the duties and responsibilities of the board of directors; the rights and responsibilities of shareholders; the equitable treatment of shareholders; and disclosure and transparency.

### III. SOCIAL RESPONSIBILITY

We embrace, support and enact, within our sphere of influence, a set of core values in the areas of human rights and labor standards. We are committed to promoting human rights standards internally and throughout all of Naturex's business activities and to banishing corruption in all its forms, including extortion and bribery.

#### A. Naturex operations

Naturex is committed to an open and constructive dialogue with its employees and their representatives.

Our human resource policy prohibits discrimination and is tolerant of all religious, political, ethnic, cultural and social groups in respect to employment and occupation.

Working relations conform to safe, fair human working conditions and comply with labor laws and standards.

Naturex prohibits the use of forced child labor and all forms of slavery.

Providing a healthy and safe workplace to our employees, contractors and agency workers is a top priority for Naturex. All our teams are involved in this continuous improvement process, especially through the realization of relevant risk assessments, the implementation of comprehensive health and safety programs, the organization of trainings and safety inspections, the investigation and review of accidents, incidents and near-misses. Safety records are reported and consolidated at a group level to follow our global performance.

#### B. Communities

Acting in a socially responsible manner, Naturex supports many initiatives and efforts that improve the conditions of farm workers, agricultural laborers, botanical collectors, and all others working in the botanical supply chain. Naturex works to ensure that the acquisition of botanical materials takes place in accordance with the informed consent of all involved parties and prohibits biopiracy.

Our sourcing team helps to foster a healthy social environment around farms, providing farm employees with the opportunity for personal development, including education and training, by furthering sustainable actions in sourcing zones through the Naturex Foundation Jacques Dikansky.