

Digital Sustainability Report

RS 26000 Summary



Lluch Essence

2022

SUSTAINABLE DEVELOPMENT GOALS

RightSupply

SUSTAINABILITY INDEX



APOYAMOS
AL PACTO MUNDIAL

Esta es nuestra **Comunicación sobre el Progreso** en la aplicación de los principios del **Pacto Mundial de las Naciones Unidas**.

Agradecemos cualquier comentario sobre su contenido



INFORME RS 26000:2022

LLUCH ESSENCE belongs to the network of suppliers Rightsupply and uses its platform for the analysis and digital reporting of sustainability, corporate responsibility and good governance.

This document is a summary-presentation of the full digital report, being available to the public and accessible through the QR-link code included on the front and back cover. The sufficiency and adequacy of contents are verified by the ECOMUNDIS technical validation team, taking as a reference the ISO 26000 standard, the GRI Standard, Agenda 2030 and the United Nations Global Compact, as well as other internationally recognized references.

This is our Communication on Progress in implementing the principles of the United Nations Global Compact.



Lluch Essence



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Commitment

We understand sustainability as the ability to endure, to guarantee present needs without compromising future ones, thus ensuring a balance between social well-being, care for the environment, good corporate governance and economic growth.



LLUCH ESSENCE'S VALUES

Lluch Essence is a family-owned company with a tradition of more than 75 years supplying aromas and fragrances to the perfumery, cosmetics, animal feed and food industries. Its DNA is a mixture of commitment, honesty, transparency, effort, rigour and clear vocation of service to offer its customers the best materials to develop their products.

Lluch Essence has an absolute commitment to people, the environment and quality of service. We work with the firm conviction of growing together in a sustainable environment full of opportunities. Our pillars are our values and thanks to them we are the company we are today.

Values

● PASSION AND VISION

Our passion and vision lead us to constantly seek opportunities for development and growth, which generates great long-term value.

● INTEGRITY

Our ideas, actions and values always go hand in hand. Integrity defines the way we work.

● TRANSPARENCY

Transparency and cooperation are an intrinsic part of our DNA. Being open strengthens us and makes us not only more skillful, but also wiser.

● SERVICE EXCELLENCE

Offering the best service means taking care of the smallest detail. We strive for excellence in our products and solutions and, above all, in the relationships we build.

● COMMITMENT

Our commitment to our employees, to society and to the planet is and will always be the basis of all our actions.



REPORT ORGANIZATION AND SCOPE



Our passion for fragrance and flavour ensures that our entire portfolio meets the highest standards of quality and safety.

We have a portfolio of over 4,000 references, including synthetic aroma chemicals, natural aroma chemicals, natural products and organic products.

Main products distributed

- ORANGE SWEET BRAZIL OIL
- CIS-3 HEXENOL
- METHYL DIHYDROJASMONATE
- AMBERFLEUR
- TONALIDADE

4,000
products

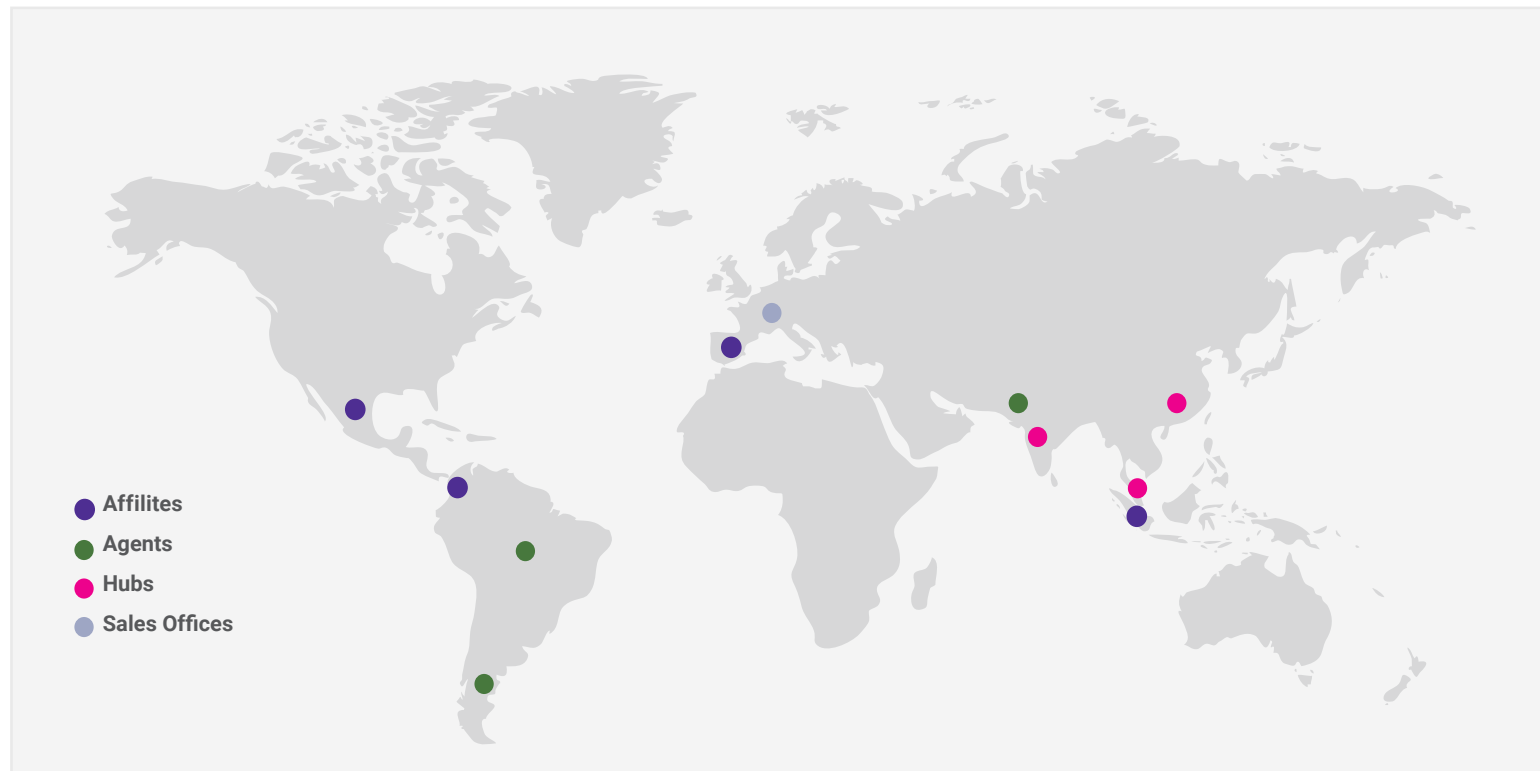
Global presence
in more than
+60 countries

+850
customers

+400
suppliers

Affiliates in
Colombia, Mexico
and Singapore

Geographic location of the main commercial operations and location of our production centers.





STAKEHOLDERS

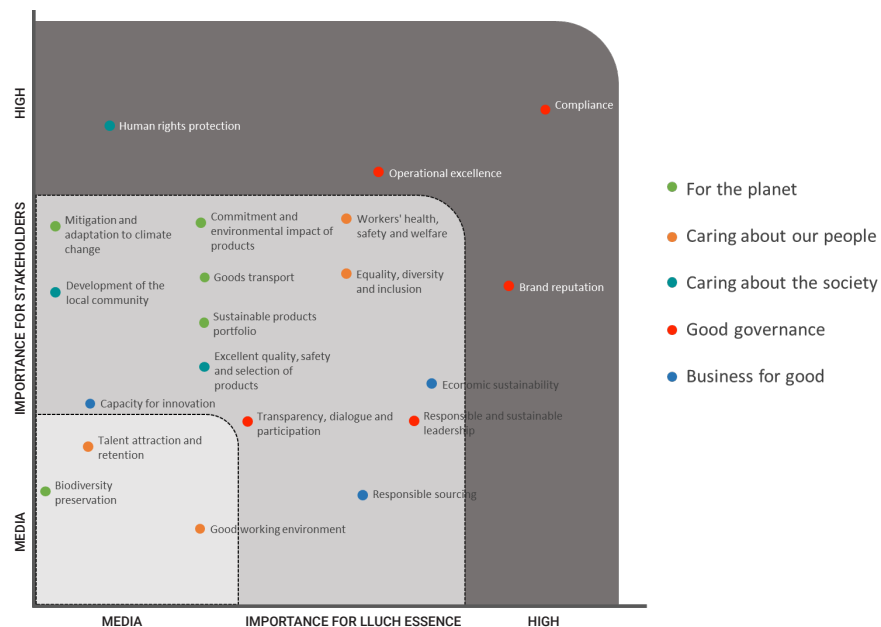


Stakeholders & Materiality

Lluch Essence works to identify and prioritize the most relevant issues for the company and its stakeholders, which is why the company's first materiality analysis was carried out in 2021. Based on this analysis, the main social, environmental and economic impacts of the organization were measured, with the aim of having tools to ensure that efforts are focused on the appropriate and most relevant priorities for stakeholders.

MATERIAL ASPECTS

- COMMITMENT AND ENVIRONMENTAL IMPACT OF PRODUCTS
- FREIGHT TRANSPORTATION
- CLIMATE CHANGE MITIGATION AND ADAPTATION
- SUSTAINABLE PRODUCT PORTFOLIO
- BIODIVERSITY PRESERVATION
- TALENT ATTRACTION AND RETENTION
- GOOD WORKING ENVIRONMENT
- EQUALITY, DIVERSITY AND INCLUSION
- WORKER HEALTH, SAFETY AND WELL-BEING
- EXCELLENT PRODUCT QUALITY, SAFETY AND SELECTION
- LOCAL COMMUNITY DEVELOPMENT
- PROTECTION OF HUMAN RIGHTS
- RESPONSIBLE AND SUSTAINABLE LEADERSHIP
- COMPLIANCE
- TRANSPARENCY, DIALOGUE AND PARTICIPATION
- OPERATIONAL EXCELLENCE
- BRAND REPUTATION
- RESPONSIBLE SOURCING
- ECONOMIC SUSTAINABILITY
- CAPACITY FOR INNOVATION





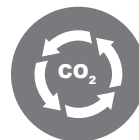
ACTING ON CLIMATE CHANGE



Every step of Lluçh Essence's journey towards sustainability is designed to minimize its environmental impact, through actions that can make a substantial difference in the future. Lluçh Essence wants to inspire companies to change their behavior, to think about how their actions affect people and the environment, and to make decisions with responsibility, transparency and accountability.



100%
Renewable Energy



100%
Scope 1 and 2 offset



65%
Carbon footprint
reduction scope 1 and
2 compared to last year



70,28%
Waste Valorization



40%
Natural & Organic
Reference



64%
Suppliers who have signed
our ethical charter

CARING ABOUT PEOPLE

Lluch Essence's commitment is "Thriving Together", which is why we work in a culture of sustainable development that promotes the growth of those who trust in the company, including customers, suppliers and workers.

Lluch Essence is committed to generating value with its actions, understanding that its responsibility as an economic agent is to contribute to a healthier community, generating a positive impact on people and supporting communities.



180

Workers



96,67%

Permanent Contract



1 = 1

Pay Equity



4,8h

Training per employees



3,3

Accident Frequency Rate
(No. of lost-time accidents
per million hours worked)

PARTNERSHIP





Since 2019, LLUCH ESSENCE has been assessing its impact in terms of corporate social responsibility and good corporate governance based on the core subjects of the ISO 26000 standard.

In 2022, as a result of the analysis of more than 200 metrics and specific indicators, Lluçh Essence obtained a total of 1471 points having a grade of A on the RightSupply platform.

The analysis takes into account the provision of verified management systems, products, activities or practices, the degree of implementation of the Sustainable Development Goals of the 2030 Agenda and the evolution of various environmental sustainability indexes.

The RS26000 Sustainability Report and Index are available to all interested parties.





SUSTAINABILITY INDEX

RightSupply RS26000

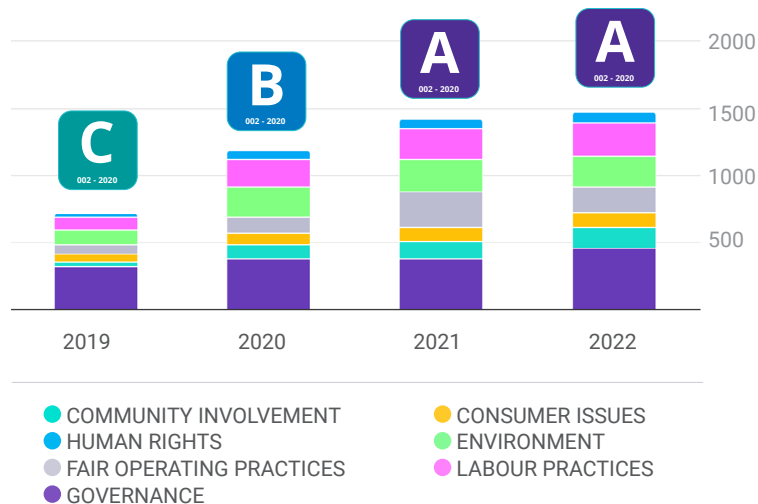
Continuous improvement

LLUCH ESSENCE assesses its impact in terms of social responsibility and good corporate governance on the basis of the fundamental issues set out in the ISO 26000 standard. As a result, the RightSupply platform generates quantitative values associated with the analysis of more than 200 metrics or indicators. Said result takes into account the degree of implementation of the Sustainable Development Goals of the 2030 Agenda and the evolution of several environmental sustainability indexes.

In 2022 we obtained a score of 1471 points, categorized as A, a significant improvement that rewards the effort, commitment and developments that are being carried out.

ISO 26000 CORE SUBJECTS

Disclosed data in RS 26000 reports







**SUSTAINABLE
DEVELOPMENT
GOALS**

RightSupply

SUSTAINABILITY INDEX

Agenda 2030

Agenda 2030

The 2030 Agenda for Sustainable Development, adopted by all UN Member States in 2015, offers a shared roadmap for peace and prosperity for the people and the planet, now and in the future. It is a global agenda, based on five dimensions: People, Planet, Prosperity, Peace and Collective Participation, articulated in 17 Sustainable Development Goals (SDGs), further divided into 169 targets to be met by 2030, which are an urgent call for action by all developed and developing countries.

For years, scientists have been warning us that environmental problems resulting from human activity represent a danger both, the health and the planet. The global health crisis highlighted the vulnerability to these threats and their impact, so it is imperative that we do not lose focus on the great challenge: the fight against climate change.

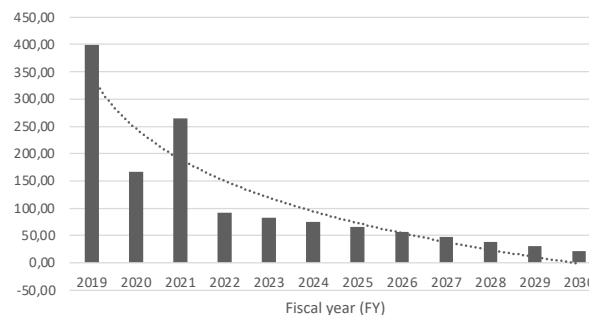
Driving the change for carbon neutrality

We are aware that the carbon footprint is not only an element of calculation, but it is the first step towards improvement and commitment to the reduction of greenhouse gases (GHG). That is why we offer total transparency in the calculation of GHG and in our corporate strategy against climate change.

We quantified direct emissions, such as those generated by the facilities and company vehicles (Scope 1), and indirect emissions from the generation of the electricity acquired (Scope 2). In the case of Scope 3, we have incorporated 5 categories for quantification in the year 2022 with the aim of increasing the number of categories and improving the data information year after year.

One of our main objectives is to carry out projects focused on reducing the energy consumption of processes and facilities. We seek to use alternative technologies that have the same performance and reduce our GHG emissions.

Operational Carbon Emissions (tCO₂e)



This is why, in 2019, we set out a Net Zero strategy for 2050, complemented by a medium-term strategy to achieve a 95% reduction in emissions for Scope 1 and 2 by 2030.



SUSTAINABLE DEVELOPMENT GOALS IN ACTION

3 GOOD HEALTH AND WELL-BEING



GOOD HEALTH AND WELL-BEING

Our commitment as a company is “Thriving together”, we work in a culture of sustainable development that fosters the growth of those who trust us, which includes customers, suppliers and employees.

Thriving together as a company means that our employees grow with us and feel identified with and proud of the company. That is why our commitment is to provide them with the necessary tools and spaces to generate an environment of well-being and safety in their workplaces.

4 QUALITY EDUCATION



QUALITY EDUCATION

At Lluçh Essence we are committed to people and their training, through the Escola Lluçh program, in which we encourage and empower young university students in their first steps in the world of work.

We also collaborate with the Educo Lunchroom Scholarships, with the purpose of donating scholarships so that children at risk of social exclusion can have a year's school meals paid for through this Foundation. With these scholarships, Lluçh Essence achieved that 9 children can access a healthy dining room for the school year 2021/2022.



5 GENDER EQUALITY



GENDER QUALITY

In Lluç Essence we are committed to equal treatment and opportunities between women and men, without discriminating directly or indirectly on the basis of gender, as well as with the promotion and encouragement of measures to achieve real equality in our organization.

We want to promote the development of a company culture in favor of the integration of the principle of equal treatment and opportunities, incorporating the gender perspective and other diversity factors in all our internal and external action procedures, thus expanding our CSR strategy in the social scope. To this end, we have at our disposal our Code of Ethics and its respective Ethical Channel for denunciations, as well as a documented Equality Plan, which shows a diagnosis of the company and the strategic objectives in terms of equality.

These actions fall into 8 different areas: organizational, communication, access to employment, professional development, pay equity, work-life balance, occupational health, prevention of harassment and gender-based violence.

7 AFFORDABLE AND CLEAN ENERGY



AFFORDABLE AND CLEAN ENERGY

We are 100% committed to our corporate decarbonization plan, focusing on energy efficiency.

We have implemented a series of best practices in the company's daily activities, which are part of the continuous improvement and decarbonization plan of the organization. We currently have an installation of photovoltaic plants that cover 12% of the company's energy requirements, the remaining energy comes 100% from renewable sources.

By 2023, we will be working ambitiously on SDG 7, for which we have already set a roadmap for the implementation of 2 major projects.

8 DECENT WORK AND ECONOMIC GROWTH



DECENT WORK AND ECONOMIC GROWTH

Growing as an organization implies that employees also grow and feel identified and proud to belong to the company. That is why Lluch Essence's commitment is to guarantee the necessary tools and spaces to generate an environment of well-being and quality at work, through certain measures such as: the family reconciliation policy, the equality plan and the PRL policy.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



INDUSTRY, INNOVATION AND INFRASTRUCTURE

In Lluch Essence we innovate for a better future, through the expansion of our portfolio with natural, ecological and sustainable products. Similarly, we are committed to a digital transformation in all internal processes of the company, betting on circular economy projects framed in process innovation and in favor of a sustainable industry.

10 REDUCED INEQUALITIES



REDUCED INEQUALITIES

Lluch Essence is aware that inequality is a threat to social and economic development, especially harming vulnerable groups, such as migrants, women or people with disabilities, who suffer greater inequality of income and opportunities.

As a company, we are committed to follow a culture based on respect for human rights, implementing policies and procedures to ensure equality among all workers, in Lluch Essence we are governed by the principle of non-discrimination based on sex, age, nationality, religion, political or sexual orientation, marital status, disability or family burdens, in hiring employees.



11 SUSTAINABLE CITIES AND COMMUNITIES



SUSTAINABLE CITIES AND COMMUNITIES

In Lluch Essence we prioritize the collaboration with local entities for the realization of projects framed in sustainability, trying to create collaborative communities with sustainable growth, last year we conducted a clothing donation campaign in collaboration with Fundació Amiga and a food donation in conjunction with Food Bank.

Lluch Essence also works with local suppliers offering fair trade in their products with the aim of increasing economic activity in the local region and providing sustainable income.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



RESPONSIBLE CONSUMPTION AND PRODUCTION

At Lluch Essence we are aware that responsible production is vital for sustainable development, we have worked on secondary sample containers and secondary 1 Kg containers, which have been redesigned by implementing eco-design criteria. The final result is a secondary packaging with a lower environmental impact and a mono-material structure (100% cardboard) promoting the correct separation and recyclability of the packaging. Similarly, we are involved in circular economy projects for our tertiary packaging, the pallet.

We promote the use of renewable energies by installing photovoltaic plants at our headquarters that cover 12% of the company's energy requirements; the rest of the energy comes 100% from renewable sources.

Each year, all our initiatives, contributions and best practices are transparently communicated to our stakeholders through our sustainability report.

13 CLIMATE ACTION



CLIMATE ACTION

Lluch Essence establishes specific objectives and actions encompassed in the three pillars of sustainability: Environment, Good Governance and Social Welfare. Aligning with the 2030 Agenda and taking into account the Sustainable Development Goals (SDGs), below, we present our actions implemented in 2022 in favor of SDG 13:

- We have carried out the calculation of the Carbon Footprint and its following offset through reforestation projects.
- We have expanded our portfolio of ecological, natural and sustainable products, which have been certified by CCPAE and ECOCERT.
- We work to prioritize raw materials that do not come from endangered and endangered species, as is the case of palm oil. Likewise, we prioritize that suppliers working with this product are RSPO certified, for a sustainable use of palm oil.
- We have promoted sustainable mobility among employees, suppliers and in the distribution of products and services, in order to reduce emissions caused by land, air and sea transport.
- We have worked on secondary sample packaging and 1 kg packaging, which have been redesigned by implementing eco-design criteria.
- We conducted internal awareness campaigns to work on environmental awareness.



15 LIFE ON LAND



LIFE ON LAND

At Lluch Essence we try to maintain a balance in our ecosystem, getting involved in projects in favor of biodiversity and responsible agriculture.

We work to prioritize raw materials that do not come from species under attack or in danger of extinction, as is the case of palm oil, prioritizing that the suppliers that work with this product are certified by the RSPO.

17 PARTNERSHIPS FOR THE GOALS



PARTNERSHIPS FOR THE GOALS

At Lluch Essence we work on shared value projects, which aim to optimize our strategic sectorial alliances, betting on sustainable growth and looking for points of connection to work as a team. This allows us to consolidate our sectorial community and to realize that we have the same challenges, which we can face together in a cooperative way.

In the same way, we work to implement principles and guidelines that promote sustainable development, involving not only the company's employees, but also suppliers and customers, in order to create strategic alliances with those who trust us and align themselves with our mission, vision and values.



2020 - 2030 CHALLENGES

ACTIONS FOR A NEW DECADE



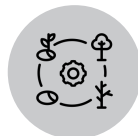
Strategic lines

At Lluch Essence we are committed to creating value with our actions. We understand that it is our responsibility to contribute to a more sustainable community, creating a positive impact on people and the environment.

To this purpose, we will work to be more ambitious in the achievement of our goals, which are aligned with the 2030 Agenda for Sustainable Development, carrying out an action plan in favor of people, planet and prosperity.



100%
Suppliers evaluated



100%
LCA Lluch products



EC
Energy for workers



SBTi
Validated targets



100%
Electric vehicles



50%
Self-generation energy



ISO 50.001
Implementation



Energy
Efficiency Measures



We
are a
RightSupply
Company



Lluch Essence



We support the Sustainable Development Goals



**SUSTAINABLE
DEVELOPMENT
GOALS**

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