

Digital Sustainability Report

RS 26000 Summary



Lluch Essence

2021

SUSTAINABLE DEVELOPMENT GOALS

RightSupply

SUSTAINABILITY INDEX



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 26000:2021

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, 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: https://www.rightsupply.info/supplier_data_ma/lluch-essence-slu/



Lluch Essence



We
are a
RightSupply
Company



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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 COMMITMENT

Values and Good Governance

Lluch Essence has an inescapable commitment to people, the environment and service. For more than 75 years we have been working 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.

Good Governance

In terms of sustainability, we promote consistency and transparency, generating a positive impact on our environment and improving our competitiveness through assertive decision making.

We strongly oppose any form of forced or compulsory labor, child labor and discrimination with respect to employment and occupation, aligning ourselves with principles 3,4,5 and 6 of the United Nations Global Compact.

Our commitment is fully aligned with the 2030 Agenda for Sustainable Development, as by the ISO 26000 standard itself, betting on an action plan in favor of people, planet and prosperity.



REPORT ORGANIZATION AND SCOPE



Main products distributed

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

Lluch Essence is a family-owned company dedicated to the global distribution and commercialization of essential oils and aroma chemicals with over 70 years of experience.

These past few years, we have evolved our sustainability governance mechanisms from formal structures to more collaborative processes. We further reinforced leadership, ownership, and management of sustainability issues by creating new roles and revising our sustainability governance structure.

We also have the social corporate responsibility team focused on defining ambitious and measurable objectives, annually approved by the Executive committee. The achievement of those objectives is measured using performance indicators monitored.

We have implemented those committees which assure that Lluch Essence is managed with transparency to foster trust with the company and also with our stakeholders. Decisions are always taken under the umbrella of ethics and bearing in mind effectiveness and sustainability.

4,000
products

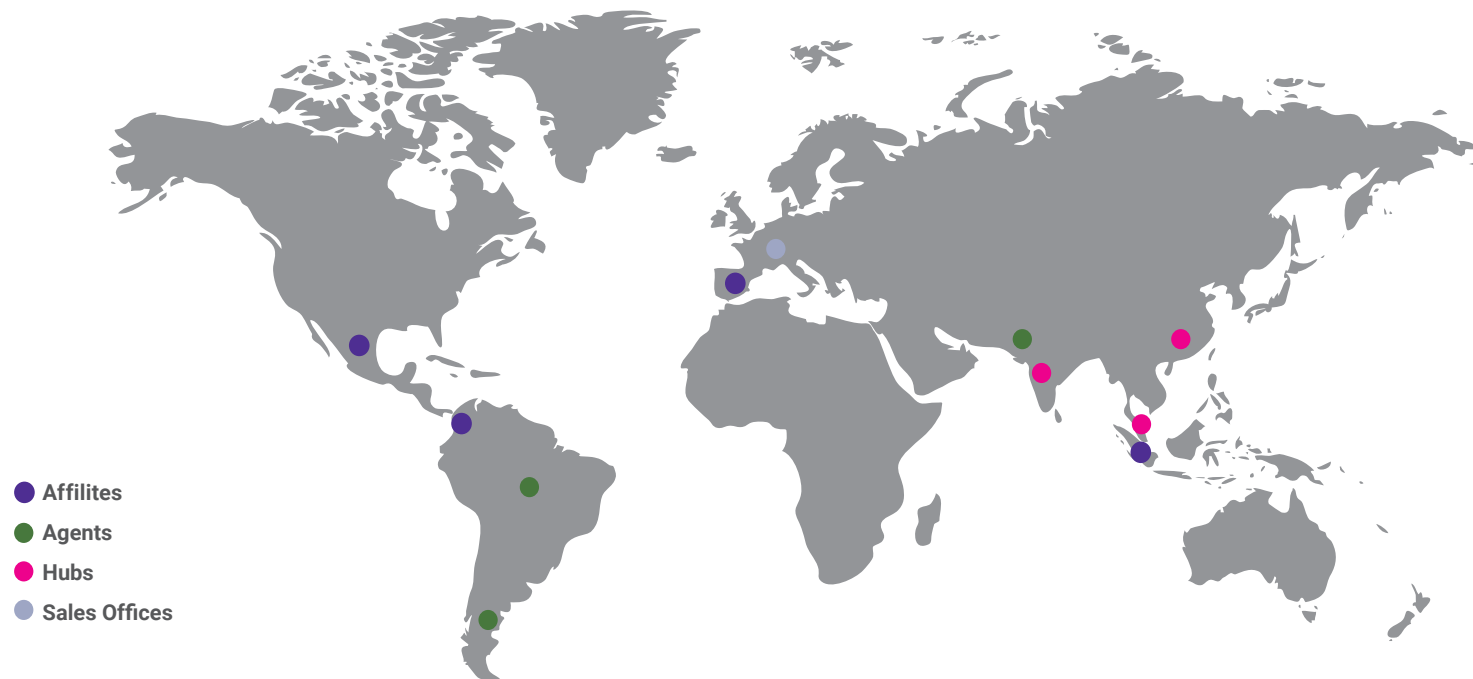
Global presence
in more than +60
countries

+850
customers

+400
suppliers

Affiliates in
Colombia, Mexico
and Singapore

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





STAKEHOLDERS



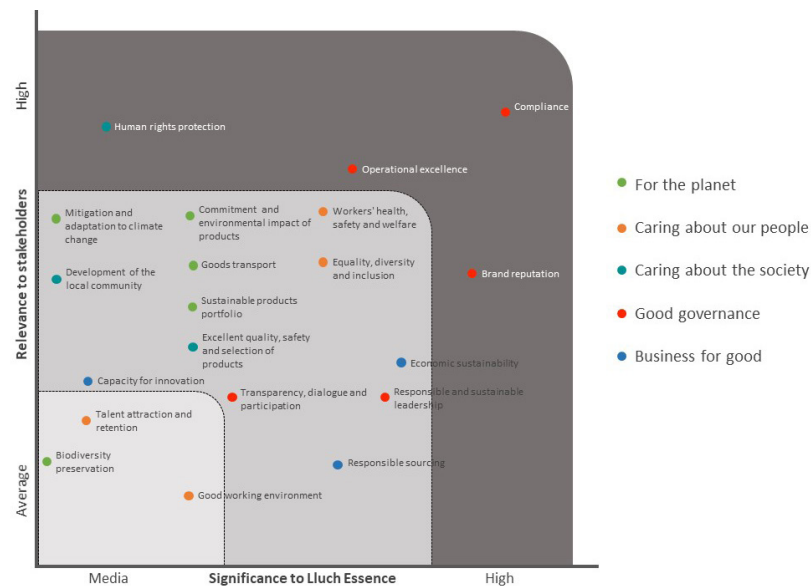
Stakeholders & Matereality

At Lluch Essence we work to identify and prioritize the most relevant issues for the company and its stakeholders, that is why in 2021 we carried out the first materiality assessment of the company. Based on this analysis, we measure the company's most significant social, environmental and economic impacts to ensure that we focus on the proper priorities.

Our activity has an impact that goes far beyond economic results, which is why we have to align our business performance with the expectations of our stakeholders and society in general.

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







SUSTAINABILITY INDEX

RightSupply RS26000

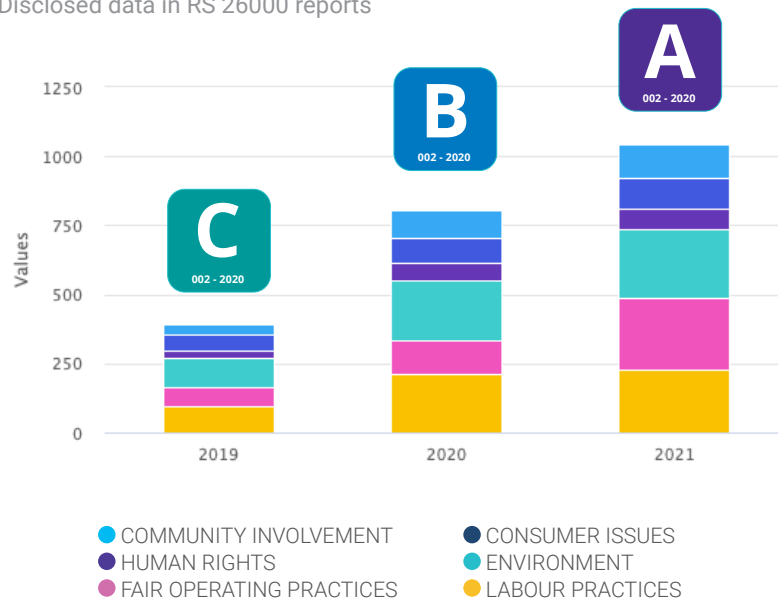
Continuous improvement

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 2020 we obtained a score of 1186 points, categorized as B, while in the 2021 Sustainability Report we have obtained: 1426 points and an A categorization, 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 United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. It is a global agenda, based on five dimensions: People, Planet, Prosperity, Peace and Collective Participation articulated in 17 Sustainable Development Goals, divided in turn into 169 goals to be met in 2030, which are an urgent call for action by all countries - developed and developing - in a global partnership.

For years, scientists have warned us that environmental problems, which are the consequence of human activity, represent a danger both to our health and that of the planet. The coronavirus has shown us that we are not immune to these threats and their impact must not allow us to forget the great challenge facing humanity: the fight against climate change.

At Lluç Essence, we are strongly committed to 2030 Agenda, we have already undertaken specific actions and we believe efforts to pool together all of the work that is already going on should be included. Sustainability in business activities is being transformed into an essential component that allows us to succeed and thrive.

Driving the change for carbon neutrality

At Lluch Essence we understand that the carbon footprint is not only an element of calculation, it is also the first step on the road to improvement and commitment to the reduction of greenhouse gases (GHG).

For its quantification, we consider the carbon footprint as the total amount of greenhouse gases generated by our actions as a company, in the events in which we participate and the life cycle of our products, among other factors.

In 2021, Lluch Essence's carbon footprint was 280 tons of CO2 equivalent, which was offset through our partner Climatetrade, through the YAAWI IIPANA REDD+ project.



1 NO POVERTY



NO POVERTY

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

In 2021, Lluch Essence's carbon footprint was 280 tons of CO2 equivalent, which was offset through our partner Climatetrade, through the YAAWI IIPANA REDD+ project.

2 ZERO HUNGER



ZERO HUNGER

Lluch Essence collaborates with the Food Bank in a campaign that mobilizes the entire company. The objective of this campaign is to raise awareness and inform workers about the reality of poverty in our country.

The campaign involves setting up collection points for non-perishable foodstuffs at strategic points in the company, so that employees can donate. This action lasts approximately two weeks and has been very well received by the workers of Lluch Essence, so that we have been collaborating with them since 2019.

3 GOOD HEALTH AND WELL-BEING



GOOD HEALTH AND WELL-BEING

At Lluch we are committed to our workers, providing them through specific Partners, an assortment of seasonal fruits of up to seven different varieties from local farms, so that all workers can enjoy the best of the farm in the office, thus promoting healthy habits that have a positive impact on the health of all.

Likewise, Lluch Essence works to provide its workers with a range of benefits to facilitate work-life balance.



4 QUALITY EDUCATION



QUALITY EDUCATION

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

Likewise, we collaborate with the Educo lunchroom scholarships, helping children to have access to decent food. In Lluçh Essence we understand that the right to education should be on equal conditions for everyone, since it is known that the ability to succeed depends to a large extent on a quality diet.

5 GENDER EQUALITY



GENDER QUALITY

Lluçh Essence defines itself as an empathetic, sociable, experienced and modern company. It has a code of ethics and an ethical channel for complaints available, as well as a documented equality plan.

On the other hand, in 2021 Lluçh Essence's carbon footprint was 280 tons of CO2 equivalent, which was offset through our partner Climatetrade, through the YAAWI IIPANA REDD+ project.

7 AFFORDABLE AND CLEAN ENERGY



AFFORDABLE AND CLEAN ENERGY

Lluch Essence is committed to an efficient, sustainable and renewable production in an environmentally friendly way, focusing our efforts on the production of our own solar energy for self-consumption by installing solar panels, in addition to those we already have, to cover 100% of energy consumption.

It should be noted that by the year 2021, 100% of the energy used in the headquarters located in Barcelona will come from renewable sources.

8 DECENT WORK AND ECONOMIC GROWTH



DECENT WORK AND ECONOMIC GROWTH

At Lluch we work on policies and initiatives to guarantee the basic rights of our workers. Likewise, we encourage our suppliers to do the same, through a specific code of conduct for suppliers, which establishes the principles, values and standards of conduct that should govern the ethical behavior of all people working for Lluch Essence.

Lluch Essence insists on the need to respect moral and ethical values, and expects its suppliers to adhere to this same philosophy.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



INDUSTRY, INNOVATION AND INFRASTRUCTURE

At Lluch Essence we innovate for a better future. Through the expansion of our portfolio with natural, organic and sustainable products. Similarly, we are committed to a digital transformation in all internal processes of the company.

We are committed to circular economy projects such as the pallet recirculation project. Pallets are an essential element in our tertiary packaging, so the management of their waste is key to maintaining a sustainable industry.



10 REDUCED INEQUALITIES



REDUCED INEQUALITIES

At Lluch Essence we work to create an environment free of inequalities, we understand equality as one of our fundamental pillars in our business strategy, which is why we declare our commitment through the equality plan.

Our objective is to promote the development of a company culture in favor of the strategic integration of the principle of equal treatment and opportunities in the management of our human capital, incorporating the gender perspective and other diversity factors in all our internal and external procedures, thereby expanding our CSR strategy in the social sphere.

11 SUSTAINABLE CITIES AND COMMUNITIES



SUSTAINABLE CITIES AND COMMUNITIES

In Lluch Essence we prioritize working with local entities for the realization of projects framed in sustainability, trying to create collaborative communities with sustainable growth.

On the other hand, Lluch Essence is committed to efficient, sustainable and renewable production in an environmentally friendly way, focusing our efforts on the production of our own solar energy for self-consumption through the installation of solar panels, in addition to the ones we already have, to cover 100% of the energy consumption.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



RESPONSIBLE CONSUMPTION AND PRODUCTION

Lluch Essence is committed to responsible consumption through different actions within the company. It provides all employees with a glass bottle so that they can drink water without having to buy it in a plastic bottle. Another action we carry out is the change of hand soap and toilet paper for other products with less impact on the environment. Lluch Essence is also aware that responsible production is vital for sustainable development. Among all the projects that we carry out, the eco-design of our secondary packaging is one that Lluch Essence has been working to carry out. Similarly, we are involved in circular economy projects, such as the recirculation of our pallets.

13 CLIMATE ACTION



CLIMATE ACTION

Lluch Essence considers environmental management as a fundamental value of the corporate culture. Promoting environmental awareness and allocating the necessary resources to ensure the successful implementation of this environmental policy.

Below, we present our actions implemented in the year 2021:

- Lluch Essence performs the calculation of Carbon Footprint and its compensation through social and environmental projects from ClimateTrade platform.
- Lluch Essence has expanded its portfolio of organic, natural and sustainable products. All of them certified by CCPAE and ECOCERT.
- We work to prioritize raw materials that do not come from species that are under attack or in danger of extinction, as is the case of palm oil. Likewise, we prioritize that the suppliers that work with this product are certified with RSPO, for a sustainable use of palm oil. Lluch Essence has created an energy transition strategy for the year 2023, in order to install solar panels which will provide 100% of the energy needed in the company.
- In 2021 Lluch Essence has had the opportunity to participate in different trainings and seminars that have helped us to consolidate our actions in favor of sustainability.
- Lluch Essence promotes 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.
- Lluch Essence carries out an internal awareness campaign to work on environmental awareness.



15 LIFE ON LAND



LIFE ON LAND

At Lluch Essence we work to maintain a balance in our ecosystem, getting involved in projects in favor of biodiversity and responsible agriculture. In 2021, Lluch Essence's carbon footprint was 280 tons of CO2 equivalent, which was offset through our partner Climatetrade, through the YAAWI IIPANA REDD+ project. YAAWI IIPANA REDD+ is a conservation project that seeks to protect part of the forests of the Amazon region and mitigate the impact generated by deforestation and forest degradation, promoting participatory reforestation and sustainable local development.

17 PARTNERSHIPS FOR THE GOALS



PARTNERSHIPS FOR THE GOALS

Lluch Essence works to implement principles and guidelines that promote sustainable development, involving not only the company's employees, but also suppliers and customers to create strategic alliances with those who align with our mission, vision and values. We currently have a code of conduct for suppliers and a code of conduct for employees, which allows us to establish a direct commitment to our objectives.



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, causing a positive impact on people and the environment. To this end, we will work to be more ambitious in meeting our goals, which are aligned with the 2030 Agenda for Sustainable Development, betting on a plan of action in favor of people, the planet and prosperity.

Similarly, we take the environmental impact of our actions very seriously. We want to inspire change in the way companies behave and think about how their actions affect people and the environment, making decisions with responsibility, transparency and accountability.

That is why our commitment to reducing greenhouse gas emissions is in line with the goals set out in the Paris Agreement.



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Lluch Essence



We support the Sustainable Development Goals



**SUSTAINABLE
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GOALS**

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