

The background of the entire page is a close-up photograph of purple flowers, likely asters, with a soft, out-of-focus effect. The petals are a vibrant purple, and the centers show some yellowish-brown stamens.

Sustainability

IMPACT REPORT



Issued April 2023

2023

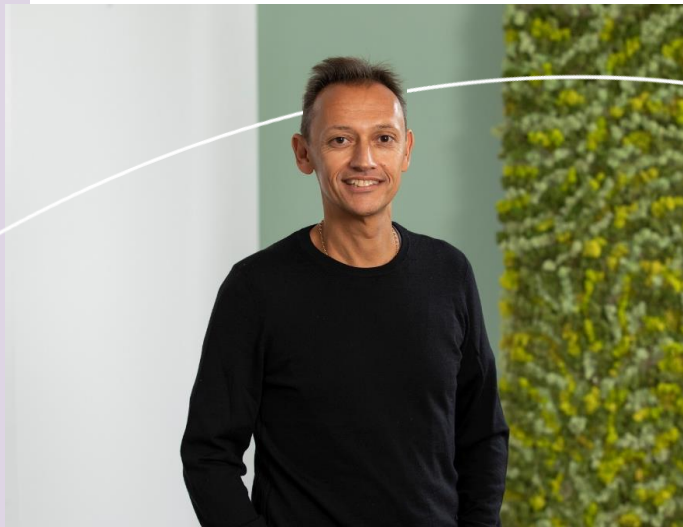
A message from our CEO

CHRIS PICKTHALL

I am proud to report on another successful year of progress towards our sustainability goals. We continued to strive for a better future for people and the planet, and we're happy to use our good fortune to continue to help those less fortunate. Our strong values of quality, responsibility, sustainability, independence, and family pride remain at the centre of our work and during 2022 we cemented sustainability into our strategy, forming the heart of many of our future strategic objectives. Particular highlights include:

- 21% of electricity now comes from on site generation
- Our Scope 1 and 2 Emissions have reduced by 47% since 2018
- We acquired the latest addition to our CPL family in Brazil
- We celebrated many staff anniversaries throughout 2022
- Launch of our Sustainability Index
- Maintained a low staff turnover rate
- Made continued investments in our facilities
- Continued focus on Health and Safety excellence

We continue to celebrate and cherish our long partnership with CAFOD who help the poorest of the poor and our support to Caritas continues, as well as our many other local community projects including India National Association for the Blind and 4get me not.



This year we undertook the task of measuring our indirect Scope 3 emissions. The results of which showed that Scope 3 emissions represent 98% of our total GHG emissions. We now plan to reduce absolute Scope 3 emissions by 30% by 2030 and to achieve this collaboration is key. We value and nurture relationships and these will be more important than ever as we work together with suppliers, customers and our supply chain to reduce our impact.

A highlight was the launch of our new patented biodegradable fragrance encapsulation technology; AromaCore Bio, a sustainable alternative to AromaCore that delivers longer-lasting fragrance performance without contributing to the problem of microplastics. This is our most innovative R&D project to date and we are excited to see our customers adopt this more sustainable capsule.

For 2023 and beyond, we look to set Science Based Targets to externally validate our objectives, begin the process of phasing out our non-biodegradable AromaCore capsules, and continue to work with our suppliers to gather life cycle assessment data for our palette.

I am encouraged by our progress as we continue to place sustainability at the forefront of what we do, from small milestones, to achieving our ambitious goals. As we look to 2023 and beyond, I look forward to creating together, sustainably.

“ We continue to place sustainability at the forefront of what we do, from small milestones, to achieving our ambitious goals.

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Here at CPL Aromas, our purpose guides all we do. As a family-owned company, it is our people who are the key to our success. It is their passion, creativity and dedication that is vital and we believe that the more diverse our business, including an expansive geographic coverage and product portfolio, the greater our ability to achieve long-term, sustainable growth as the fragrance market expands. Our purpose sets the tone and the framework from which we operate, with sustainability at the heart of our decision making throughout the business.



“Sustainability is at the very heart of our business values. We don’t see sustainability as a luxury or trend, but rather a necessity if we are to have long-term success.

Peter Jacobs, Group Chairman

Our Formula

We bring success to our customers through innovative fragrances, outstanding service and a human touch.

Our Essence

Infusing happiness through scents

Our Ingredients

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Quality

We accept only the best in what we do and innovate constantly.

Responsibility

We do good through our work and contribute to the well-being of society.

Sustainable Mindset

We care about future generations and are committed to preserve our planets resources.

Independence

We alone decide our future and our freedom allows us to be truly creative.

Family Pride

We nurture long-term relationships and encourage trust and respect.



2030 GOALS



Environment

- 100% renewable electricity
- Carbon neutral operations
- 30% reduction in scope 3
- 20% reduction in water purchased
- Zero waste to landfill



People

- Employer of choice
- Zero Loss Time Accidents
- 100% of sites with local partnerships
- Increased global CSR projects



Innovation

- 10% of total sales from EcoBoost
- AromaCore Bio products only
- Sustainable creations: 95% Biodegradable & Index average - 65%
- Improved sustainability communication



Sourcing

- 100% supplier assessment
- Sustainable Purchasing Agreements for 10% of materials
- Provide Life Cycle Analysis data for our fragrances

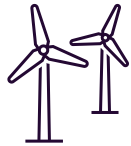


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2022 saw us update our short and long term objectives to reflect a more ambitious approach. While we are proud of what we have achieved so far, we know that there is still more to be done. It's a journey we can't undertake alone and collaboration is key to achieving our highly ambitious targets.

Emily Heron,
Head of Sustainability

Our performance so far



51%

Renewable Electricity



3.85%

Sales from EcoBoost



47.5%

Reduction in Scope
1 and 2 emissions



66T

Upcycled waste
oils



42

Responsibly
Sourced
Ingredients



£657K

CSR Investments
CAFOD & Caritas in
2022

AromaCoreBio

Our Patented Biodegradable
Encapsulation Technology
launched



Environment



People



Innovation



Sourcing



Protecting our planet



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The environment and its protection is really important to CPL. We are committed to ensuring we reduce our impact on the environment and I am particularly focused on ensuring we have efficient production, using the best equipment possible, whilst optimising our procedures to minimise our environmental impact.

Octavian Glavan, Operations Director

HIGHLIGHTS



1.80%

increase in energy efficiency



51%

renewable electricity



400T

CO₂e saved by use of renewable electricity in 2022



31%

absolute reduction in scope 1 & 2 emissions



15%

decrease in water use per tonne since last year

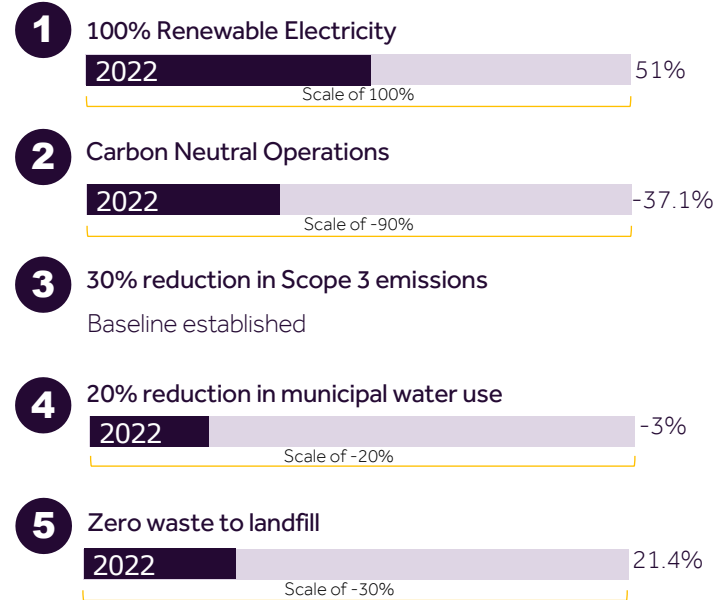


38%

reduction in landfill per tonne



PROGRESS



Case Study: ELECTRIC VEHICLE CHARGING

We updated our company cars policy to include that no new diesel or petrol cars to be added to the fleet. To support this and encourage employee switching to electric vehicles, throughout 2022 we installed electric vehicle charging points for free use across our sites.

Electric vehicle charging points are now available at our sites in Dubai, Brixworth, Innovation House and Spain. In 2022, approximately 8T of Scope 1 emissions were saved through the use of electric cars.

Caring for our people



“Our teams are key to our success. It is their creativity that enables our innovation and continued growth, so we hire, develop, and grow the very best talent. As we look to 2023 we are committed to a better, more inclusive workplace for all.”

Hattie He, Global HR Director

HIGHLIGHTS



Mental Health

Advisor At Every Site



90

Employee Length Anniversaries
Celebrated



£101k

Donated To Caritas
International



2765

Hours of Learning &
Development

CAFOD
£556k

Donated To CAFOD



1,392,068

Hours Worked Safely



*Members of our newest division;
CPL Aromas do Brasil*

Diversity and EQUAL OPPORTUNITY

Diversity and equal opportunity sit at the heart of everything we do, from how we recruit to the way we develop our employees. A diverse workforce, supported by an inclusive and caring environment that respects and nurtures people. We know education and awareness is key in helping us achieve this, so we've introduced diversity and inclusion training for all employees annually. In 2022, 1717 hours of diversity and inclusion training were delivered to 585 employees.



CPL has had many changes since I joined 40 years ago, it has evolved and the wider CPL family has grown exponentially.

**Michaela
Hawkeswood**



PROGRESS

- 1** Become an employer of choice
2765 hours of learning & development training.
Success factors implementation. 10.8% staff turnover rate.
- 2** Zero Lost Time Accidents
2022 1.42%
Scale of 4.89%
- 3** Develop at least one local community project at each site
2022 54%
Scale of 100%
- 4** Increase support towards global CSR projects year on year
£455,000 to CAFOD
£101,028 to Caritas International

Supporting communities



“CPL Aromas are proud of our long-standing partnership with CAFOD. Started by my father Terry Pickthall over 20 years ago we continue to work with CAFOD to champion the rights of people living in poverty throughout the world. We are humbled by the extraordinary work carried out by this inspirational organisation.”

Nick Pickthall, Chief Operating Officer

LOCAL COMMUNITIES

We have an objective to support at least one community partnership at each of our sites by 2030. 54% of our sites have already achieved this objective. Throughout 2023 we will continue to support those divisions who are in the process of identifying a partnership in their local community.



EDUCATIONAL PARTNERSHIPS

We have long established partnerships with several education establishments that we are proud of. Each year our site in Colombia partner with the University to welcome two new student interns. At Brixworth we continue to support two employees completing an apprenticeship within our Research and Development facility. With a blend of internal mentoring & support, classroom sessions and virtual teaching, CPL create an encouraging environment where our employees can strengthen their capabilities.



EVERY SECOND COUNTS

EVERY SECOND COUNTS is a fund specifically set up to alleviate the immediate impact of hidden, silent, or protracted emergencies. The need for humanitarian help and protection has reached an all-time high. More than 80 million people have been forcibly displaced around the world due to persecution, conflict, violence, or human rights violations, almost half of whom are children.

As well as continuing to support disaster affected communities CPL Aromas donated an additional £146,500 to support CAFOD's sister organisation Caritas Internationalis in response to the attacks against Ukraine.



Driving our innovation



“

Driven by our research and development team, we create new technologies and processes that limit the environmental impact of our products and encourage better choices, engaging with our customers to develop products that are more sustainable.

Tim Whiteley, Group R&D Director


HIGHLIGHTS

 **EcoBoost**
3.85%

EcoBoost sales

 **83.65%**

Average biodegradability of creation

 **53.13%**
Average Fragrance Index Score

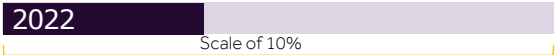


 **Ecovadis**
Platinum certification

 **AromaCoreBio**
New technology launched

 **FSI**
Fragrance Sustainability Index Launched



PROGRESS

- 1** 10% of sales from EcoBoost fragrances
 3.85%
Scale of 10%
- 2** Develop a sustainable, biodegradable capsules technology for AromaCore
2022 Launched AromaCore Bio
- 3** 95% biodegradable & index average of 65% (new in 2022)
 83.65%
Scale of 95%
- 4** Average fragrance sustainability score of 65%
 53.13%
Scale of 65%

Sustainable Innovation AROMACORE BIO

Our AromaCore technology has the ability to lock in fragrance within an outer wall, which can be broken under pressure to release long lasting fragrance performance. Over the past four years our Research and Development team have been working to develop a biodegradable capsule to replace our existing technology. This year we launched our new patented biodegradable fragrance encapsulation technology; AromaCore Bio, a sustainable alternative to AromaCore that delivers longer-lasting fragrance performance for fabric care applications without contributing to the problem of microplastics. This is our most innovative R&D project to date and we are excited to see our customers adopt this more sustainable capsule.

Responsible sourcing





“

Partnering with suppliers who share our values and commit to our high standards of labour and environmental practices is essential to our purchasing strategy.”

Nick Moore, Global Purchasing Director

PROGRESS

- 1** Assess 100% of suppliers for their commitment to sustainability
2022  41.46%
Scale of 100%
- 2** Develop responsible purchasing agreements for 10% of ingredients
2022  2.9%
Scale of 10%
- 3** Provide Life Cycle Analysis data for our fragrances (new in 2022)

HIGHLIGHTS

100%

Of Category A & B suppliers committed to our policy



41%

Of supply chain assessed for commitments to sustainability

35.5%

Of supply chain visible through SEDEX



42

Responsibly sourced ingredients (11 since 2021)



15

Upcycled ingredients

Sedex Member

Case Study:

RESPONSIBLY SOURCED CORRIANDER LEAF



Coriander oil is produced by steam distillation of the fresh herb brought to its unripe fruition (green fruit) state. A concrete & absolute are then produced.



100% of biomass waste is recycled into compost & biomass boilers reduce their carbon footprint. Our supplier's cultivation are UEBT certification.



Our supplier has installed a closed loop system to recycle their cooling water from the manufacturing process.



Our supplier has a foundation that supports many projects in the area where their farms and factory are located.

BEYOND OUR RAW MATERIALS

“In 2022 we transitioned our workloads from on-premises data centres to sustainable cloud solutions. This has provided us significant carbon efficiency. We will ensure we use sustainable cloud infrastructure and source only from sustainable IT partners” **Alfred Muthunathan , Chief Information Officer**

2023 & Beyond

As we move into a new year, it is essential that we set our intentions for 2023, focus on areas of our business that we haven't done previously and set new objectives that stretch the business to achieve even more. In 2023 we have 3 key areas that we plan to focus on together with our teams.

1

Science-based targets

This year we plan to commit to setting Science Based Targets. To externally validate our objectives to ensure they are based on sound science. Our objectives will be in line with a 1.5°C reduction.

2

AromaCore Bio

With the launch of AromaCore Bio, our most innovative technology to date, we will begin the process of phasing out our non-biodegradable capsules. Removing these materials from the market and ensuring that we only provide biodegradable encapsulated fragrances moving forward.

3

Life Cycle Assessments

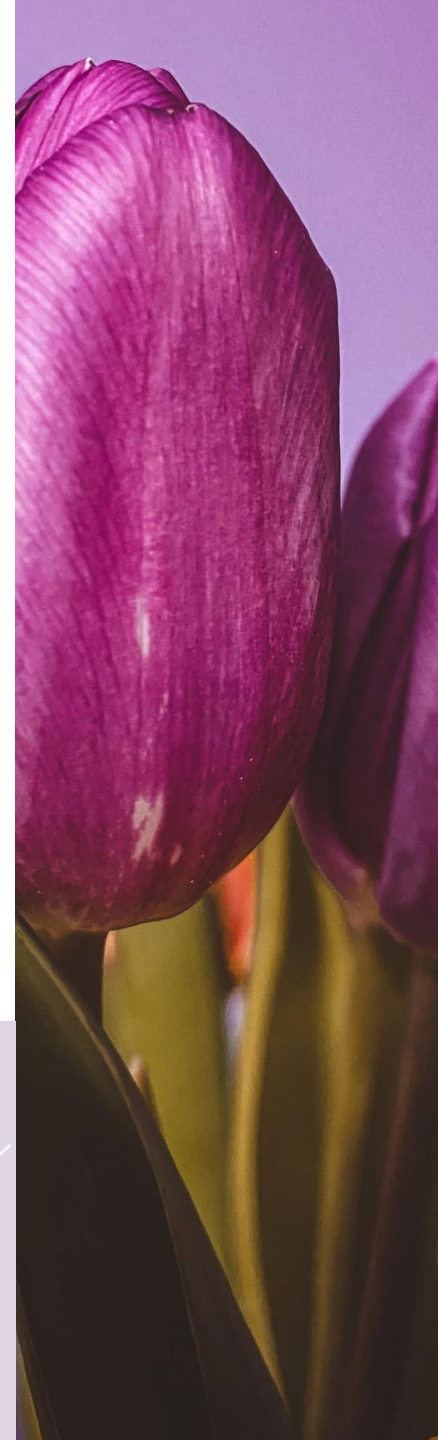
We will continue to work with our suppliers to gather life cycle assessment data for our palette. We will focus on our top 100 materials in 2023



“

As we step into 2023, together with our suppliers and customers, we can drive change and ensure a better future. Let's create together...sustainably

Charlotte Purcell, Group Technical Director





Let's create
together

CPL
AROMAS

Completed by CPL's sustainability team
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