

Sustainability Report



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Despite ongoing external challenges, we are confident in our long-term strategy for success. Continual innovation and a steadfast commitment to sustainability will remain key drivers of our business.

A Message from Chris, our CEO

CHRIS PICKTHALL



At CPL Aromas, sustainability isn't just a buzzword; it's a fundamental aspect of our identity and a cornerstone of our strategy.

We understand sustainable development is not only vital for safeguarding our planet and communities but also integral to the long-term success and resilience of our business.

As we mark the midpoint of our sustainability strategy towards 2030, I am pleased to report another year of significant progress. Despite external challenges including geopolitical and economic uncertainties in 2023, the dedication, commitment and collaboration of our colleagues, customers, partners, and suppliers has allowed us to continue delivering exceptional products that meet our customers' needs.

Clear and measurable targets are essential to demonstrating our commitment to sustainable growth. We maintained our platinum rating with EcoVadis, placing our sustainability strategy in the top 1% of assessed companies. Additionally, we are proud to have reached 52% renewable electricity consumption, halfway towards our 100% renewable energy goal, and our efforts in reducing Scope 1&2 emissions have resulted in a 51% decrease compared to our 2018 baseline.

In 2023, we inaugurated our most sustainable manufacturing facility yet in Malaysia. This state-of-the-art facility integrates various environmentally-friendly features such as solar panels, rainwater harvesting, energy-saving heat pumps, LED lighting, and a Clean-In-Place (CIP) cleaning process, significantly lowering our environmental footprint.

At CPL, ethical business conduct is non-negotiable. We uphold the highest ethical standards outlined in our Ethical and Social Accountability policy. Throughout 2023, we celebrated numerous staff anniversaries, recognizing the dedication and hard work of our teams. Our low staff turnover rates reflect our commitment to employee well-being, including matching inflation in pay reviews. Innovation also remains central to our operations. The launch of AromaWellness in 2023 enables us to pioneer fragrances that positively impact human emotions and behaviours. Through this cutting-edge technology, we aim to develop functional fragrances with scientifically proven benefits.

Despite ongoing external challenges, we are confident in our long-term strategy for success. Continual innovation and a steadfast commitment to sustainability will remain key drivers of our business. Whether it's through the development of eco-friendly fragrance technologies, investing in renewable energy, or supporting local communities, we are committed to being leaders in sustainable development. As we forge ahead, I extend my heartfelt thanks to all our colleagues worldwide for their passion and dedication. Together, let us continue working towards a brighter, more sustainable tomorrow.

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We firmly believe that for genuine change to happen, sustainability must be woven into every part of our operations guiding each conversation and every decision we make.



PETER JACOBS
Group Chairman



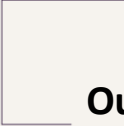
Mission, Purpose & Values

At CPL Aromas, our purpose serves as the guiding force behind everything we do. As a company rooted in family ownership, we recognize that our people are the cornerstone of our success. It is their unwavering passion, boundless creativity, and unwavering commitment that are essential to our achievements. We firmly believe that fostering diversity within our business, encompassing a broad geographic reach and a diverse product portfolio, strengthens our capacity for long-term, sustainable growth in an expanding fragrance market. Our purpose is articulated through three key pillars: Our Formula, Our Essence, and Our Ingredients. These pillars establish the foundation and framework that govern our operations, with sustainability firmly embedded in our decision-making processes across the entire organization.



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

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 planet's 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.

Let's create together



Environment

- 1** 100% Renewable Electricity
- 2** Carbon Neutral Operations
- 3** 30% reduction in scope 3
- 4** 20% reduction in water purchased
- 5** Zero waste to landfill



People

- 1** Become an Employer of choice
- 2** Zero loss time accidents
- 3** 100% of sites with local partnerships
- 4** Increased global CSR projects



Innovation

- 1** 10% of sales from EcoBoost
- 2** AromaCore Bio only
- 3** Improve internal & external communication
- 4** Achieve Sustainability Index average of >60%
- 5** >95% biodegradability content of new creations



Sourcing

- 1** Develop & implement a responsible sourcing policy
- 2** 100% supplier assessment
- 3** Provide Life Cycle Analysis data for our fragrances
- 4** Sustainable Purchasing Agreements for 10% of materials



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We have seen sustainability move from a topic of consideration to being right at the heart of our corporate values, purpose, strategy and direction.

EMILY HERON
Head of Sustainability

Our Performance So Far



£145.3M

Group Sales



1.4M

Hours worked safely



56,135T

Carbon emissions



8

Manufacturing sites



700+

Employees



£1m+

Community Investments



60

Responsibly Sourced
Ingredients



7,321T

Manufactured



23

Global Locations



Top 1%

Platinum Ecovadis
certification

**putting us in the top 1%
of companies assessed in
2023*



Highlights, Goals & Progress

6.6% increase in energy efficiency since 2018	52% renewable electricity across our operations	51% absolute reduction in operational emissions	2000T+ CO ₂ e saved by using renewable electricity	10.6% decrease in water use per tonne since 2018	47% Reduction in landfill per tonne since 2018
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OBJECTIVES

- 1** 100% Renewable Electricity
- 2** Carbon Neutral Operations
- 3** 30% reduction in scope 3
- 4** 20% reduction in water purchased
- 5** Zero waste to landfill



PROGRESS

- 1** 52% Renewable Electricity used globally
- 2** Achieved a 51% reduction in Scope 1 & 2
- 3** 26% reduction* in Scope 3 emissions
- 4** 10.64% reduction in water usage
- 5** 17.5% of global waste goes to landfill

*due to moving from a spend-based to a hybrid approach with more primary data

Case Studies



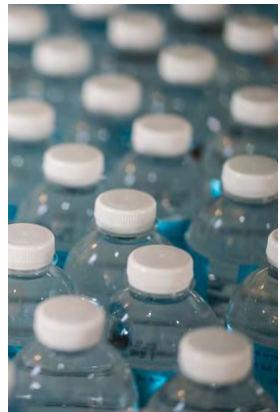
Automated cleaning at UK Manufacturing

Approximately 40% of the total water use at the Brixworth manufacturing site is for process cleaning. In order to reduce the amount consumed, as well as reduce manual handling activities and improved operator productivity, automated cleaning has been introduced. This new addition reduces overall water and energy consumption. Water is recycled for up to 10 washes before the water is replaced and needs heating again. Since installation, water usage from the wash bay has decreased from 292 L/T to 200 L/T (46% decrease).



New Malaysia Site

This year, we opened our new state-of-the-art and most sustainable production facility to date in Malaysia. Located in the industrial Selangor Halal Hub in the country's Pulau Indah region, the 20,000sqm space offers a more streamlined and efficient production process.



Brazil Minimises Plastic Use

As one of our newest sites, Brazil have been working to align with CPL's policy to minimise plastic use. As such, they have eliminated the use of plastic cups, bottles, cutlery etc. internally. Employees now use metal, reusable cutlery, glass cups and ceramic mugs. This contributes both to reducing waste onsite, as well as minimising plastic use.



“ Our team are engaged in the conversation about the environment, and we regularly receive improvement suggestions from them. 2024 promises to be another year of environmental improvements.

OCTAVIAN GLAVAN
Global Operations Director

Highlights, Goals & Progress

£801,522 Donated to CAFOD	£313,589 Donated to Caritas International	1,396,665 Hours Worked Safely	74 Managers Mental Health Aware	3,339 Hours of Learning & Development Training	10.6 Voluntary Staff Turnover Rate
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OBJECTIVES

- 1 Become an Employer of choice
- 2 Zero loss time accidents
- 3 100% of sites with local partnerships
- 4 Increased global CSR projects



PROGRESS

- 1 10.6% Voluntary staff turnover rate
- 2 1.03 Loss time accident rate
- 3 50% of sites with local partnerships
- 4 Biggest ever donation of £1,181,100

Case Studies



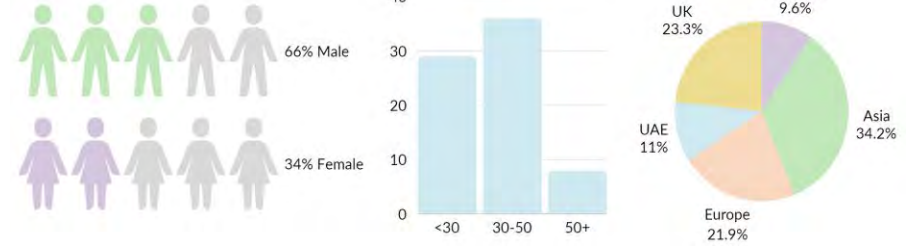
Supporting Local Communities - Emmaus

This year, our UK sites have established a collaboration with Emmaus, a charity that uniquely supports those experiencing homelessness.

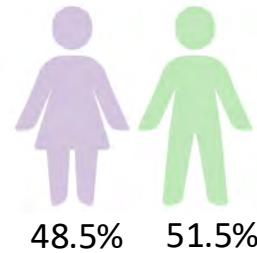
Emmaus stands out from typical homeless charities by offering a home for as long as necessary, giving individuals the time and stability they need to rebuild their lives after homelessness. This nurturing environment fosters the restoration of confidence, self-esteem, and the development of new skills.

CPL has contributed £50,000 to Emmaus this year and organized a fragrance discovery workshop for the residents, with the goal of deepening our engagement in the companions' journey to rebuilding their lives in the coming year.

New Hires



Employees



Anniversaries



Every Second Counts

The Every Second Counts Campaign is dedicated to addressing the immediate impact of emergencies, offering aid like emergency shelter or food. Last year, the campaign supported 31 projects across 21 countries. CPL Aromas donated £313,589 to Caritas Internationalis, CAFOD's sister organisation, in response to the ongoing attacks on Ukraine.



“ Our people are the foundation of our success who bring crucial expertise to drive our operations forward. We define an employer of choice as the ability to grow the organisation, build teams, develop individuals and pay for performance. **HATTIE HE**
Global HR Director

Highlights, Goals & Progress

5.54% EcoBoost Sales	Ecovadis Platinum Certification	82.37% Average biodegradability of creation	55.99% Average Fragrance Index Score	19 Upcycled Ingredients	32 AromaSpace Ingredients
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OBJECTIVES

- 1** 10% of sales from EcoBoost
- 2** AromaCore Bio only – phase out non-biodegradable
- 3** Improve internal & external communication
- 4** Fragrance sustainability index average of >60%
- 5** >95% biodegradability content of new creations



PROGRESS

- 1** 5.54% of sales from EcoBoost
- 2** Ceased manufacturing of non-biodegradable product
- 3** Increased social media posts, webinars, blogs.
- 4** 56% average Fragrance Sustainability Index
- 5** 82.37% average biodegradability content

Case Studies



AromaSpace

Scent and emotion share a deep connection, and nature's positive impact on well-being is well-known. Our AromaSpace technology introduces 'nature-inspired' scents to customers innovatively.

Utilizing headspace technologies, AromaSpace allows us to sample scent without harming biodiversity.

We continuously expand our AromaSpace portfolio, introducing new bases regularly. Currently, we offer 32 ingredients.

Our analysts interpret data to develop detailed chemical compositions of original scents. Perfumers then fill any gaps in the data, creating unique bases exclusive to CPL for creative use.



Forest AromaSpace Base

This Forest AromaSpace faithfully captures the essence of forest bathing, brimming with aromatic notes of moss, pine, and the comforting warmth of wood. This base enhances the natural character of fragrance creations, making it a versatile addition. It complements woody fragrances and can add depth to citrus scents due to its citrusy top notes.



AromaWellness

Aroma Wellness is our state-of-the-art technology that studies the connection between fragrances and emotions.

For its development we've engineered a new platform equipped with biosensors and technologies that allow us to fully understand the impact of our fragrances on human emotions, including human behaviour, physiology, and subjective perception.



“ We strive to minimise the environmental impact of our innovative technologies, shaping the future of the fragrance industry responsibly. In 2023 we made advances in our EcoBoost, AromaCore Bio, AromaSpace and AromaWellness technologies.

VERONIQUE BRADBURY
Global R&D Director

Highlights, Goals & Progress



OBJECTIVES

- 1** Develop & implement a responsible sourcing policy
- 2** 100% supplier assessment
- 3** Provide Life Cycle Analysis data for our fragrances
- 4** Sustainable Purchasing Agreements for 10% of materials



PROGRESS

- 1** 100% of Cat A&B suppliers have committed
- 2** 85.9% suppliers assessed
- 3** LCA data available for 4.18% of ingredients
- 4** Sustainable Purchasing Agreements for 35% of top 100 materials

Case Studies



Life Cycle Assessment

We've set a target to gather Life Cycle Assessment (LCA) data for 50% of our Top 100 materials by 2026. In 2023, we achieved 35% coverage, including 48% of ingredients by volume. This is pivotal for calculating Scope 3 GHG emissions and offering an LCA tool for all our fragrances. Raw materials significantly contribute to our emissions profile, making this data essential for our emission reduction strategies. Our goal is to use LCA, industry averages, and our own data to evaluate the environmental impact of each fragrance. Providing customers with LCA tools will empower them to make sustainable choices and encourage us to seek alternatives with lower carbon footprints.



Upcycled Ingredients

Upcycling, the process of converting waste materials into valuable new products, extends to fragrance production. For instance, we repurpose spent plant materials and distillation by-products. This year, we've expanded our upcycled ingredient selection, introducing 4 new options for our perfumers, with a total of 19 available. Additionally, we've upcycled 73 tons of waste oils from our manufacturing process, turning them into valuable new products.



Biomass Balance

Biomass Balance reiterates our commitment to sourcing materials responsibly and providing our customers with innovative, eco-friendly solutions. The biomass balance approach is a step-forward in our journey to more sustainable fragrances. Using renewable biomass resources not only reduces the carbon footprint of a final product but it also helps conserve non-renewable resources and helps to reduce environmental pollution, promoting a circular economy.



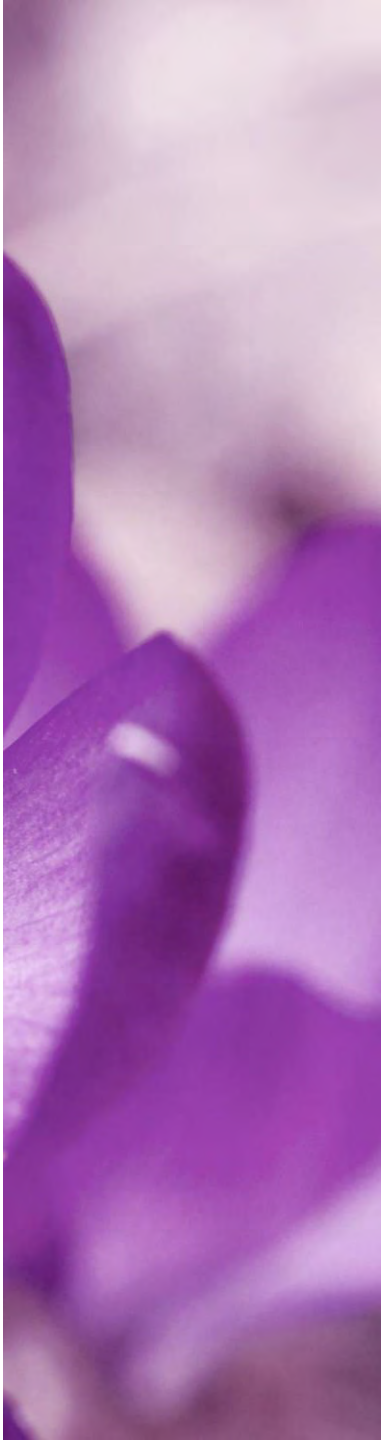
“ Through collaborative endeavours with our partners, we aim to realise our sustainability goals for 2030 and play our part in leaving the world in a better state than we encountered it leaving a legacy that reverberates through future generations.

NICK MOORE
Global Purchasing Director

Plan for 2024

In 2024, we have 3 key areas that we plan to focus on together with our teams:

- 1** SBTi – In 2023 we committed to science-based targets. This year we plan to set 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** Wellbeing – We are committed to providing a working environment that supports our teams. This year we will continue to roll out our Wellbeing Plan and ensuring we have the support in place for our team members and that our teams have the tools to promote good wellbeing practices.
- 3** Life Cycle Assessments – As a large part of our Scope 3 contributions, raw materials continue to be a big focus for us in 2024. 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 2024 with the aim to work towards more sustainable alternatives.



Global Technical Director CHARLOTTE PURCELL



As we look forward in our sustainability journey, to 2024 and beyond, we are mindful of both the challenges and opportunities that lie ahead as we set our objectives for the coming year.

At CPL, sustainability is not just a goal—it's fundamental to our strategy and values. In navigating the complexities of a rapidly changing world, we remain dedicated to advancing sustainable practices. Our focus extends beyond reducing environmental impact to include promoting social equity and ensuring economic resilience.


I'm pleased with the progress we've made this past year. Looking forward, we are committed to continually enhancing our sustainability performance. We maintain close collaboration with our partners, suppliers, and stakeholders to drive significant, lasting change and make positive contributions to the communities where we operate. Together, we aim to innovate and adapt, aspiring to establish sustainable business practices as the standard, where our efforts today lay the groundwork for a thriving and resilient future.


Reflecting on 2023—a year marked by consolidation and collaborative effort—our teams demonstrate steadfast commitment to our sustainability journey. I eagerly anticipate future achievements as we strive to position ourselves as leaders in sustainability within the fragrance industry.

I am inspired by the dedication and passion of our team and encouraged by the potential for meaningful impact. Together with our valued suppliers and customers, we possess the collective power to drive real change, leading the charge toward a more sustainable future and leaving a positive legacy for generations to come.

Let's create together

Contact our sustainability team to learn more about our sustainable efforts and how we can help you make fragrances more sustainably.

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 www.cplaromas.com

