



**2023
SUSTAINABILITY
REPORT**

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LIST OF ABBREVIATIONS

LCA	LIFE CYCLE ASSESSMENT
CBD	CONVENTION ON BIOLOGICAL DIVERSITY
CO2	CARBON DIOXIDE OR CARBON DIOXIDE
CDV	VALUE CHAIN
CRS	CATHOLIC RELIEF SERVICES
CSDDD	CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE
CSRD	CORPORATE SUSTAINABILITY REPORTING DIRECTIVE
DREDD	REGIONAL DIRECTORATE FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT
ESG	ENVIRONMENT SOCIAL GOVERNANCE
ESRs	EUROPEAN SUSTAINABILITY REPORTING STANDARDS
TEU	TWENTY-FOOT EQUIVALENT
FFL	FAIR FOR LIFE
FL	FOR LIFE
GHG	GREENHOUSE GAS
GEHEM	GROUP OF EXPORTERS OF ESSENTIAL OILS AND EXTRACTS FROM MADAGASCAR
GIZ	DEUTSCHE GESELLSCHAFT FÜR INTERNATIONALE ZUSAMMENARBEIT
GRI	GLOBAL REPORTING INITIATIVE
EO	ESSENTIAL OIL
ISO	INTERNATIONAL ORGANIZATION FOR STANDARDIZATION
JACI	JACARANDAS INTERNATIONAL
JACSI	JACARANDAS SPICES AND INGREDIENTS
KPI	KEY PERFORMANCE INDICATOR
MIC	MINISTRY INDUSTRIALIZATION AND TRADE
NOP	NATIONAL ORGANIC PROGRAMM
NGO	NON-GOVERNMENTAL ORGANIZATION
PAT	POLICY, ACTIONS AND TARGETS
PIC	INTEGRATED GROWTH POLES
SME	SMALL AND MEDIUM-SIZED ENTERPRISE
HR	HUMAN RESOURCES
CSR	CORPORATE SOCIAL RESPONSIBILITY
SARL	LIMITED LIABILITY COMPANY
SEDEX	SUPPLIER ETHICAL DATA EXCHANGE
SMETA	SEDEX MEMBERS ETHICAL TRADE AUDIT
OHS	HEALTH AND SAFETY AT WORK
SYMABIO	MADAGASCAN ORGANIC FARMING UNION
VSE	VERY SMALL BUSINESS
EU	EUROPEAN UNION
UEBT	UNION FOR ETHICAL BIOTRADE
UNGC	UNITED NATIONS GLOBAL COMPACT
USAID	UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
USDA	UNITED STATES DEPARTMENT OF AGRICULTURE
VSME	VOLUNTARY SUSTAINABILITY REPORTING STANDARD FOR SMALL AND MEDIUM-SIZED ENTERPRISES

ABOUT REPORT

We are pleased to present our first Sustainability Report, which illustrates our commitment to Corporate Social Responsibility (CSR) and details our ESG (Environment, Social, Governance) performance.

This report covers the year 2023, a reference period that will serve as a basis for assessing our progress and our performance. Although our ESG objectives for 2030 are still being finalized and will be formalized next year, we would already like to share with you the actions we have implemented, to demonstrate our ongoing commitment.

Since its creation, Jacarandas has been committed to a responsible and sustainable approach, a commitment formalized in 2023 with development of our ESG policy. This report embodies our commitment to transparency towards our stakeholders and our ambition to continuously improve our processes and the impact of our initiatives. Through this document, we highlight our strategic sustainability priorities and the results achieved.

At a time when international non-financial reporting standards, such as the Corporate Sustainability Reporting Directive (CSRD), are taking on increasing importance, Jacarandas is committed to producing a report based on the Voluntary ESRS for Non-Listed Small and Medium-size Enterprises (VSME). This framework it possible to adapt CSRD requirements to the scale of unlisted SMEs and VSEs. By adopting this standard and integrating the indicators defined in the Global Reporting Initiative's (GRI) Agribusiness sector standard (GRI 13), we are affirming our commitment to a rigorous and transparent approach.

This report is inspired by the VSME narrative module, enabling us present our sustainability commitments through a balanced, qualitative and quantitative approach. This methodology highlights our Policies, Actions and Objectives (PAT) without requiring complex figures, while ensuring clear communication on our strategic initiatives. In addition, this report has been prepared on a consolidated basis, integrating information from all three Jacarandas entities.

Please note that some data are not yet standardized over a common fiscal period, as some are based on a calendar. We engage to harmonize these elements in future reports, in line with the requirements of the VSME standard.

In this report you will find :

- (I) **OUR IDENTITY ;**
- (II) **OUR SUSTAINABILITY APPROACH ;**
- (III) **OUR APPROACH MANAGEMENT MODEL ;**
- (IV) **OUR SUSTAINABILITY COMMITMENTS AND OBJECTIVES ;**
- (V) **OUR SUSTAINABILITY PERFORMANCE 2023.**

WORDS FROM THE FOUNDERS

This year, 2024, JACARANDAS celebrates its 20th. We are proud to look back a journey rich in challenges, shared successes and continuous growth. Since our inception, our mission has remained the same : to add value to Madagascar's aromatic ingredients, while nature and supporting the local communities that make our business possible.

Over two decades, we have not only developed recognized expertise in the production of high-quality aromatic ingredients, but have also built lasting relationships with our local partners, integrating responsible and sustainable agricultural practices. At every stage, our commitment eco-responsibility and the preservation of biodiversity has been a key driver of our success. We have learned adapt our methods to meet the environmental challenges of our time, while remaining true to our values.

In this anniversary year, it's important for us to take a moment to reflect on all we've achieved, but also to look to the future. We recognize that the next 20 years will be just as crucial, if not more so. As the world faces unprecedented ecological challenges, we are committed to m further strengthening our sustainability efforts, adopting innovations that will reduce our impact on the environment, and continuing to promote regenerative agricultural practices.

Our vision for the future rests on three key pillars : producing in a virtuous way with the least negative impact on the environment, making a social commitment to our employees and local partner communities, and lastly to respect ethical values in all our practices. Not only do we want to pursue our objectives of reducing greenhouse gas emissions and optimizing the management of natural resources, but we also want to reinforce our social and economic initiatives in support of local producers. In Madagascar, our commitment not limited to the purchase of ingredients: it extends to accompanying growers towards sustainable economic autonomy and a continuous improvement in their living conditions.

As we enter this new phase of our development, we would like to express our gratitude to all those who have contributed to making JACARANDAS what it is today: a respected and sustainable company. It is together, with our teams, partners and customers, that we have built this path, and it is together that we will go even further.

Thank you for continuing to believe in our vision and m being part of this adventure. We look forward seeing what the future holds, always keeping in mind our commitment to a greener, fairer and more sustainable world.

Together, further.

MiMa RANDRIANTSOA & Matthieu RICHARD



1 WHO WE ARE

Jacarandas is a group specialized in the production, export and marketing of spices, as well as in the transformation of raw materials into essential oils from Madagascar. Production is carried out locally by **Jacarandas SARL**, while two sister companies based in France, **Jacarandas Spices & Ingrédients** and **Jacarandas International**, market our products internationally.

OUR MAINSPRING IS TO ENHANCE THE VALUE OF MADAGASCAR'S FLORA THROUGH ECO-RESPONSIBLE PRODUCTION, WHILE AT THE SAME TIME DEVELOPING IN A VIRTUOUS HUMAN AND ENVIRONMENTAL WAY.

OUR AMBITION IS TO BE ONE OF MADAGASCAR'S FIVE BIGGEST OPERATORS IN SUSTAINABLE PROCESSING AND MARKETING OF OUR PRODUCTS BY 2030.

Jacarandas is founded on fundamental values such as **sustainability, a culture of initiative, rigor, humanity, responsiveness and innovation**. These principles guide our strategy and our day-to-day actions.

Sustainable development is at the heart of our business model. Our approach is based on eco-responsibility, social solidarity and sustainable partnerships with a network of producers comprising several thousand farmers. These producers, organized into autonomous agricultural associations and cooperatives, benefit from close support from our field agents in managing their activities in a responsible and sustainable manner.

Thanks to this model, Malagasy farmers affiliated with our projects produce quality spices and ingredients, while benefiting from technical, logistical and human support every step of the way.



1.1



1 company in Madagascar and **2** sister companies in France



19 Essential oils including **17** available in ORGANIC



117 employees in 2023



70,600 seedlings replanted for 141.2 TeqCO2 offset



19,865 euros invested local initiatives and community projects customer Yogi Tea

JACARANDAS IN FIGURES



5 locations in Madagascar : Antananarivo, Toamasina, Nosy Be, Manakara, Fort Dauphin



38 hours of training per employee in 2023



13 spices and ingredients including **10** available in ORGANIC (**4** certified ORGANIC/FFL)



More than **20** cooperatives and over **600** local jobs offered



0 proven cases of corruption in 2023



96.28% of hazardous waste processed (**528.09 kg** on **548.51 kg**)



HACCP-certified in 2023 : compliance with food safety and quality standards food products



1.2 OUR HISTORY

2004

Company formation

Company founded by MiMa RANDRIANTSOA and Matthieu RICHARD in Madagascar

2008

Matthieu moves to France and launches the sales division **Jacarandas International**

First implementation Madagascar's 1st port in Tamatave

2011

First pink peppercorn campaign in Fort Dauphin

2014

International standards

First stage of Quality Policy : ISO 9001 and OSHAS

2015

Add value creation : Distillery of essential oils in Tamatave

Storage facility in Madagascar's 2nd largest spice-producing area in Manakara

2017

Sustainability

Launch of the Development Department in charge of direct relations with farmers

2020

Direct production : Acquisition a 50-hectare Ylang Ylang, consolidating the company's position as market leader in essential oils.

2021

Fair For Life certification and Ecovadis rating to monitor the implementation of social and environmental objectives in our value chain.

2023

HACCP certification for our Spei Terra plant in Tamatave

2024

20th Anniversary

Celebrating two decades of Excellence and Commitment to the future.



1.3 OUR PRODUCTS

Discover Madagascar through the natural treasures of Jacarandas. Our essential oils, spices and ingredients, produced with local know-how and respect for the environment, reflect the authenticity and richness of our territory. The majority of our essential oils are certified organic, while our spices, some of which are certified organic and Fair for Life, embody purity and tradition. True to our commitment to sustainable production, we help preserve biodiversity while actively supporting local communities.

Table 1 : Our main products

ESSENTIAL OILS	SPICES AND INGREDIENTS
19 ESSENTIAL OILS, 17 OF WHICH ARE AVAILABLE IN ORGANIC	13 spices and ingredients, 10 of which ORGANIC (4 certified ORGANIC/FFL) FORM
<ul style="list-style-type: none"> • Fresh pink berries * • Cinnamon Bark * • Turmeric * • Eucalyptus citriodora * • Geranium * • Fresh ginger * • Clove Leaf • Cloves * • Helichrysum bracteiferum * • Helichrysum gymnocephalum* • lary - Dingadingana (Psiadia) * • Niaouli * • Black pepper • Ravintsara * • Tagetes * • Ylang-ylang Complete Grade* • Ylang-ylang First Grade * • Ylang-ylang Second Grade* • Ylang-ylang Third * <p><i>* Also available in Organic</i></p>	<ul style="list-style-type: none"> • Pink berries ** • Clove * • Cinnamon ** • Wild pepper or "voatsiperifery" * • Black pepper • Green pepper • Combava * • Turmeric ** • Ginger ** • Pepper * • Wholemeal artisanal sugar * • Vanilla * • Salt <p><i>* Also available in Organic / **Available in Organic and FFL</i></p>
<p><i>Our catalog for oils :</i> https://jacarandas-international.com/wp-content/uploads/2024/08/Catalogue-HE-2024_compressed.pdf</p>	<p><i>Our catalog for spices and ingredients :</i> https://jacarandas-si.com/wp-content/uploads/2024/09/Catalog-jacarandas-Spices-Ingredients-2024-1.pdf</p>



Source : Jacarandas Spices and Ingredients and Jacarandas International websites

1.4 OUR VALUE CHAIN AND STAKEHOLDERS

1.4.1 Value chain

Our sustainability approach is based on an in-depth analysis of ESG risks and opportunities covering our entire value chain, presented below.

Figure 1 : Jacaranda value chain



The main activities are as follows :

➤ **INTERNAL LOGISTICS :**

Jacarandas prefers to buy from local suppliers accordance with its specifications. These suppliers, most of whom are cooperatives of small-scale producers, are based in the areas the company operates. Products are received and stored at Jacarandas branches before being prepared for production. **25%** of these cooperatives are run by women.

➤ **PRODUCTION :**

Essential oils and spices are produced at **the Spei Terra** plant Toamasina (spices and essential oils) and in Nosy Be (essential oils). Production methods are specifically designed to respect the environment and are in line with the requirements of the standards to which the company adheres.

➤ **EXTERNAL LOGISTICS :**

Finished products are stored prior to distribution. Jacarandas coordinates the transport of goods to local and international markets, ensuring that orders are filled and delivered on time. Products destined for export are forwarded to sister companies in France (**JACI** and **JAC SI**) or directly to end customers.

➤ **MARKETING AND SALES :**

Jacarandas implements strategic, targeted marketing and sales campaigns to effectively promote its products.

➤ **SERVICES :**

The company offers a dedicated after-sales service to answer questions and manage customer complaints, thus fostering and strengthening long-term relationships.

Support activities are as follows :

➤ **SUPPLIES :**

Jacarandas procures raw materials growers' cooperatives and other suppliers. Company also acquires complementary goods and services essential m production and administration.

➤ **TECHNOLOGY DEVELOPMENT :**

Jacarandas invests in research and development to optimize its production processes and enrich the product ranges offered to customers. The technological development function also encompasses knowledge management of sustainable and responsible production practices.

➤ **HUMAN RESOURCES MANAGEMENT :**

This function guarantees recruitment, training, and the establishment of good relations and working conditions for employees in all branches of the company.

➤ **CORPORATE INFRASTRUCTURE :**

This function groups together the various agencies and the premises of sister companies. In addition to production activities, these branches also handle accounting, human resources management and legal matters.



1.4.2 Stakeholder relations

As shown in the figure below, Jacarandas works closely with groups and cooperatives of small local producers, essential for the supply of raw materials. The company supports them in adopting sustainable farming practices and ensures that their crops meet the requirements of certifications such as UE and US NOP ORGANIC and Fair for Life. In some regions, this activity is entrusted to collectors.

Based in Madagascar, **Jacarandas SARL** oversees production and steers global strategy, ensuring compliance with national regulations and international standards. Its employees, most of whom are Malagasy, are a fundamental pillar of its operations. In France, **JACI** (Jacarandas International) and **JACSI** (Jacarandas Spices et Ingredients) are responsible for marketing and distributing products on international markets, in close collaboration with **Jacarandas SARL**.

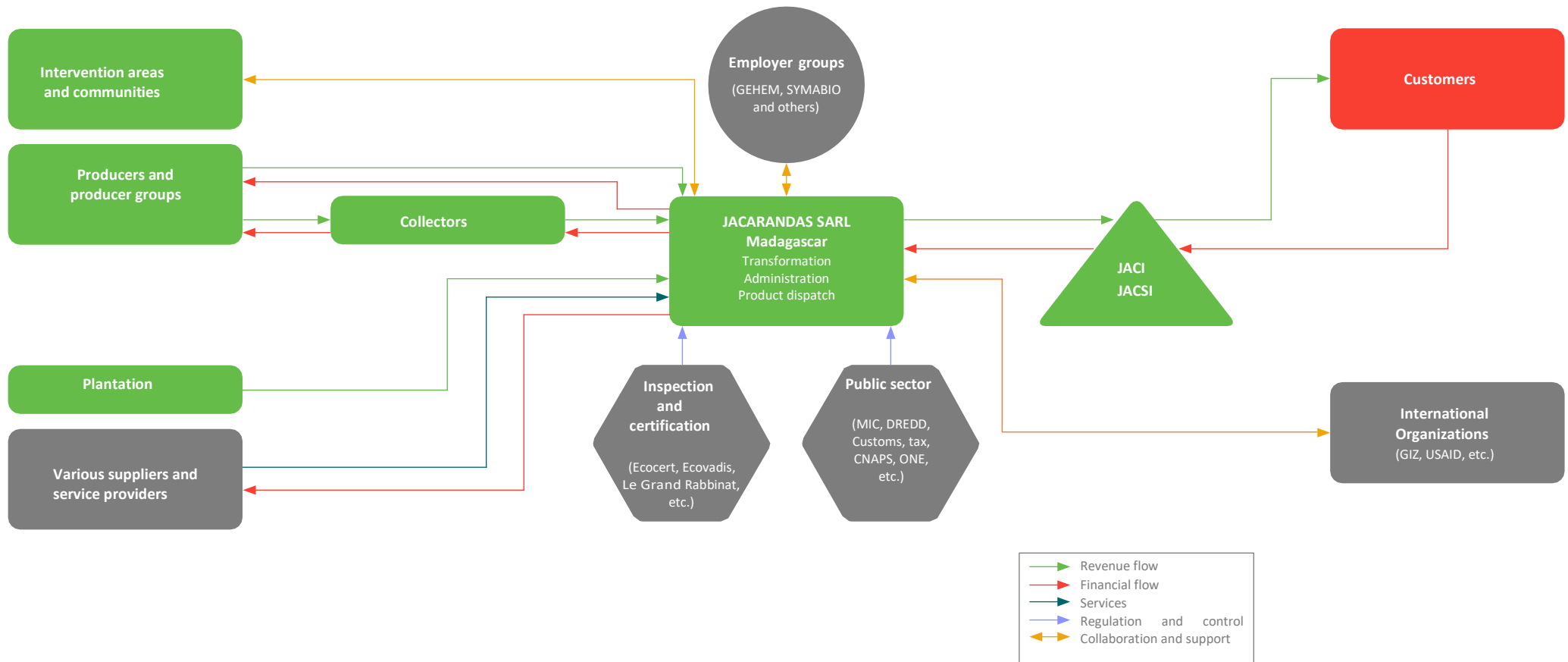
Interaction with and between stakeholders is illustrated in the figure below :

Our end customers, mainly based in Europe, prefer natural products from responsible production methods. We are committed to maintaining our certifications and guaranteeing rigorous after-sales follow-up. Our partnerships with certification bodies such as Ecocert and Ecovadis reinforce our credibility and facilitate access to international markets.

As a member of trade associations such as **GEHEM** and **SYMABIO**, we benefit from the exchange of best practices and actively contribute to the promotion of virtuous models in the industry. We also collaborate with **GIZ** and **USAID**, to support local development initiatives.

What's more, through constant dialogue with the public authorities, notably the **MIC** (Ministry of Industry and Trade), the **DREDD** (Regional Directorates for the Environment and Sustainable Development) and the customs authorities, we ensure that all our activities are legally compliant.

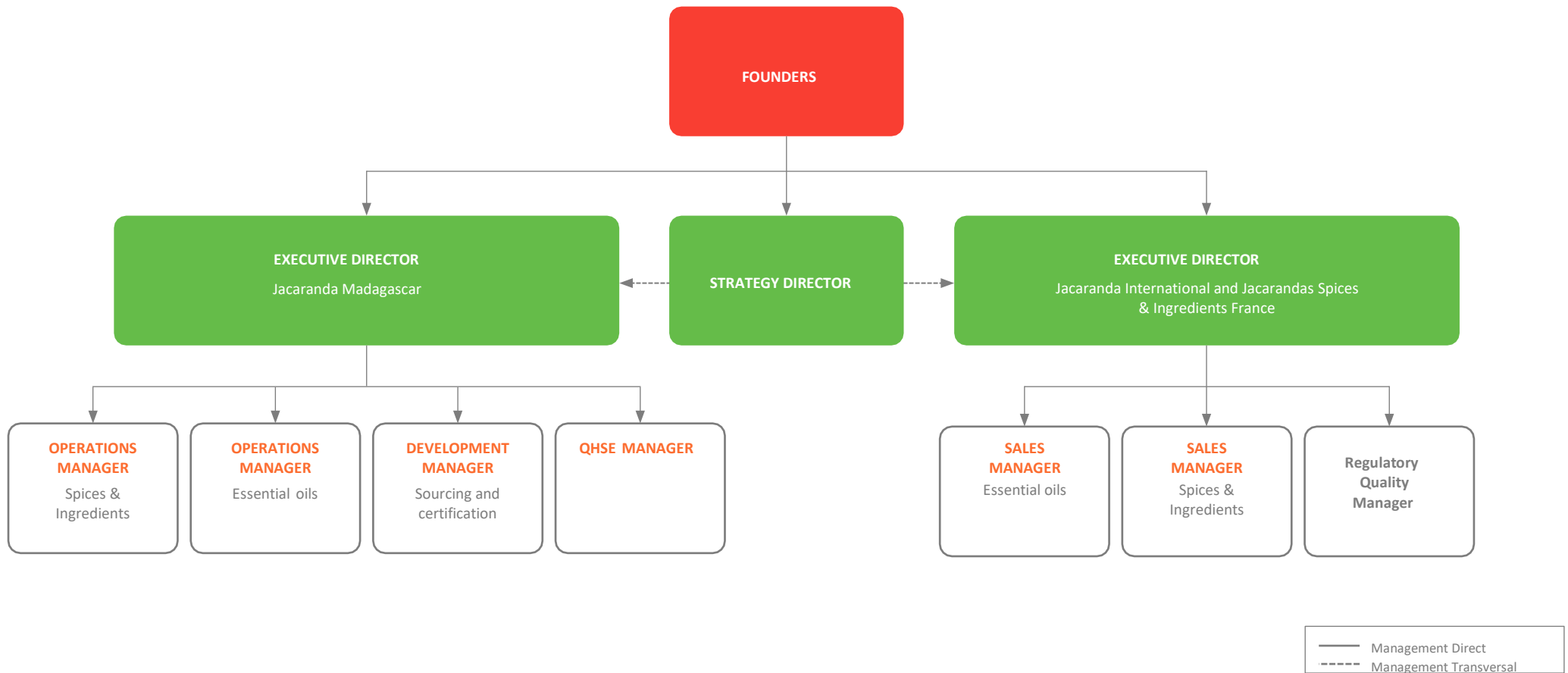
Figure 2 : Illustration of stakeholder interaction



1.5 CORPORATE GOVERNANCE

The company's governance structure is based on a participative and inclusive approach, involving several decision-making bodies.

Figure 3 : Jacarandas governance chart



2 OUR SUSTAINABILITY APPROACH

Our sustainability approach is based on **five (5) key commitments** and **fifteen (15) strategic objectives** (§ 5.1). It is guided by recognized guidelines and standards, such as the VSME, which translates the requirements of the Corporate Sustainability Reporting Directive (CSRD) at the level of unlisted SMEs, and the principles of ISO 26 000, which provides guidelines for social responsibility. Our performance is assessed using the indicators defined in the Global Reporting Initiative (GRI) Agribusiness sector standard. To achieve our ESG objectives, we are committed to strong, transparent corporate governance. This includes :

- Integration of the ESG approach within the company's management bodies, supported by a dedicated committee to guide, supervise and evaluate ESG initiatives.
- Regular, transparent communication with all stakeholders, encouraging constructive feedback.
- The implementation of monitoring and internal control processes to ensure compliance with ethical standards and the conformity of our actions with defined objectives, notably through the use of an ESG scorecard.

This structure enables us to make consistent and responsible progress towards our sustainability objectives.

2.1 A RESPONSIBLE APPROACH CERTIFIED BY RECOGNIZED ORGANIZATIONS

Jacarandas has been affirming its commitments for many years by obtaining several benchmark certifications, such as Organic certification (European standard (EU)¹ 2018/848 and USDA NOP²) and Kosher³ certification. Jacarandas also holds a number of CSR certifications and labels, including **Fair For Life**, **For Life** and **Ecovadis**, as detailed in § 4.2. **We are also registered on the SEDEX**. These accolades confirm Jacarandas' commitment to responsible and sustainable practices.

1 European standard that establishes rules for organic production, guaranteeing that organic products meet strict criteria for sustainability, protection of the environment and health, and animal welfare.

2 American standard that sets the requirements for organic products in the USA, ensuring that they respect sustainable agricultural practices and not use banned substances such as pesticides or GMOs, in order to protect health and the environment.
3 The Kosher label certifies that food products comply with Jewish dietary rules, guaranteeing that they meet specific preparation requirements, ingredients, and separation between dairy and meat products

2.2 COMMITMENTS DRAWN AN ANALYSIS OF DOUBLE-MATERIALITY

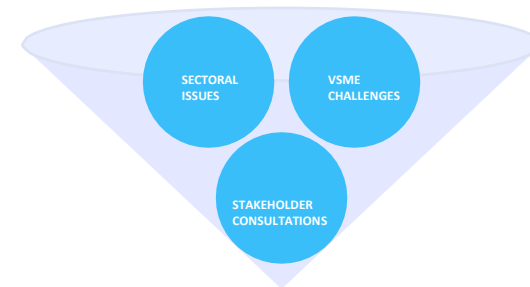
2.2.1 Methodology adopted

Our ESG strategy was defined by combining various studies :

- Identification of risks, opportunities and impacts related to social issues, and corporate governance ;
- Stakeholder mapping, including an assessment of their importance and their influence on company ;
- Prioritization of issues, based on an assessment of the materiality of impacts and their financial importance ;
- The dual materiality analysis, which identifies priority issues and launch the process.

The identification of these issues followed a funnel approach, as illustrated in the figure below. Starting from the list of issues defined by the VSME standard, this list was refined through an analysis of sector-specific issues (GRI 13 for the Agriculture sector). Finally, these various issues were discussed and analyzed with stakeholders, including the managers of each branch of the company, in order to identify the material priority issues.

Figure 4 : Sustainability analysis method



2.2.2 Impact materiality assessment

Impacts were assessed by analyzing the correlation between the severity and probability of occurrence of impacts along the company's value chain. This approach includes both positive and negative impacts, as well as the associated risks and opportunities. Negative impacts have been assessed according to their severity, measured by criteria such as magnitude, extent and irremediability. Positive impacts, as well as risks and opportunities, were also analyzed in the same way.

This analysis was enriched by an in-depth examination of the importance, both absolute and relative, of the issues identified. This enabled us to obtain a global and balanced view of impacts to guide the company's strategic actions.

2.2.3 Financial materiality assessment

Financial materiality assessment aims to identify the sustainable development factors most likely influence the company's financial situation, operating performance or market value.

The methodology adopted is in line with that used for impact materiality. Consequently, all issues with a high level of importance considered material in financial terms. This approach ensures consistency in the analysis issues and their integration into the company's overall strategy.




2.2.4 Dual materiality analysis and prioritization of issues

The double ESG materiality diagram below highlights our material challenges, which form the foundations of our approach to sustainability.

Figure 5 : Jacarandas ESG double materiality matrix



Figure 6 : Material stakes by factor



ENVIRONMENT

- Water consumption
- Dependence on natural resources
- Climate change mitigation and adaptation



SOCIAL

- Employee health and safety
- Product and service quality and consumer and end-user satisfaction



GOVERNANCE

- Supplier relations

ENVIRONMENT

Natural resources are at the heart of Jacarandas' activities, as its business model is based on the supply of natural raw materials. This dependence exposes the company to environmental and climatic risks likely to affect the productivity and availability of these resources. Although the adoption of sustainable practices mitigates certain impacts, but does not guarantee total resilience. It is therefore essential for us to optimize the management of these resources to ensure their sustainability.

Water, in particular, plays a key role in our production, especially for the distillation of essential oils. Poor management of this resource, through over-consumption, over-treatment or under-use, can have a serious impact on the quality of our products. This would not only deplete these resources, but also reduce the availability of water for surrounding communities. This not only deplete these resources, but also reduce water availability for surrounding communities.

By adopting sustainable practices, we are actively contributing to the fight against climate change. This approach not only reduces our own environmental impact, it also enables us to assert ourselves as a key player in the fight against global warming.

SOCIAL

Exposure to machinery, the risk of falls, prolonged exposure to noise, carrying heavy objects and long working hours all increase the risk of accidents or occupational illness. Inadequate management of these risks could not only jeopardize the well-being of our employees, but also lead to work stoppages, additional costs and damage to the company's reputation. It is therefore essential that we implement rigorous measures to ensure safe and healthy working conditions.

Customer loyalty and corporate reputation are closely linked to product quality and safety. Any failure to comply with standards could not only generate complaints, but also erode our customers' confidence in the long term. Customers' satisfaction is a key factor in maintaining and developing market share, while compliance with safety regulations is a key factor in maintaining and developing market share, and quality is essential to avoid sanctions that could damage the company's brand image and in financial performance.

GOVERNANCE

By promoting responsible and ethical practices, Jacarandas cultivates solid, lasting relationships with all its suppliers, including local producers. This commitment is based on respect for the law, payment deadlines and the establishment of fair trade relations.

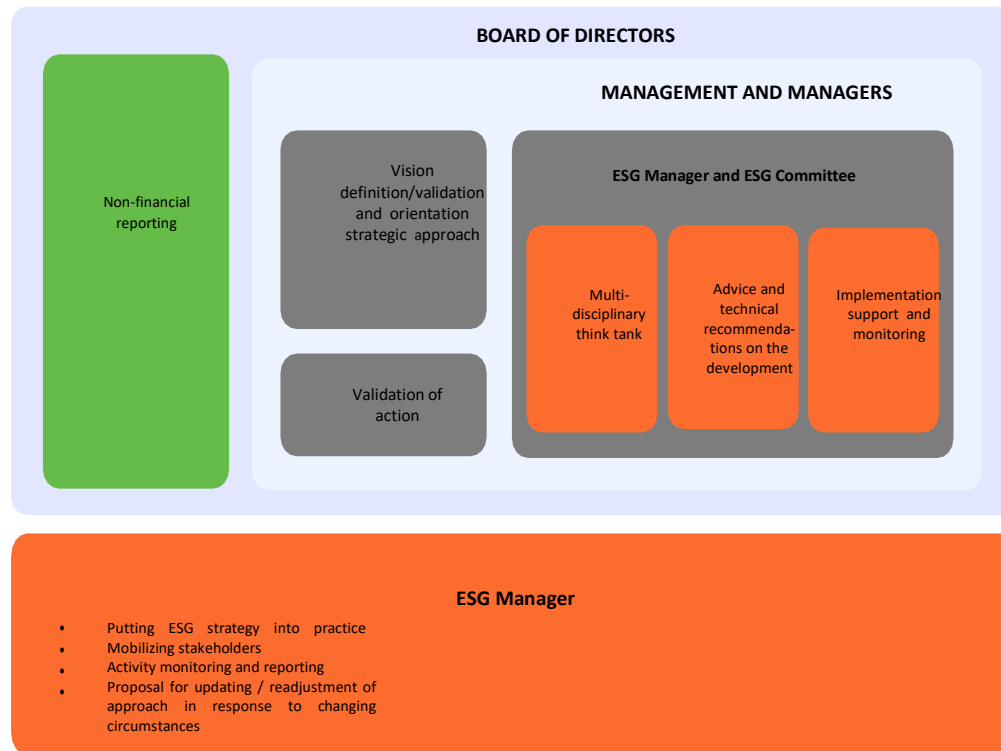
These fundamental principles play an essential role in the sustainability of our business, strengthening our resilience in the face of environmental, societal and economic challenges.

3 APPROACH MANAGEMENT

The creation of an ESG committee was a crucial step for Jacarandas, enabling us to better identify and manage ethical risks, and environmental responsibility, promote responsible and sustainable business practices, and actively involve our employees in our initiatives. This approach also supports innovation and our sustainable growth, while meeting the expectations of our stakeholders.

To reinforce this approach, the company has appointed an ESG manager responsible for implementing and monitoring commitments. This role also includes mobilizing stakeholders, reporting, and adjusting actions to ensure the effectiveness and sustainability of the ESG approach.

Figure 7 : Procedures and management of the approach



4 OUR SUSTAINABILITY PERFORMANCE 2023

4.1 KEY RESULTS

Table 2 : Key results for 2023

ENVIRONMENT

KEY ACTIONS	RESULTS
GHG reduction in Teq CO ₂ between 2022 to 2023	Scope 1 - 8,39 Scope 2 4,02 Scope 3 -702,97
CO ₂ compensation offset through reforestation	141.2 TeqCO₂ offset 70,600 trees planted
Upgrading of biomass stills	9-fold reduction in wood consumption in Nosy Be
Water discharge	Pre-distillation water treatment discharge through a natural filtration purification system using hydro-heliophyte plants
Use renewable energy	100% of the site runs on solar energy in Nosy Be
Optimizing energy efficiency	Upgrading fresh spent grain to briquettes
Waste management	96.28% of waste classified as hazardous is treated
Life cycle assessment (LCA) of cinnamon powders and pink berries in October 2023	Aligning the production system for these spices with virtuous principles ⁴ with possible areas for improvement to reduce carbon footprint (use of plastic, transport, energy)

SOCIAL

KEY ACTIONS	RESULTS
Diversity and inclusion	47% of Madagascar staff are women and 97.44% are Malagasy nationals
Training and skills development	38 hours of training per employee
Social and environmental risk assessment	Socio-economic diagnosis FFL and FL realized
Food quality and safety	<ul style="list-style-type: none"> Obtaining the HACCP certification 0 Product withdrawal or recall
Amount invested local initiatives and community projects with customer Yogi Tea	Allocation of 19,865 Euros for a community support project reaching 510 households in Manakara
Direct jobs created in communities	Creation of 24 jobs (managers, inspectors, nurserymen)

GOVERNANCE

KEY ACTIONS	RESULTS
ESG policy and management	ESG diagnosis carried out and defined material challenges
Suppliers' support for the company's responsible approach	5 suppliers sign up the partner ethics charter
Percentage of employees to whom the organization's anti-corruption policies and procedures have been transmitted to	100%

⁴A production system is virtuous when it minimizes negative impacts on the environment at every stage of its life cycle, from the production of raw materials to the end-of-life of the product. This is the case for cinnamon powders and pink berries following this LCA carried out in 2023, notably through the use of recycled materials or biomaterials and the adoption of biofuels for distribution.

4.2 OUR EXTRA-FINANCIAL CERTIFICATIONS AND RATINGS 2023

Our certifications reflect our commitment to strict production standards and meet the most exacting requirements.



ORGANIC CERTIFICATION

Jacarandas has been committed to organic production for several years. Today, we are certified organic according to the European Union standard 2018/848 and the USDA NOP standard for several of our products.



KOSHER CERTIFICATION

Kosher certification, obtained in 2023, guarantees that our food products comply with the strict standards of Jewish food law (Kashrut). It certifies that food is prepared in accordance with specific rules, such as the prohibition on mixing meat and dairy products, the use of dedicated utensils, and the supervision of production by a rabbi or approved certification authority.



LABEL FAIR FOR LIFE (FFL)

Fair For Life (FFL) is a private label issued by the ECOCERT organization, certifying products from fair and responsible trade. Since 2021, Jacarandas has been committed to this certification to ensure a fair and transparent approach within the supply chains concerned.

JACARANDAS SARL	JACI	JACSI
75%	70%	72%



FOR LIFE

Jacarandas is also **For Life** certified, a complementary label to **Fair For Life**, which promotes social and environmental responsibility throughout the supply chain.

JACARANDAS SARL	JACI	JACSI
74%	68%	69%



ECOVADIS RATING

Launched in 2021, the EcoVadis assessment is a system that companies' performance in terms of sustainability and social responsibility. In 2023, Jacarandas recorded a significant improvement in its score, **from 52/100 in 2022 to 61/100**, earning it the **Silver** medal.



HACCP (HAZARD ANALYSIS AND CRITICAL CONTROL POINTS)

HACCP certification attests that a food processing company applies a rigorous system designed to identify, control and manage and prevent food safety risks. Based on seven fundamental principles, it includes hazard analysis, identification of critical control points, as well as the development of monitoring procedures and corrective actions. Internationally recognized, this certification demonstrates our commitment to producing safe food that complies with quality standards and regulatory requirements.

5 OUR ESG COMMITMENTS AND OBJECTIVES

5.1 AN APPROACH STRUCTURED AROUND 5 COMMITMENTS AND 15 OBJECTIVES

By integrating extra-financial performance at the heart of our corporate strategy, we have reached an important milestone in our history. As a key player in agri-food industry, we have taken concrete steps to meet the environmental and societal challenges facing the world.

Our five (5) key commitments are translated into fifteen (15) strategic objectives, which serve as a roadmap to guide our actions in the years to come. These objectives are part of the contribution to achieving the United Nations' Sustainable Development Goals (SDGs).

By integrating these objectives into our business strategy, we strive to actively contribute to addressing global issues such as combating climate change, reducing inequalities and promoting responsible consumption and production models. This approach not only strengthens our positive impact on a local and international scale, but also ensures with global sustainable development priorities.



CONTRIBUTE TO

SUSTAINABLE DEVELOPMENT OBJECTIVES

OBJECTIFS DE DEVELOPPEMENT DURABLE



Table 3 : Jacarandas' ESG commitments and strategic objectives

CRITERIA	COMMITMENTS	STRATEGIC OBJECTIVES
 Environment	COMMITMENT 1 : VIRTUOUS PRODUCTION WITH LESS IMPACT ON THE ENVIRONMENT	OS 1 : Implement measures to reduce our carbon footprint and adapt to the impacts of climate change OS 2 : Reduce or avoid polluting emissions and waste generated by our activities OS 3 : Preserving biodiversity and optimizing the use of natural resources through a circular economy
 Social	COMMITMENT 2 : OFFER OUR EMPLOYEES OPTIMAL WORKING CONDITIONS BASED GOOD RELATIONS	OS 4 : Ensure a safe and healthy working environment, in compliance with health and safety standards OS 5 : Promoting constructive dialogue with employees and their representatives to encourage participation and commitment OS 6 : Seek to continuously improve and maintain working conditions and employee benefits
	COMMITMENT 3 : SUPPLY QUALITY PRODUCTS THAT COMPLY WITH QUALITY AND SAFETY STANDARDS, WITH COMPLETE TRANSPARENCY	OS 7 : Provide clear, accurate and transparent information about our products and services OS 8 : To ensure that our products and services comply with safety and quality standards OS 9 : Encouraging responsible and sustainable consumption practices among our customers
	COMMITMENT 4 : HAVE A POSITIVE IMPACT ON OUR LOCAL COMMUNITIES AND PARTNERS	OS 10 : Support local initiatives and invest in social and environmental projects that benefit local communities and improve their quality of life OS 11 : Offer employment and training opportunities strengthen local skills OS 12 : Contribute to local economic development by generating employment and business opportunities that create decent incomes
 Governance	COMMITMENT 5 : RESPECT ETHICAL VALUES IN ALL OUR PRACTICES	OS 13 : Implement policies and procedures to prevent and avoid corruption OS 14 : Adopt fair trade practices and respect competition rules OS 15 : Encourage our partners and suppliers to adopt responsible and ethical practices




5.2 ENVIRONMENTAL FACTORS

COMMITMENT 1

Virtuous production with less environmental impact



Jacarandas is fully aware of the impact of its activities on the planet and recognizes the importance of its role in the fight against global warming. That's why we are determined to reduce our environmental footprint and adopt ever more sustainable practices, in harmony with nature.

-  **OS 1 :**
Implement measures to reduce our carbon footprint and adapt to the impacts of climate change
-  **OS 2 :**
Reduce or avoid polluting emissions and waste generated by our activities
-  **OS 3 :**
Preserving biodiversity and optimizing the use of natural resources through a circular economy

OUR ENVIRONMENTAL POLICIES AND PROCEDURES

To achieve these objectives, we have developed a number of policies and procedures.

POLICIES AND PROCEDURES ENVIRONMENTAL	COMMITMENTS AND ACTIONS
JACI and JACSI CSR policy	Carbon footprint measurement, promotion of renewable energies, waste management with recycling and recovery, and pollution prevention
Charter ethics and sustainable excellence	Reducing the consumption of natural resources, limiting waste and emissions, reducing ecological footprint, and applying the most stringent environmental regulations.
Fair trade policy	Managing environmental impact of organic production, managing soil fertility, limiting contamination, preserving biodiversity, managing waste through recycling and recovery, and using renewable energy.
Quality policy	Implementation of an Integrated Management System (IMS) to ensure product conformity and personal safety as part of continuous improvement approach.
Waste management procedure	Biodegradable waste management : plant waste, raffia, wood, food waste, paper waste, plastic waste, HE filtration waste (cotton, filter, cloth), waste distillation (soot, spent grain, coal, ash), Management of metal waste, waste oil, hazardous waste (, neon lamps), Management of defective IT equipment
Emergency procedure in event of accidental pollution	Management of spills, accidental pollution and hazardous products Risk management, including risk assessment, prevention plan and emergency response plan

OUR OBJECTIVES AND RESULTS

5.2.1 SO 1 : Implement measures to reduce our carbon footprint and adapt to the impacts of climate change

Reducing our carbon footprint is one of our top priorities, and one to which we are actively committed on a daily basis. This includes optimizing the use of renewable energies, reducing non-renewable energy consumption and improving energy efficiency. In addition, the company is implementing initiatives to adapt to the impacts of climate change, such as sustainable management of natural resources and participation in carbon offset projects including reforestation in our areas of operation. These actions are part of our global strategy to reduce greenhouse gas emissions and strengthen climate resilience.

OUR SHARE

- ➊ Annual carbon balance
- ➋ Offsetting emissions through reforestation

Life cycle assessment (LCA) of products, including cinnamon powders and pink berries.

OUR RESULTS

Since 2018, we have been measuring our carbon footprint and actively participating in reforestation programs for over ten years. The graph below shows a positive trend in emissions reduction, thanks in particular to our reforestation initiatives.

Figure 8 : Reduction Jacarandas' carbon footprint from 2018 to 2023



Source : https://www.linkedin.com/posts/jacarandas-madagascar_jacarandas-et-ses-engagements-envers-activite-7215020226684297216-0lIB?utm_source=share&utm_medium=member_desktop

THEMATICS	2023 ACHIEVEMENTS		
	By Scope (in Tonne CO2e)	2023	Difference 2023 - 2022
GHG quantification	Scope 1	130,4	- 8,39
	Scope 2	57,94	4,02
	Scope 3	898	- 702,97
	Total emissions (TeqCO2)	1086,08	- 707,34
	Offset reduction and compensation emissions by the reforestation	<ul style="list-style-type: none"> ➊ 70,600 trees planted in the South, Southeast, East and North of Madagascar = 141.2 TeqCO2 offset ➋ LCA of cinnamon powders and pink berries in October 2023 for a low environmental impact production system 	



5.2.2 SO 2 : Reduce or avoid polluting emissions and waste produced by our activities

We favor renewable energy sources, particularly solar power, to power our facilities and reduce our dependence on fossil fuels. Water use is also a priority. We are constantly improving our collection and treatment processes to limit waste and ensure sustainable management of this precious resource.

Significant progress has been made with regard in Nosy Be distillation water discharges. Finally, these initiatives, combined with sustainable waste management practices, are part of a circular approach aimed at reducing waste production and encouraging its reuse.

OUR ACTIONS

- Use of renewable energy sources
- Treatment of hazardous waste
- Waste reclamation : internal or external reclamation
- Technological optimization for energy efficiency and effectiveness
- Optimization of water management (withdrawal and discharge)



OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS																
<ul style="list-style-type: none"> ➤ Total energy consumption ➤ Optimizing energy efficiency 	<ul style="list-style-type: none"> • Percentage of renewable electricity used in 2023 : 17.6% of electricity used from photovoltaic sources, equivalent to 26 MWh. • Operation 100% solar energy from the site of Nosy Be. • Improved stills in Nosy Be : 9-fold reduction in wood consumption in Nosy Be. 																
<ul style="list-style-type: none"> ➤ Water withdrawal ➤ Water consumption ➤ Water discharge 	<ul style="list-style-type: none"> • Volume water consumed 2022 – 2023 : 12,712 m³. • Installation of a gravity-fed water supply system for the Nosy-Be site • Natural purification by filtration of distillation water using hydro-helophyte plants before discharge into the site's natural watercourses, for the Nosy-Be site. 																
<ul style="list-style-type: none"> ➤ Hazardous waste management 	<ul style="list-style-type: none"> • 96.28% of hazardous waste processed (528.09 kg out of 548.51 kg). 																
<ul style="list-style-type: none"> ➤ Reuse, recovery and recycling and waste optimization 	<ul style="list-style-type: none"> • Contract with Landplast : recycling of plastics and cardboard into interlocking paving stones and briquettes. • Internal waste reclamation : vermicompost and fuel for the distillery. • In Tamatave, fresh spent grains are recovered in form of briquettes, along with other wastes used as fuel for distillation, such as clove grains, bamboo, coconut waste and wood chips. • Progress in waste reduction at JACI :  <table border="1"> <caption>EVOLUTION DE LA REDUCTION DE NOS DECHETS PLASTIQUES</caption> <thead> <tr> <th>Année</th> <th>Volume (en milliers de kg)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>1.8</td> </tr> <tr> <td>2018</td> <td>1.8</td> </tr> <tr> <td>2019</td> <td>1.7</td> </tr> <tr> <td>2020</td> <td>1.4</td> </tr> <tr> <td>2021</td> <td>1.1</td> </tr> <tr> <td>2022</td> <td>0.8</td> </tr> <tr> <td>2023</td> <td>0.7</td> </tr> </tbody> </table>	Année	Volume (en milliers de kg)	2017	1.8	2018	1.8	2019	1.7	2020	1.4	2021	1.1	2022	0.8	2023	0.7
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5.2.3 SO 3 : Preserve biodiversity and optimize the use of natural resources through a circular economy

Jacarandas is committed to preserving biodiversity and optimizing the use of natural resources by adopting environmentally-friendly farming practices. We work closely with our local growers to promote sustainable farming methods that protect and enhance the surrounding ecosystems. By encouraging practices such as organic farming, crop rotation and the use of integrated pest management techniques, we help maintain soil health while reducing the negative impact on local flora and fauna. We also deploy reforestation and environmental preservation initiatives, notably through awareness-raising programs, to protect and restore natural habitats.

OUR ACTIONS

- Biodiversity diagnosis
- Organic farming and sustainable agricultural practices
- Preservation of natural ecosystems nearby or managed by the compan



OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
<ul style="list-style-type: none"> • Maintaining the the natural integrity forest included in the company's property in Nosy Be 	<ul style="list-style-type: none"> • 0 deforestation in the 50 hectares managed by Jacarandas.
<ul style="list-style-type: none"> • Carrying out a biodiversity diagnostic at the periodic intervals required by the Fair For Life/For Life standards 	<ul style="list-style-type: none"> • Knowledge of habitats, flora and fauna, and natural/semi-natural areas of high ecological value in and/or the vicinity of the company site.
<ul style="list-style-type: none"> • Promotion and dissemination of innovative practices to preserve biodiversity and ecosystems 	<ul style="list-style-type: none"> • Adoption an agropastoral practice in Nosy Be through the maintenance of ylang-ylang fields by sheep without threatening the flowers, a practice that creates a balance between nature and our activities. <div style="text-align: center;"> </div>

COMMITMENT VALUATION METHODS 1

- Annual carbon balance
- Measurement of energy consumption
- Measurement of water consumption
- Measuring the quantity of waste produced
- Internal control and external audit

ENVIRONMENTAL OUTLOOK

We will continue to intensify in the efforts already undertaken in reforestation, waste management and the use of renewable energies and technology watch, to optimize **our environmental performance**.

As part of our next initiatives, we are planning a partnership with **WindCoop**, a interest cooperative, in collaboration **with Zephyr and Borée**⁵.

As such, Jacarandas has already signed a letter intent to transport part of our goods by sea from 2025. This initiative will **reduce our CO2 emissions per TEU⁶ from 1.4 tonnes to 0.6 tonnes, a reduction of 60%**.



⁵Zéphyr & Borée is shipping company specializing in low-carbon ships, and a pioneer of modern sailing.

⁶TEU or Twenty-foot Equivalent Unit is a unit of measurement in which containerized traffic and container ship capacity are expressed. 1 TEU corresponds to 1 container 20 feet long (approx. 6.096 meters), 8 feet wide (2.438 m) and 9.5 feet high (approx. 2.7 m). The ships have space for 40-foot containers, on which it is possible to store two 20-foot units.

5.3 SOCIAL FACTORS

COMMITMENT 2

Offering our employees optimal working conditions based on good relations



The well-being of our employees is a top priority for Jacarandas. We are committed to providing them with a working environment that combines physical and mental well-being, while complying with health and safety standards.

We also value constructive dialogue with our employees and their representatives, encouraging their active participation and commitment. Open and transparent communication channels are in place to build a culture collaboration and trust.

Finally, the company is constantly striving to improve and maintain working conditions and benefits, while offering our employees opportunities for professional and personal development.



OS 4 :

Ensure a safe and healthy working environment, in compliance with health and safety standards



OS 5 :

Promote constructive dialogue with employees and their representatives to encourage participation and commitment



OS 6 :

Seek to continuously improve and maintain working conditions and employee benefits

OUR POLICIES AND PROCEDURES

SOCIAL POLICIES AND PROCEDURES	COMMITMENTS AND ACTIONS
JACI and JACSI CSR policy	Promotion of gender and age parity, training and skills management, career development, occupational health and safety, respect for human rights
Charter ethics and sustainable excellence	<ul style="list-style-type: none"> Respect and equitable treatment of employees, regardless of their origins, race, gender, political opinion, sexual orientation, and disabilities. Health and safety at work
Fair trade policy	Fair working conditions
Quality policy	Implementation of an Integrated Management System (IMS) and an Occupational Health and Safety System (OHS) in accordance with ISO 45 001.
Occupational health and safety policy	Compliance with OHS legal requirements, internal and external communication, risk identification and control, employee training

SOCIAL POLICIES AND PROCEDURES	COMMITMENTS AND ACTIONS
Rules of procedure	Compliance with health and safety Implementing rules for the proper use of equipment and infrastructure Respect for intellectual property and data confidentiality Prohibition of harassment and discrimination Respect ethics and integrity
Recruitment procedure	Definition of recruitment needs, preparation of job descriptions Setting up a system for selecting candidates, validating their applications and hiring them
Training procedure	Training needs definition and validation, training implementation, post-training evaluation
Complaints management procedure	Setting up a mechanism for filing, receiving, recording, processing and decision-making
Child labor procedure	Implementation of a process that includes prevention, management of non-conformity and corrective action
Staff appraisal procedure	Need evaluation, carrying out the evaluation, results and actions
Internal promotion procedure	Definition of recruitment needs, launch of the internal procedure, establishment of selection criteria, conduct of the interview and validation of the promotion.

OUR OBJECTIVES AND TARGETS

5.3.1 SO 4 : Ensure a safe and healthy working environment, in compliance with health and safety standards

Jacarandas offers regular safety training and carries out compliance audits to continually improve working conditions. This proactive approach enables us to guarantee every employee a safe environment conducive to professional fulfillment, while complying with local and international health and safety regulations.

OUR ACTIONS

- Compliance with legal requirements in terms of working conditions and health and safety.
- Promoting the employability of vulnerable women through employment opportunities
- Employee training to HACCP and ISO 45001 health and safety standards.

5.3.2 SO 5 : Promote constructive dialogue with employees and their representatives to encourage participation and commitment

We promote transparent communication at all levels, creating a climate of trust where everyone can express themselves freely on the issues that concern them. Through regular consultations, meetings, as well as formal and informal communication channels, we ensure that employees' concerns and ideas are heard and integrated into decision-making processes.

This commitment is reflected in election of employee representatives, who are responsible for representing the voice of employees to management. This system contributes to strengthening the sense of belonging and creating a more harmonious and collaborative work environment.

OUR ACTIONS

- Election of employee representatives
- Employee promotion via social networks (LinkedIn).
- Culture of daily open dialogue

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
Number of employees	<ul style="list-style-type: none"> • 47% of the Madagascar staff are women and 97.44% Malagasy nationality. • Employees in Tamatave are predominantly women, and mainly women in single-parent households.
Occupational health and management Accident and work-related mortality	<ul style="list-style-type: none"> • 23 workplace accidents in 2023 compared with 22 in 2022 • 272 employees (permanent and casual) were able to benefit from S.S.T. training in 2023.

OUR RE

THEMATICS	2023 ACHIEVEMENTS
Collective bargaining Internal communication	<ul style="list-style-type: none"> • Tamatave : 1 full delegate and 1 alternate for the supervisor and manager college / 2 full delegates and 2 alternates for the blue-collar and white-collar college. • Nosy Be : Establishment of open dialogue within plantation working groups.
Turnover rate	<ul style="list-style-type: none"> • 21.03% turnover, all departments and reasons combined.

5.3.3 SO 6 : Seek to continuously improve and maintain working conditions and employee benefits

In addition to the above, we have put in place initiatives designed to foster a fulfilling working environment, focused on the well-being of our employees. These initiatives include training programs, career development opportunities and additional benefits.

OUR ACTIONS

- Additional employee benefits.
- Calculation of a decent income⁷ and commitment to achieving it.
- Skills enhancement through training.
- Promoting internal career development.

VALUATION METHODS COMMITMENT 2

- Documentation and follow-up of HR files and data
- Employee satisfaction survey
- Periodic appraisal interview
- Internal control
- External audit
- ESG Committee meeting



OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS																		
<ul style="list-style-type: none"> • Additional benefits 	<ul style="list-style-type: none"> • Employees who benefited fringe benefits in 2023 : <ul style="list-style-type: none"> • Travel expenses : 18.8 • Fuel card : 13.68 • Reimbursement of medical expenses : 65.81 • Housing allowance : 11.97 																		
<ul style="list-style-type: none"> • Calculating a decent income⁷ • EMS compliance • Equal pay for men and women 	<ul style="list-style-type: none"> • Calculated living wage for 2023 : 490,881 Ar / forecast to achieve a living wage by 2028. • Starting salary/SME ratio : 1 • Male/female salary ratio : <table border="1" style="margin-top: 10px;"> <thead> <tr> <th style="background-color: #444; color: white;">Pro category</th> <th style="background-color: #444; color: white;">Ratio</th> </tr> </thead> <tbody> <tr><td>M1-1A</td><td style="text-align: center;">1,9</td></tr> <tr><td>M2-1B</td><td style="text-align: center;">0,48</td></tr> <tr><td>OS1-2A</td><td style="text-align: center;">1,45</td></tr> <tr><td>OS2-2B</td><td style="text-align: center;">0,7</td></tr> <tr><td>OS3-3A</td><td style="text-align: center;">0,34</td></tr> <tr><td>OP1B-4A</td><td style="text-align: center;">0,92</td></tr> <tr><td>OP2B-5A</td><td></td></tr> <tr><td>HC</td><td style="text-align: center;">-1,53</td></tr> </tbody> </table> • Slight disparity between men's and women's salaries. 	Pro category	Ratio	M1-1A	1,9	M2-1B	0,48	OS1-2A	1,45	OS2-2B	0,7	OS3-3A	0,34	OP1B-4A	0,92	OP2B-5A		HC	-1,53
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OP1B-4A	0,92																		
OP2B-5A																			
HC	-1,53																		
<ul style="list-style-type: none"> • Periodic employee appraisal • Career development within the company 	<ul style="list-style-type: none"> • Employees benefiting from career development in 2023 : <table border="1" style="margin-top: 10px;"> <thead> <tr> <th style="background-color: #444; color: white;">Type</th> <th style="background-color: #444; color: white;">Percentage</th> </tr> </thead> <tbody> <tr><td>WOMAN</td><td style="text-align: center;">3,42%</td></tr> <tr><td>MEN</td><td style="text-align: center;">2,56%</td></tr> </tbody> </table> 	Type	Percentage	WOMAN	3,42%	MEN	2,56%												
Type	Percentage																		
WOMAN	3,42%																		
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OUTLOOK

Jacarandas will continue to reinforce its actions in the field of labor relations and working conditions. The recently created HR department will be responsible for implementing HR policy, in order to :

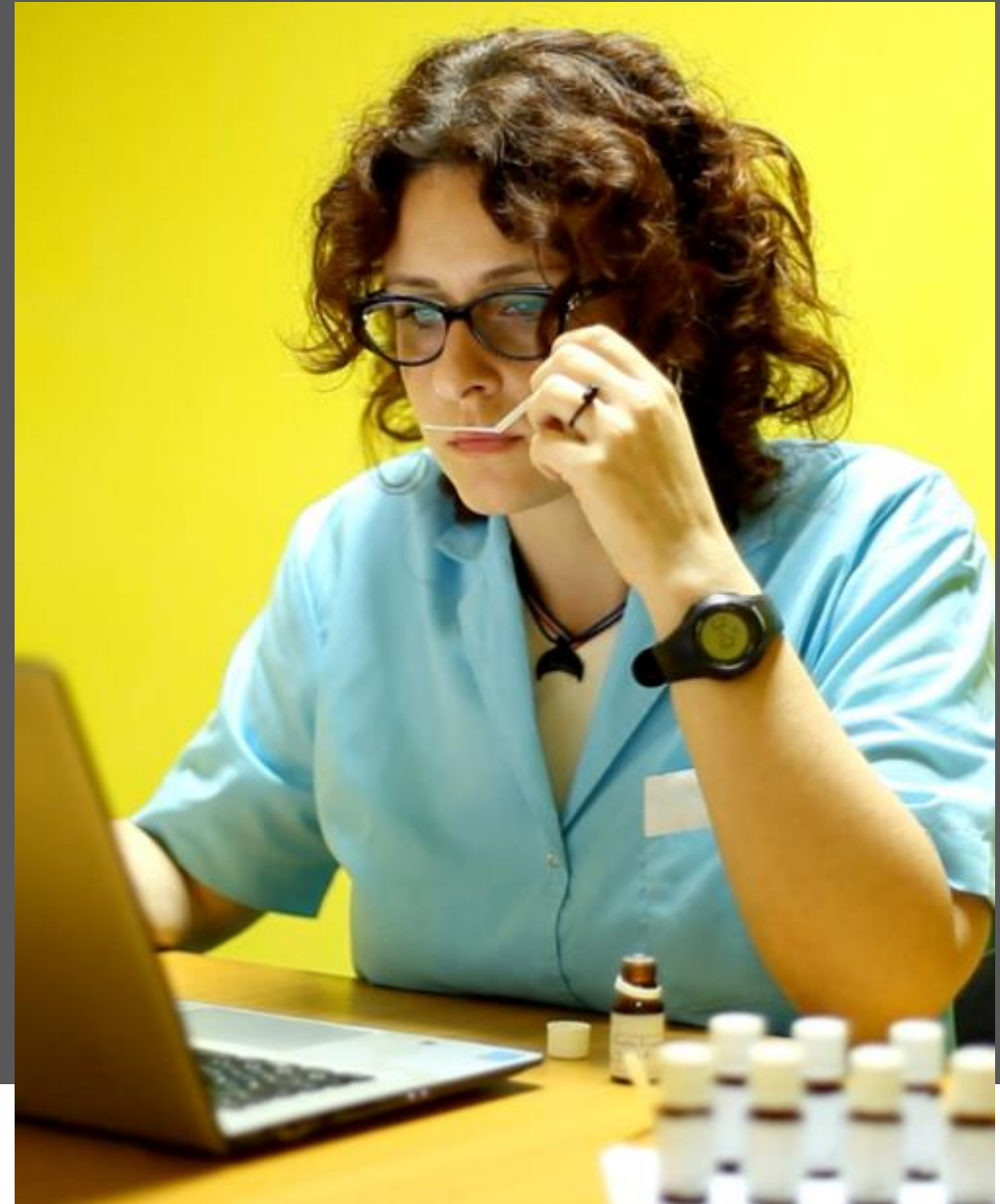
- **STUDY ALL POSITIONS READJUST JOB DESCRIPTIONS**
- **ESTABLISH SKILL ENHANCEMENT NEEDS**
- **ESTABLISH CAREER PLANS**
- **MAKE SALARY ADJUSTMENTS**

A migration to a more efficient health mutual is currently to offer a wider range of higher-quality services. At the same time, the decent income study will be continued and adjusted in line with political and economic developments in each intervention zone.

In addition, the company will continue support its employees financially at the start of the school year, by granting them exceptional advances to facilitate their children's schooling.

Finally, as part of its commitment to promoting optimal working conditions and harmonious relations, Jacarandas is planning to obtain SMETA (Sedex Members Ethical Trade Audit) certification. This international certification assesses working conditions, respect for human rights, employee safety and ethical management within the company and its supply chain.

By aiming for SMETA certification, we are reaffirming our commitment to ensuring a working environment in line with international standards, while continually improving our social practices.



COMMITMENT 3

Provide quality products that meet quality and safety standards in a transparent manner



Jacarandas ensures that all its products and services comply with the strictest safety and quality standards, thanks to rigorous control processes at every stage of production. The company attaches great importance to providing its customers with clear, precise and transparent information.

We also actively promote responsible and sustainable consumption practices, highlighting the benefits of products produced through eco-responsible processes.

MAIN OBJECTIVES



OS 7 :
Provide clear, accurate and transparent information about our products and services.



OS 8 :
Ensure that our products and services comply with safety and quality standards



OS 9 :
Encouraging responsible and sustainable consumption practices among our customers

OUR POLICIES AND PROCEDURES

SOCIAL POLICIES AND PROCEDURES	COMMITMENTS AND ACTIONS
JACI and JACSI CSR policy	Product compliance throughout the value chain.
Charter ethics and sustainable excellence	Product quality and customer satisfaction.
Quality policy	Implementation of an Integrated Management System (IMS) and a system in place with the Food Safety Management System (FSMS) (HACCP plan, ISO 22 002-1 prerequisite at the Tamatave plant).
Communication plan	Definition of information needs, collection and compilation of information, development of communication media and distribution.
HACCP manual	Manual defining prerequisites, scope application, product description and use, manufacturing diagram risk identification and analysis, procedures, etc. critical points, the monitoring system and the corrective measures to be adopted.
Product recall and withdrawal procedure	Definition of responsibility, identification of non-conformities, evaluation of the level of seriousness and withdrawal of the product if necessary, customer information and implementation corrective action.

OUR OBJECTIVES AND TARGETS

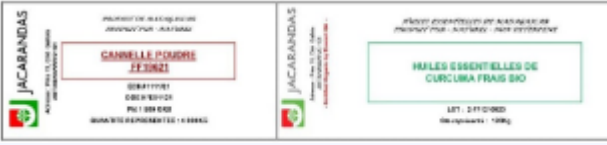
5.3.4 SO 7 : Provide clear, accurate and transparent information about our products and services

We comply with product labeling standards and ensure transparency traceability information.

OUR ACTIONS

- Compliance with product labeling requirements: composition, origin, conditions.
- Setting up an efficient traceability system.

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
<ul style="list-style-type: none"> Transparent information provided to customers 	<ul style="list-style-type: none"> 100% products have complete and detailed information available (composition, origin, environmental impact) 100% of jacaranda products are labeled with the associated standards (BIO, FFL, conventional). 
Company traceability system	<ul style="list-style-type: none"> 100% of Jacarandas products are fully traceable : production-processing-distribution

5.3.5 SO 8 : Ensure that our products and services comply with safety and quality standards

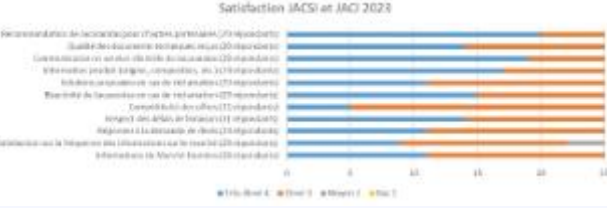
We are committed to ensuring that all our products and services meet the highest standards of safety and quality. To achieve this, implement rigorous controls at every stage, from the selection of raw materials final delivery, in compliance with BIO, FFL and HACCP standards.

Thanks to our certifications and internal verification processes, we guarantee safe, reliable products of superior quality.

OUR ACTIONS

- HACCP certification in 2023, confirming risk reduction and food safety assurance.
- Assessment of customer satisfaction with Jacarandas offers.

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
<ul style="list-style-type: none"> Product non-compliance with customer requirements Customer complaints and 	<ul style="list-style-type: none"> 13 customer complaints received and 100% processed. 0 products withdrawn or recalled
Customer satisfaction rate	<p>Satisfaction JACSI at JACI 2023</p> 

5.3.6 SO 9 : Encourage responsible and sustainable consumption practices among our customers

From the outset, we have been raising awareness and encouraging our customers to adopt responsible and sustainable consumption practices. This commitment is reflected daily on our LinkedIn page, where we share practical tips, information on certifications, and recommendations for products from sustainable and responsible agriculture.

Thanks to these initiatives, we encourage our customers to make informed, sustainable choices, thereby helping to preserve natural resources and protect biodiversity.

OUR ACTIONS

- Green and responsible products on the market.
- Commitment to follow strict standards of sustainable and responsible practices by maintaining various certifications

VALUATION METHODS COMMITMENT 3

- Customer satisfaction survey
- Engagement tracking dashboard
- Marketing data
- Internal control and external audit
- Certificate of conformity
- Periodic ESG Committee meetings

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
<ul style="list-style-type: none"> • Marketing and promotion of eco-responsible products • Promoting responsible consumption 	<p>PRODUCT RANGE (SEE 1.3) :</p> <ul style="list-style-type: none"> • 19 essential oils, 17 of which are available ORGANIC • 13 spices and ingredients, 10 of which are available in organic form (4 certified organic/FFL)
<ul style="list-style-type: none"> • Percentage of sales of eco-responsible products 	<ul style="list-style-type: none"> • Percentage of sales BIO-FFL/FL and BIO only : <p>JACI : 49.86% JACSI : 27.14%</p>



OUTLOOK FOR PRACTICES SALES

To guarantee the quality and safety of our products, as well as the satisfaction our customers, we will continue the efforts we have already made, particularly in terms of compliance with quality and safety standards. In particular, we plan to reinforce our traceability system by computerizing it.

At the same time, Jacarandas is evaluating the addition of new sustainable certifications, such as Naturland certification, a German standard dedicated to organic farming and social responsibility. This approach will enable us to broaden our specifications while raising the quality and safety standards of our products.



COMMITMENT 4

Having a positive impact on our local communities and partners



Jacarandas actively supports local initiatives and invests in social and environmental projects that benefit local communities. The company participates in reforestation programs, biodiversity conservation and the restoration of degraded ecosystems, while supporting projects aimed improving the quality of life of local populations.

Jacarandas also creates employment and training opportunities to strengthen local skills, particularly among the producers who supply the raw materials. This contributes to the professional and personal development of individuals in the regions where the company operates.

These social commitments testify to Jacarandas' determination to play a positive role in society, within the Company.

MAIN OBJECTIVES



OS 10 :
Support local initiatives and invest in social and environmental projects that benefit local communities and improve their quality of life



OS 11 :
Offer employment and training opportunities strengthen local skills



OS 12 :
Contribute to local economic development by generating employment and business opportunities that create decent incomes

OUR POLICIES AND PROCEDURES

SOCIAL POLICIES AND PROCEDURES	COMMITMENTS AND ACTIONS
JACI and JACSI CSR policy	A positive impact on local community development
Charter ethics and sustainable excellence	Maintaining healthy relations with local communities
Fair trade policy	Formalization of local communities' production activities, capacity building, improved living conditions, local investment
Quality policy	Creating positive impacts for local communities
HR procedure	Prohibition of child labor in the supply chain

OUR OBJECTIVES AND TARGETS

5.3.7 SO 10 : Support local initiatives and invest in social and environmental projects that benefit local communities and improve their quality of life

We actively support local communities by investing in initiatives that improve their well-being and living conditions. In collaboration with local development players such as CRS, GIZ, PIC and the World Bank, as well as several of our customers, including Yogi Tea and TMF, we develop projects tailored to the needs of local communities. These initiatives focus on environmental protection, contributing to sustainable and inclusive development.

OUR ACTIONS

- Environmental education.
- Support in the field of education.
- Material and infrastructure support for local producers.

5.3.8 SO 11 : Offer employment and training opportunities to strengthen local skills

We create job opportunities directly linked to our activities, particularly for cooperatives (management, inspection, nursery), while strengthening the skills of local partner producers. In collaboration with local cooperatives and small producers, we develop training programs tailored to their specific needs, covering topics such as BIO certification, FFL, financial education and environmental awareness.

These initiatives aim to increase their productivity, improve product quality and offer them better economic opportunities, while contributing to the sustainability of our supply chain.

OUR ACTIONS

- Creation of employment opportunities for cooperatives (managers, inspectors, nurserymen).

Several training themes are offered to partner producers : BIO training (good agricultural practices, good hygiene practices, traceability), FFL FL (fair trade, human rights, labor rights, respect for biodiversity), product quality, FBS (Farmer Business school)⁸, reforestation and environmental education, cooperative formalization.

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
• Support for community projects	4 projects supported in 2023 : <ul style="list-style-type: none"> • Schooling for the children of pink peppercorn farmers • Obtaining a pirogue to transport turmeric • Community reforestation • Setting up a nursery in Manakara
• Beneficiaries of projects	<ul style="list-style-type: none"> • 1068 people
• Budget allocated to supported community projects	<ul style="list-style-type: none"> • 19,865€ invested in community projects with the help of customer Yogi Tea, notably for reforestation initiatives.

OUR RESULT

THEMATICS	2023 ACHIEVEMENTS
• Direct and indirect job created at the communities	<ul style="list-style-type: none"> • 24 direct jobs created : managers, inspectors, nurserymen (cooperatives, JAC nurseries)
• Number of training offered at community level	<ul style="list-style-type: none"> • 8 training programs

5.3.9 SO 12 : Contribute to local economic development by generating employment and business opportunities that create decent incomes

We actively contribute to local economic development by generating business opportunities that guarantee decent incomes for local producers and workers. Through our commitment to Fair For Life (FFL) fair trade, we ensure transparent and ethical trading conditions producers. The FFL development fund, financed by a portion of profits, is invested in social and environmental projects that directly benefit local communities.

OUR ACTIONS

- Support and maintenance of cinnamon production by 510 households in the Manakara region, with the contribution of customer Yogi Tea.
- Improving the living conditions of 650 households in Brickaville by professionalizing turmeric, ginger and cinnamon producers, with the contribution of customer TMF.
- Contractualized commercial relations with producers and producer groups to ensure a long-term source of income (Fair For certification).

VALUATION METHODS COMMITMENT 4

- Internal and external audit of producers
- Commitment monitoring dashboard
- Internal control
- Field agent visit report
- Periodic ESG committee meetings

OUR RESULTS

THEMATICS	2023
Improved income for partner growers	<ul style="list-style-type: none"> • 44% increase in income for Brickaville farmers between 2018 and 2022 thanks to the adoption of organic practices and Fair For Life⁹ certifications. • Production up 51% in Manakara in 2021, but three successive cyclones in 2022 reduced revenues by 72%¹⁰. • Distribution of BIO and FFL quality premiums in additional income for certified producers.
FFL Development Fund	<ul style="list-style-type: none"> • Disbursement of 7,190€ in community development funds: construction a basic health center, dugout canoes, street lighting, construction of a bridge, support for the schooling of producers' children, storage shed, drinking water supply, training and skills development.
Commitment a living wage in supply	<ul style="list-style-type: none"> • Translating EMS to daily labor costs at grower level : 9,000 Ar/day.
Number of people who benefited of the FFL development fund	<ul style="list-style-type: none"> • 290¹¹ producers benefiting from the FFL development in 2023.
Other local economic development cooperations	<ul style="list-style-type: none"> • 2 cooperations with NGOs and associations for 6 projects : <ul style="list-style-type: none"> • Graine de vie (Fort Dauphin) : Eucalyptus citriodora project since 2022 and acacia and chili pepper project in 2023. • CRS (Brickaville): Training in agroecology, socio-organization, setting up nurseries, seed distribution.



⁹ TMF report April 2023
¹⁰ Yogi Tea Report July 2023
¹¹ ESG dashboard data

COMMUNITY DEVELOPMENT OUTLOOK

Jacarandas is committed to maintaining its partnerships with local development initiatives and aims to expand its collaborations with other entities.

With regard to relations with local producers, we will continue to apply measures guaranteeing fair trade relations, in particular those linked to Fair For Life (FFL) certification, thus ensuring the continuity of the development fund for local collective projects.

Between 2022 and 2023, the value of this fund quadrupled, thanks to customers' increased commitment to purchasing FFL-certified products. This growth opens up new opportunities for community development in Jacarandas' supply areas.



5.4 GOVERNANCE FACTORS

COMMITMENT 5

Respecting ethical values in all our practices



Jacarandas is firmly committed to ethical values in all its activities, adopting policies and practices that promote integrity and responsibility.

As a result, we have put in place rigorous measures to prevent and avoid corruption.

In addition, Jacarandas works closely with partners to ensure that they adhere to high standards of integrity and social responsibility. Regular audits and assessments are carried out to ensure that suppliers' practices comply with our standards.

These governance commitments illustrate our commitment to conducting our business ethically and responsibly, while promoting an environment of transparency, fairness and mutual respect.

MAIN OBJECTIVES



OS 13 :

Implement policies and procedures to prevent and combat corruption



OS 14 :

Adopt fair trade practices and respect competition rules



OS 15 :

Encourage our partners and suppliers to adopt responsible and ethical practices

OUR POLICIES AND PROCEDURES

GOVERNANCE POLICIES AND PROCEDURES	COMMITMENTS AND ACTIONS
JACI and JACSI CSR policy	Anti-corruption policy and management commitment allocate the necessary resources to implement the policy
Charter ethics and sustainable excellence	A corporate culture based integrity, people and excellence, responsible accounting and competitive practices avoidance of conflicts of interest, and respect for the environment political neutrality
Quality	Setting up a supplier charter and
Code of conduct Ethical Trading Initiative (ETI)	Prohibition of forced labor, promotion of freedom of association, respect for health and, prohibition of child labor, respect for the minimum wage, limitation of working hours, prohibition of all forms of discrimination, guarantee of a regular employment relationship.
Partner ethics charter	Respect for labor rights (including the fight against forced labor and child labor), non-discrimination, freedom of association and the right to a living wage, health and safety, and the right to work safety, reduced environmental impact, ethical practices regarding confidentiality and gifts

OUR OBJECTIVES AND TARGETS

5.4.1 SO 13 : Implement policies and procedures to prevent and combat corruption

We have a zero-tolerance policy towards illegal or unethical practices, such as corruption and bribery, which are totally at odds with our corporate culture.

To reinforce this commitment, internal control mechanisms have been put in place, including training in professional ethics and anti-corruption. The aim of these initiatives is to make all employees and partners aware of the importance these fundamental principles

OUR ACTIONS

- Raising awareness of the fight against corruption.
- Creation of the Ethics and Excellence Charter highlighting the company's corporate culture based on 3 pillars : integrity, employees and excellence.
- Participation m Ecovadis assissent since 2021.

5.4.2 SO 14 : Adopt fair trade practices and respect competition rules

We are committed to fair business practices and strict compliance with competition rules. We are committed to conducting our business transparently, fairly and in compliance with competition laws, to fair market conditions for all our partners.

This approach is based on respect for ethical principles in our relations with customers, suppliers and competitors, and on promoting transparency in our business transactions. Since 2021, the integration of fair trade for part of our production, via Fair For Life and For Life certifications, illustrates our commitment to fairness and responsibility in our supply chain.

OUR ACTIONS

- Adoption a fair trade and social responsibility approach in the chain Fair For Life/ For Life since 2021.
- Promoting local sourcing

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
• Anti-corruption training	<ul style="list-style-type: none"> • 100% of employees trained in the fight against corruption.
• Census of proven cases of corruption	<ul style="list-style-type: none"> • 0 cases of corruption detected in the entire value chain. • 0 convictions for corrupt practices.

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS								
Partnership with SMES	Percentage of purchases from SMEs: <ul style="list-style-type: none"> • Spices : 73% • Essential oils : 35% 								
Fair trade and Fair For Life certification	<table border="1"> <thead> <tr> <th>Company</th> <th>Jacarandas SARL</th> <th>Jacarandas International</th> <th>Jacarandas Spices and Ingredients</th> </tr> </thead> <tbody> <tr> <td>Evaluation FFL</td> <td>75%</td> <td>70%</td> <td>72%</td> </tr> </tbody> </table>	Company	Jacarandas SARL	Jacarandas International	Jacarandas Spices and Ingredients	Evaluation FFL	75%	70%	72%
Company	Jacarandas SARL	Jacarandas International	Jacarandas Spices and Ingredients						
Evaluation FFL	75%	70%	72%						
Supplier payment terms	15 Days								
Fair competition	<ul style="list-style-type: none"> • 0 legal action for anti-competitive behavior. 								

5.4.3 SO 15 : Encourage our partners and suppliers to adopt responsible and ethical practices

We ensure that our suppliers meet high standards terms of ethics, sustainability and human rights, by submitting commitment charters to them. By signing a dedicated ethics charter for partners and rigorously monitoring their compliance, we ensure that our business partners share our values and are aligned with our societal commitments.

OUR ACTIONS

- Participation Ecovadis assistent since 2021.
- Adoption and implementation of the partner ethics charter

VALUATION METHODS COMMITMENT 5

- Internal control
 - Commitment monitoring dashboard
 - External audit
- Regular ESG Committee meeting

OUR RESULTS

THEMATICS	2023 ACHIEVEMENTS
Purchases for which a criterion environmental, social societal requirements	<ul style="list-style-type: none"> • Essential oils : 100%. • Spices : 44
Annual publication of the sustainability report	<ul style="list-style-type: none"> • First publication in 2023 
Our social responsibility certifications (Ecovadis, Smeta, FFL, Bcorp, etc.)	
Integrating partners into the social responsibility	<ul style="list-style-type: none"> • 20% of suppliers have signed the partner ethics charter. • 5 partners have signed the partner ethics charter : AQMC, LEXVA, PHYTOCONTROL, PRIMORIS, PYRESSENCES.



GOVERNANCE OUTLOOK

We plan to strengthen our existing procedures, particularly with regard to human rights and anti-corruption policies.

STRENGTHENING ETHICAL GOVERNANCE

To strengthen our ethical governance and compliance with international standards, we will be setting up an Ethics to oversee ethical practices and ensure compliance with standards. This committee will be responsible for the ongoing assessment of anti-corruption policies and business practices. In addition, regular training on anti-corruption policies, competition rules and international ethical standards will be provided to employees and partners. These initiatives are aimed at consolidating the company's culture of integrity and ensuring rigorous compliance with global ethical standards.

DUE DILIGENCE AND RISK ANALYSIS

To strengthen risk management and ensure rigorous compliance, Jacarandas will regularly carry out in-depth analyses to identify and assess ethical and compliance risks in all its operations. Based on these analyses, corrective action plans will be drawn up and implemented to remedy identified risks, with monitoring and evaluation mechanisms to ensure the effectiveness of the measures adopted. These initiatives will enable us to maintain a high level of integrity and reduce the risks associated with its business practices.

STRENGTHENING ETHICAL AND RESPONSIBLE COMMITMENT

As part of our commitment to sustainable and ethical practices, we are considering obtaining UEBT (Union for Ethical BioTrade) certification. This certification will attest that sourcing practices are carried out in a sustainable manner, with a positive impact on biodiversity and well-being of communities. By pursuing this certification, we will reaffirm our commitment to maintaining a supply chain that respects the environment and the rights of local communities, while meeting the growing expectations of markets in terms of ethics and sustainability.

