

Strategy for « Ethical Sourcing »



Values / Missions / Actions

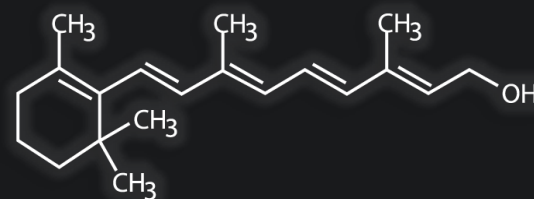
PURCHASED AND PROCESSED PRODUCTS AT PAYAN BERTRAND



130 Botanical sources*



435 Natural products*



Without forgetting the aroma chemicals...
Less transparent...

928 synthetics references* !



51 Countries



More than 120 Suppliers*

*Data over the past 5 years.

KEY VALUES

➤ Understanding

- To describe the organisation of the supply chain.
- To understand processes
- To consider difficulties, challenges and obstacles that we may face
- To reinforce traceability, a key method for obtaining information and verification.

➤ Transparency

- Collaboration/ transversality
- To create synergies between our suppliers, customers, several internal divisions, research institutes, NGOs,...

➤ Patience

« ETHICAL SOURCING » STRATEGY

Main objectives :

- 1 To strengthen and capitalize on our knowledge of products and their supply chain information.
- 2 To get involved in our supply chains
- 3 Close cross-collaboration between Payan Bertrand departments in order to ensure the sustainability of our activity
- 4 To include Sourcing as a key part of our CSR Policy





1

To strenghten and capitalize
on our knowledge of our
products and their supply
chain information



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To go to the source of production and meet the key players of the supply chain



To ensure the security of our purchasing



To understand the challenges related to our products



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Journeys into local issues

A few examples...

Osmanthus China:

To discover the beginning of our supply chain, from the first stages of flowers production and transformation to the concrete and elements that influence the quality of our specialties...

India :

Participation to IFEAT Study Tour in order to have a global vision of Indian industry, its major players and wide variety of products.

Ambrette Peru :

Major supplies come directly from the origin. Our visit into the heart of production in order to understand local issues and to ensure that production methods comply with our environmental and social requirements. Exchanges to share our philosophy of increasingly responsible commerce.

Myrrh and Olibanum Somalia :

Supplies from the Horn of Africa mainly sourced in Somaliland. Exchanges to improve commercial relations, reinforce traceability and understanding of qualities.





2

To get involved in our supply chains



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VARIOUS TYPES OF INTEGRATION STEPS WITH OUR SUPPLY CHAIN DIRECTED TOWARDS ON A RESPONSIBLE PURCHASING STRATEGY

Sharing business philosophy with our suppliers

- Flouve (Hay) France
- Algae France
- Violet France
- Ambrette Peru
- Osmanthus China
- Cardamom Guatemala
- Franckincense, Myrrh Somalia
- ...

Key players in our supply chain

- Helichrysum Bosnia
- Rose Grasse
- Orris Italy
- Elemi Philippines
- Tolu Colombia
- ...

Turning to the origin

- Pepper Madagascar
- Benzoin Siam
- Tonka Brazil
- Broom Italy
- Morocco products
- Egyptian products
- ...

Common projects on a supply chain

- Peru balsam El Salvador
- Styrax Honduras
- Ylang-Ylang Comoros
- Vetyver Haïti
- Patchouli Indonesia
- Sandalwood Amyris Dominican Republic...

Complete integration via our sister company

- Patchouli Indonesia
- Vetyver Indonesia
- Nutmeg Indonesia
- Benzoin Sumatra
- ...

Strategies adapted to specific circumstances

A few examples....

Orris Italie

Tripartite collaboration to combine production and transformation know-how around an emblematic product of perfumery on its historical territory.

Helichrysum Bosnia Herzegovina

Partnership at the origin in order to tackle the issue of wild helichrysum scarcity and to ensure a good transition to organized production.

Styrax Honduras

Active participation in a NRSC collective project since 2011, aiming to improve the structure of the whole supply chain: traceability, biodiversity preservation, improvement of tappers incomes,... Collaboration with the German Cooperation Agency (GIZ) and the Honduran Foundation for Agricultural Research (FHIA).

Indonesia

Country where we have been established since 2010 through our subsidiary P.T. GENERAL AROMATICS whose first mission is to develop a responsible sourcing supply chain. The essential oils of Patchouli, Vetyver, Nutmeg and Benzoin that we offer are the result of a continuous improvement on respectful collaborations with local communities.



A close-up photograph of a person's hands holding a plant with a dense, fibrous root system. The plant has long, green, blade-like leaves. The background is a solid dark green color.

3

Close cross-collaboration between Payan Bertrand departments in order to ensure the sustainability of our activity



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SOURCING

Connecting various departments



A man wearing a dark hat and a plaid jacket is bent over, working in a field of dense green plants. The background shows a forest with tall trees. The image is overlaid with a semi-transparent dark green layer.

4

To include Sourcing as a
key part of our CSR Policy



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SOURCING

Corner stone of our CSR strategy

Purchases represent an average of between 50 and 60% of a company's turnover in our industry.

- A major economic key impacting many stakeholders
- An economic lever to assist market evolution.





Creative by Nature

www.payanbertrand.com