

**2021
Sustainability
report**

**Authentic
Products**



CONTENTS

1	Introduction	05
	Laurence Cailler	09
	Gigi Chan Hoi Mi	11
	Source, a sustainable program	12
	Vision, Mission, Values	14
	Decarbonizing the vanilla sector	18
	Key figures	22
2	Authentic Products	25
	History	26
	Vanilla & control of its preparation	28
	Technical facilities & quality compliance	32
	The different ranges	39
	Aromatic characteristics	44
3	Source, a sustainable program	47
	One program, many commitments	48
	Access to education	54
	Climate commitment	60
	Development aid & local populations	67
	Quality demands – product excellence	75
4	Sustainable projects	79
	Savanille	82
	Bio Andapa	85
	Mahadera	86
	Authentic Vanille	89
	Tsara Kalitao	90
5	Prospects and targets	93



L. **INTRODUCTION**



Authentic Products was established in 2005. It was co-founded by two women, Ms. Gigi Chan Hoi Mi and Ms. Laurence Cailler.

Gigi was born in the SAVA region of Madagascar and grew up among vanilla producers. Her parents were vanilla collectors and preparers, and passed on all their know-how to her. She has nearly **30 years' experience in the world of vanilla** and works in her native country where she heads the subsidiary Authentic Products Madagascar.

As for Laurence, she has **nearly 30 years' experience in international vanilla marketing**. She heads the parent company Authentic Products, based in the Bordeaux region of France.

Working together, Gigi and Laurence offer their customers a short supply chain and a rigorous selection of high-quality products. **Their ethical approach, along with their solid experience of the entire sector, positions them as trailblazers in sustainable development. Their actions since 2005 demonstrate their strong and resilient determination to bring responsible practices to the entire sector.**

LAURENCE CAILLER



This past year has seen increased awareness in our societies of issues they had already been around for too long: climate change, deforestation, a decline in biodiversity, social inequalities, the dichotomy of producer countries and consumer countries along the North-South axis.

After 10 years working hand in hand with my Malagasy friend and business partner Gigi, we decided to strengthen our ties and create Authentic Products in 2005. **Authentic Products is not just a simple link between its co-founders, it is also a close and solid link between vanilla producers and users.**

As women, mothers, business leaders, we share common values. **Since 2005, we have fully invested in the application of our human, social, economic and environmental convictions: respect for men and women, education of young people, technical training, health, improvement of living conditions for producers and rural communities, increased producer resilience to instability in the vanilla sector, securing durable production to offer our customers a high-quality, responsible and traceable supply.** It's a hard task and the road is long, but our first 16 years of existence have not

weakened our commitment or our resolution. Our convictions are an integral part of our DNA.

To go “Faster, higher, stronger”, we need your help to make a difference, to change the way we produce and consume, to act with justice and fairness. Some of you are already supporting us, but we call on all of you – artisans, chefs, pâtis-siers, chocolate and ice-cream makers, aroma and food processors – to join us. The saying that “Unity is strength” has never been truer than it is today.

We are more “doers” than “talkers”, enthusiasts who have always preferred action in the field over communication. But times are changing in this respect, also. We are therefore pleased to present and share, with all lovers of this magnificent and noble spice, our approach, our actions, our results and our ambitions.

Wishing you all an enjoyable read.

GIGI CHAN HOI MI



My long-time friend and business partner Laurence and I **share the same values and the same passion** for vanilla. This extraordinary spice has been part of my life since I was very young, as I was born in Antsirabe Nord among the planters and preparers and alongside my parents, who had already mastered all the stages of vanilla preparation. It was only natural that, 30 years ago, I made this passion my profession.

Over the years, I have seen a drop in the quality of the pods, linked in particular to deterioration of the plots and their environment: slash-and-burn farming, deforestation, soil erosion and climate change.

Because we care about the long-term future of vanilla in Madagascar and its quality, we need to support the training of planters in all aspects of their life and their profession. It is true that over the past fifteen years we have built wells, refurbished and fitted out classrooms as well as a primary school, provided our support to women, helped with crop diversification, set up nurseries and distributed seedlings of a wide range of species, and this work continues. But it's not enough, in my view.

So, with significant support from our business partners, we both set ourselves a great challenge: to receive, train and educate young people, boys

and girls, children of planters and the agricultural producers of the future in my region of SAVA. The Mahadera Agricultural Training Center (of which we are very proud) opened its doors in 2020 and already has 77 students, soon to be more than a hundred. The 3-year training course covers the theory, but above all its practical application to all agricultural production that can be carried out in this region, up to and including agroforestry. **We wanted to move away from the “scattered” approach to sustainable development, by putting the emphasis on a real and lasting commitment to regional agriculture.** We therefore created the Mahadera NGO for 99 years.

The parents of these young people trust us to provide them with the training they will need to face the major challenges of the coming years, so that they can live with dignity from their profession and their work. We will do everything in our power to live up to this trust. And **we welcome all those who would like to contribute to our ongoing project.**

SOURCE, A SUSTAINABLE PROGRAM

Madagascar is one of the poorest countries in the world. It is also famous for its vanilla production, which represents more than 80% of world supply. **Madagascar's vanilla producers derive most of their income from it, with vanilla alone accounting for up to 90% of their profits.**

This lack of diversification in cash-crop production has many negative effects: severe educational deprivation, pressure on natural resources, loss of biodiversity, etc. Added to this are the shortcomings in the education system in Madagascar. Household income is sometimes insufficient to pay the costs of primary schooling, or accommodation and transport for secondary studies.

Faced with this observation, **Gigi and Laurence decided to undertake long-term work to improve the living and housing conditions of vanilla producers and their families.**





VISION, MISSION, VALUES

Producing outstanding vanilla that benefits everyone. This vision is the origin of all Authentic Products' CSR commitments. To achieve it, various pillars have been prioritized, in particular the **promotion of education, access to basic services for the population, and the safeguard of biodiversity through the sustainable cultivation of Madagascar vanilla.**

Authentic Products' values reflect the Group's social and environmental commitments, but also the great friendship between its two founders, which represents the cornerstone of the company.



The daily life of the company thus revolves around 4 values: respect, support, hard work and honesty.

Respect is at the heart of the company's operation. **The cultivation of Madagascar vanilla cannot take place without the trust and mutual respect of the producers.** It should never be otherwise. Support is what has sealed the friendship between Gigi and Laurence for 26 years. Coming from different cultures and different countries, they have been able to work together to apply their shared convictions.

This has only been made possible through hard work and ancestral expertise in cultivating Madagascar vanilla. It has not been without effort, without difficulties, without disappointment at times, but the passion and commitment remain. Finally, what use are commitments without authenticity and transparency? **The vanilla sector is complex and fragile. Insecurity for producers, poor access to education, the precarious situation of women, deforestation: these are all challenges to be taken up. From the start, Authentic Products has been honest about the real situation of players throughout its value chain.**

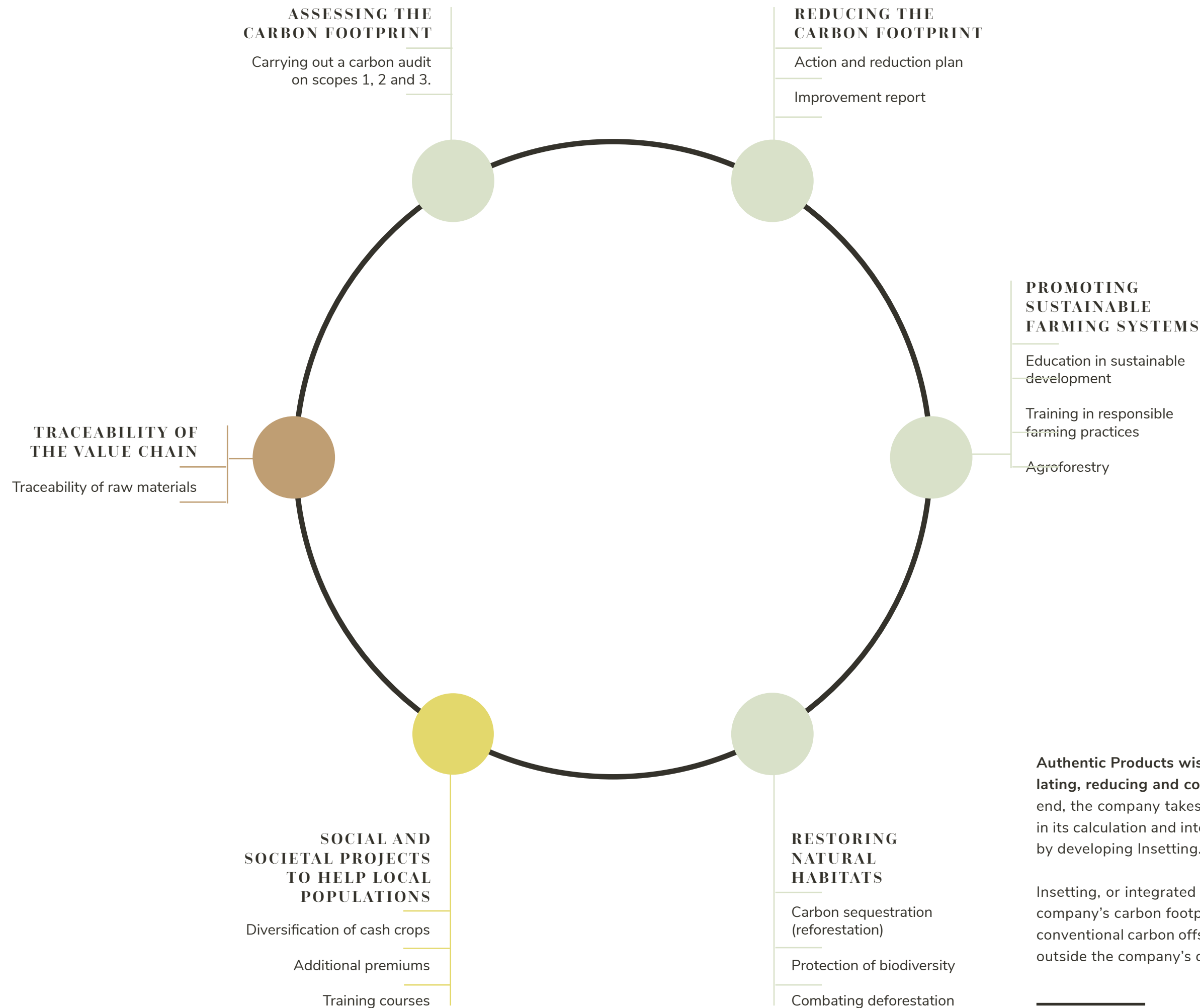


DECARBONIZING THE VANILLA SECTOR

Authentic Products aims to produce vanilla with a controlled and reduced carbon impact. This is achieved through the development of social and environmental projects integrated into the company's value chain. To this end, Authentic Products promotes **sustainable farming systems, restores natural habitats and develops social and societal projects to help local populations.**

These actions form part of an Insetting program aimed at **assessing the company's carbon impact, reducing its greenhouse gas emissions and compensating for them by planting trees** in its own value chain.





Authentic Products wishes to engage in a process of calculating, reducing and controlling its carbon footprint. To this end, the company takes into account all of scopes 1, 2 and 3 in its calculation and intends to give credibility to its approach by developing Insetting.

Insetting, or integrated carbon offsetting, means offsetting a company's carbon footprint within its own value chain, unlike conventional carbon offsetting, in which projects are generally outside the company's direct sphere of influence.

KEY FIGURES

10%

of the world market, per year

77%

of our sales on export markets

25%

of the vanilla is certified organic

5 hectares

of plots dedicated to agroforestry

4000 m²

of drying area

10%

of production for the gourmet sector

90%

of production for the industrial sector

5

sustainability programs, covering 99 villages

6117

member producers

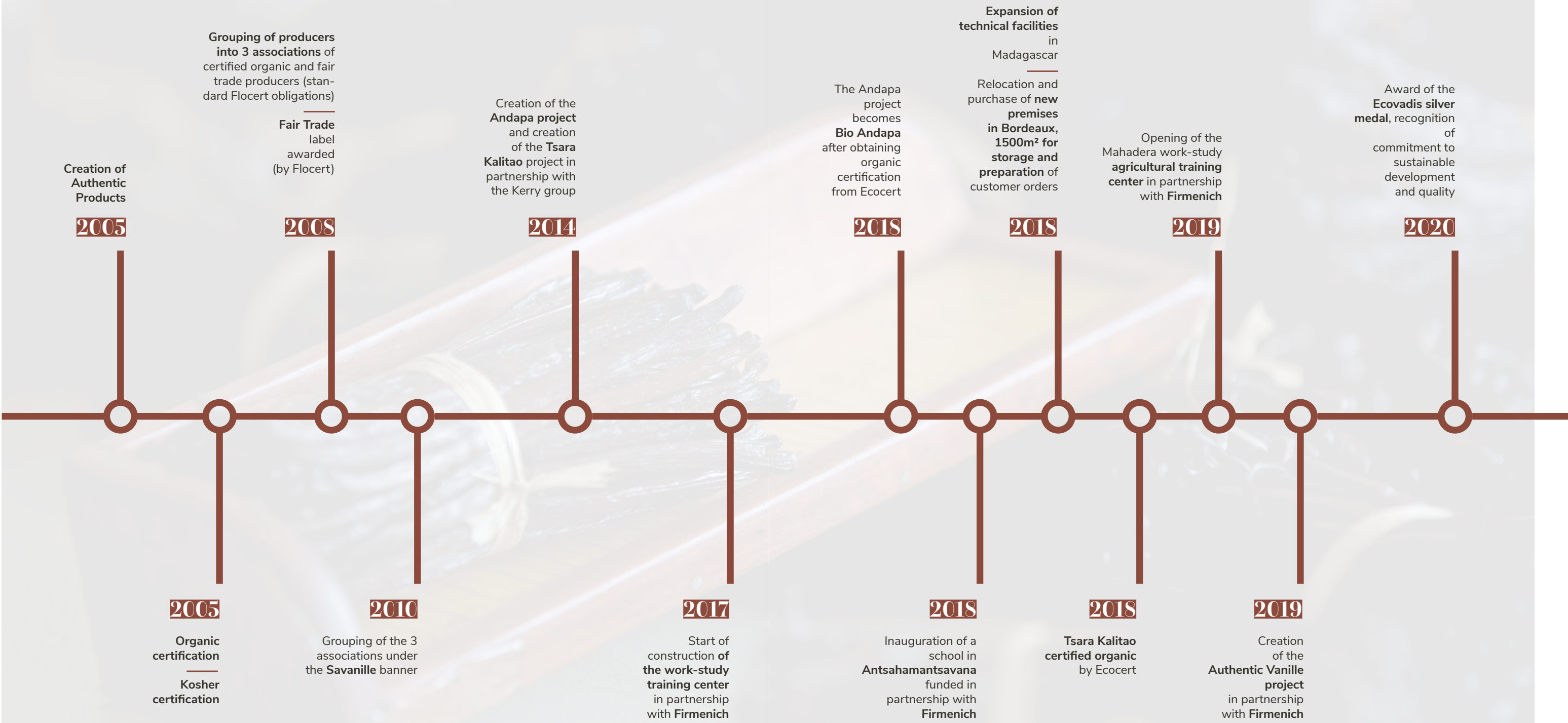
898 hectares

certified organic

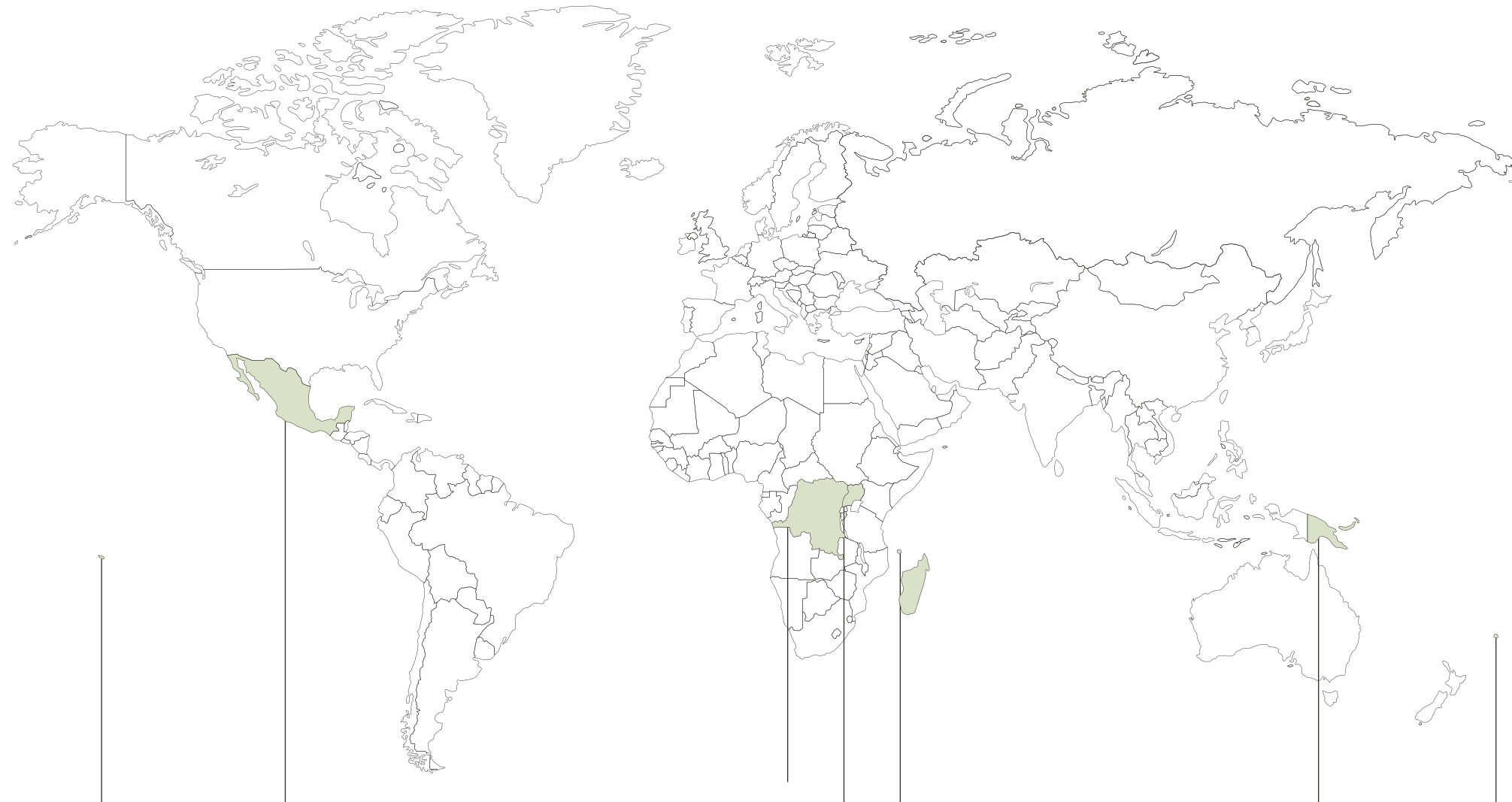


2. AUTHENTIC PRODUCTS

HISTORY



VANILLA



FRENCH POLYNESIA - TAHITI

Tahitensis species

Cultivated on the islands of Raiatea, Tahaa and Bora-Bora, so-called Tahitian vanilla is one of the most popular vanillas in the world. Tahitian vanilla is very fleshy, very broad and of matte appearance. Production volumes are limited.

MEXICO

Planifolia species

Mexico is the historic birthplace of vanilla. It is mainly cultivated in the eastern coastal and mountainous region of Mexico: Totonacapan. Production volumes are limited.

CONGO (DRC)

Planifolia species

The Democratic Republic of Congo straddles both sides of the equator. The prevailing climate is equatorial, hot and humid all year round.

UGANDA

Planifolia species

Uganda benefits from two rainy seasons and two vanilla harvests in January and July (the main crop). This vanilla is often recommended for savory uses.

Uganda is the 3rd largest vanilla producer in the world, and most of its production goes to the United States for processing.

COMORO ISLANDS

Planifolia or fragrans species

Bourbon Vanilla

Made up of 4 islands: Mayotte and three independent islands, Mohéli, Grande Comore and Anjouan, which form the Union of the Comoros. Vanilla from Comoros is broad, flat and often has a high vanillin content.

PAPUA NEW GUINEA

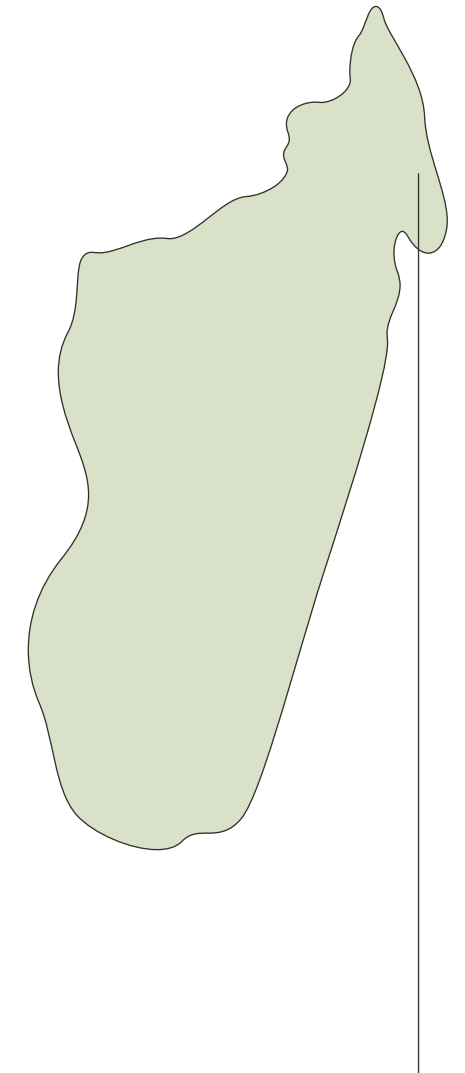
Tahitensis and Planifolia species

New Guinea is unusual in that two botanical species are cultivated here, Tahitensis and Planifolia. Papua New Guinea and its neighbor Indonesia together form the world's second largest vanilla producer.

TONGA

Planifolia species

The islands making up Tonga are located in Polynesia, to the south-east of Fiji. Vanilla is one of the country's cash crops. The species cultivated is Vanilla planifolia. It is brown in color with a glossy pod.

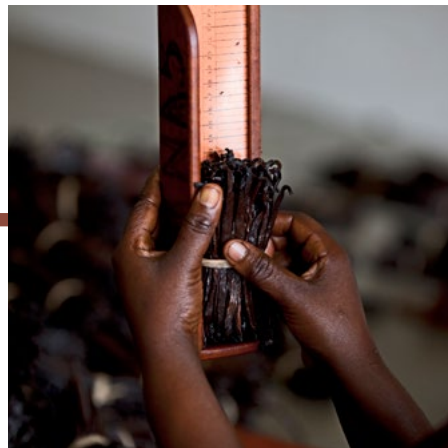


MADAGASCAR

Planifolia species Bourbon Vanilla

Madagascar is the world's leading vanilla producer (over 80%). Production is concentrated in the SAVA region (Sambava, Antalaha, Vohemar, Andapa) in the north-east of the island.

CONTROL OF PREPARATION



THE PLANT AND FERTILIZATION

Vanilla is a climbing plant of the Orchid family and is native to Central America. It is essentially an undergrowth plant that needs enough shade to avoid direct sunlight on the leaves and stems. The flowers appear in clusters and are then pollinated manually with a needle or thorn. Vanilla requires a rich, well-drained soil to limit diseases such as phytophthora and fusarium.

9 months

SCALDING AND SWEATING

Immersion of the vanilla pods in water at around 60°C. This step kills the vegetative tissue of the pods. After 24 hours, the pods are more flexible and their color is chocolate brown. Scalding breaks down vanillin precursor molecules. Sweating allows hydrolysis of glucovanillin by glucosidases, transforming it into vanillin.

3 minutes

SUN DRYING

The vanilla pods are exposed to the morning sun for 3 to 5 hours a day for about 10 days. They are turned during this process, so that they dry evenly. During sun drying, part of the vanillin breaks down into different constituents that contribute to the development of the complex aromatic bouquet of vanilla.

10 days

SHADE DRYING

The vanilla pods are then placed on racks in airy, ventilated warehouses. They are turned and checked daily.

2 months

SORTING

The vanilla pods are sorted according to their moisture content, color and quality. The more moist a vanilla, the darker, suppler and fleshier it becomes. Conversely, the drier the pod, the more its color changes to reddish hues.

CONDITIONING AND GRADING

After sorting by quality, the pods are stored in closed boxes. During this period, the aromas intensify and mature. The pods are checked each week, to rule out any potential defects. They are then sorted again by quality, measured and then grouped into uniform bundles for sale.

3 months

TECHNICAL FACILITIES & QUALITY COMPLIANCE

Vanilla requires technical facilities suited to each stage of its preparation. Authentic Products Madagascar has 5500m² of warehouse space suitable for preparation and storage under the best conditions. In addition, the Madagascar subsidiary has access to large outdoor spaces to allow perfect sun drying.

Authentic Products Madagascar applies the HACCP system to its vanilla preparation process. Authentic Products France has a solid quality organization in place and is aiming for FSSC 22000 certification in 2021.

Throughout the process, from receipt of vanilla pods in the warehouses in Madagascar through to shipment to customers, **Authentic Products ensures the food safety of its products, first in Madagascar and secondly in France when the product passes through Bordeaux. Particular attention is paid to microbial, chemical and physical hazards.** Metal detection and pesticide and microbiological analyses are carried out by accredited European laboratories. Physico-chemical analyses are also carried out externally.



HYGIENE TRAINING

Putting good hygiene practices in place is essential to avoid any risk of contamination. This is achieved by training staff in these practices: hand washing, appropriate clothing, cleaning of premises, disinfection of equipment. Authentic Products Madagascar also organizes hygiene awareness-raising sessions with producers, members of the sustainable development programs.

In addition to good hygiene practices among the staff, **two other systems are in place to ensure the quality and traceability of the vanilla.** The first system concerns certified organic and fair trade vanilla: the collector has a purchase day book as well as a collector's log. A delivery note is then sent once the goods have been received by Authentic Products. Likewise, during scalding, a scalding log is kept for green vanilla along with a stock card for prepared and bulk vanilla. To certify proper conditioning of the vanilla, an export sheet is drawn up before the vanilla is shipped.

The second system only applies to the Authentic Vanille project for which **the traceability process is the same but in digital format.** This traceability system is not used for organic and fair trade vanilla as it is still only in the pilot stage.



3
hygiene training
courses





TRACEABILITY

In addition to monitoring and paying attention to the quality and safety of its products, **the Group has been developing and intensifying the traceability of its vanilla since 2005.**

The traceability system, subject to a third-party audit, was initially based on the purchase of certified organic and/or fair trade products.

In 2019, Authentic Products wanted to go even further and a new project was born: Authentic Vanille. Not subject to certification, this project concerns conventional vanilla, which it will be possible to trace from purchase from the producers through to delivery to the customer.

This traceability is made possible through a partnership with **Firmenich**, which has developed its own digital traceability tool.

The ultimate goal is to be able to source all conventional vanilla purchases through the Authentic Vanille project, to offer customers high-quality, ethical and traceable products.

The digital tool also makes it possible to register social, economic and environmental data collected from producers, to allow detailed analysis of the needs and deficiencies specific to each production area.



THE DIFFERENT RANGES

10%

of production for the gourmet sector

90%

of production for the industrial sector

Vanilla pods come in different grades. These are not based on the origin of the pods but on their classification according to their moisture content. Each pod reacts differently during the different preparation stages, and will be more or less dry than another. The quality of vanilla offered to our customers varies depending on what use they will make of it.

Black or gourmet vanilla

Black vanilla differs from other qualities by its moisture content. Black quality (the most expensive) is that used by Chefs. Supple and fleshy, it is easy to split. Its color is completely black, chocolatey, with no blemishes or color variation.

TK vanilla is chocolatey black in color and may have some reddish streaks. It is appreciated by packagers who sell this product in pod form. They prefer the higher number of pods per kilogram that it offers.



UNSPLIT BLACK VANILLA

Moisture content: greater than 30%



Red vanilla

“Red” or “Extract” quality vanilla is mainly intended for the flavoring and cosmetic industries. Various processes (ethanol-water extraction, CO₂ for example) are used to extract the aromatic components of the vanilla. This vanilla has a moisture content of 20 to 25%, giving it its more reddish color. The main concern in industry is to have as much material as possible to extract, which is why it favors a drier vanilla with a greater number of pods per kilogram.



RED VANILLA

Moisture content: 20 to 25% for Europe and less than or equal to 20% for the United States

CUTS

Moisture content: less than 20%

Cuts

This quality is essentially made up of short vanilla (8-10cm) with a low vanillin content, but also pods that showed defects on sorting (broken or flabby vanilla). In times of crisis, some may offer vanilla picked before ripeness as cuts. Authentic Products prefers not to buy unripe vanilla as it encourages poor harvesting practices and results in a significant drop in the final quality of the product. In addition, the lower price paid to producers for these unripe pods reduces their income.

These vanillas go mainly to the flavoring industry, particularly in the United States, where legislation differs from that in Europe. Europe puts the emphasis on vanilla with a good vanillin content. United States legislation, on the other hand, is based on the use of a defined weight of pods for a given volume of finished product.

Vanilla powder

Vanilla powder is simply ground whole vanilla (pod and seeds). It has the typical vanilla aroma, and may have slight “roasted” notes depending on the production process.

It is recommended for biscuit or chocolate makers, as it is easy to measure out and use as a replacement for the vanilla pod in recipes.



Spent vanilla powder

Spent vanilla powder is made only from already used (“spent”) pods.

Spent vanilla powder is considered a by-product and cannot legally be sold as vanilla powder. Its cost is much lower, but it consists only of residues that lack organoleptic quality. This product has very little flavor and serves only as a visual marker in finished products.



Vanilla extract

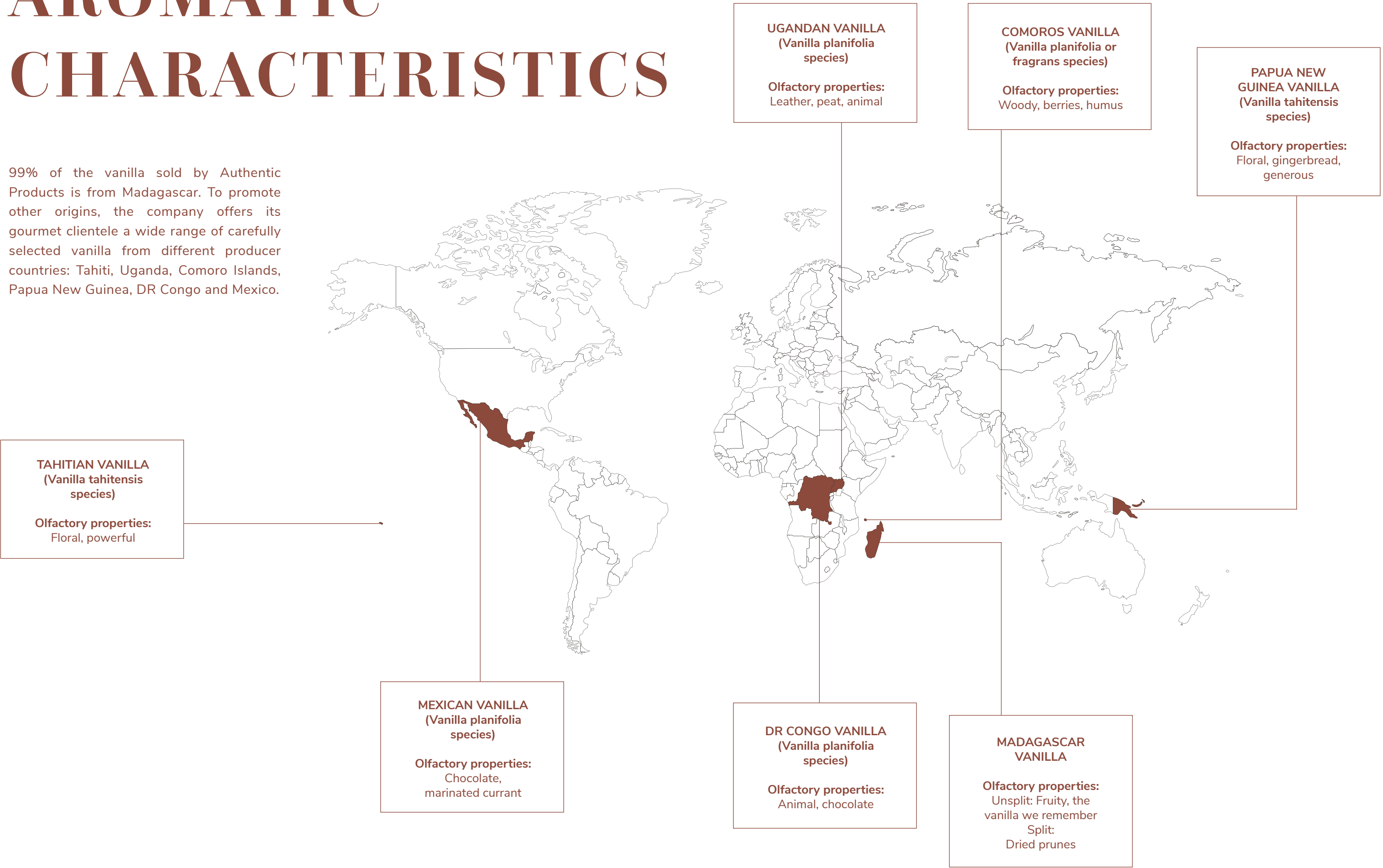
Vanilla extract is a flavoring preparation diluted in a carrier: sugar or alcohol. It is made by extraction from vanilla pods.

The flavoring preparation used in vanilla extract comes 100% from the vanilla pod.

This easy-to-use product offers a natural vanilla product at a more affordable price, depending on its concentration.

AROMATIC CHARACTERISTICS

99% of the vanilla sold by Authentic Products is from Madagascar. To promote other origins, the company offers its gourmet clientele a wide range of carefully selected vanilla from different producer countries: Tahiti, Uganda, Comoro Islands, Papua New Guinea, DR Congo and Mexico.





3. SOURCE, A SUSTAINABLE PROGRAM



ONE PROGRAM, MANY COMMITMENTS

After being introduced to the island in around 1880, Madagascar vanilla is now among the most highly reputed in the world, thanks to an ideal climate and the ancestral know-how of the island's farmers. Vanilla is highly prized and the market can experience bullish peaks that lead to speculation and opportunism. Natural vanilla is also in competition with substitute products such as synthetic vanillin and bio-technological vanillin.

Authentic Products has a great responsibility, including social, environmental and economic issues. It is this responsibility that gave rise to our wish to **build sustainable projects that commit us to preservation of the environment and the stability of our social and societal relations with the people of Madagascar.**

Recently added to this is the wish to go further, and anchor the projects in a shared dynamic: **the Source program.** This program is a **combination of ambitious objectives associated with monitored actions in the field.** The actions revolve around 4 major themes from which the local populations can benefit:

- Access to education
- Climate commitment
- Aid to populations and local development
- Quality and traceability requirements



MAIN INDICATORS

10 to 25%

additional premiums paid to producers who are members of sustainable projects

77%

of our sales go to export markets, of which 44% to the United States, 21% to Europe and 12% to Asia

6117

member producers

1307 metric tons

CO₂ equivalent (tCO₂eq) captured over 20 years

5 hectares

reforested for the CO₂ program

5 hectares

dedicated to agroforestry





TECHNICAL INDICATORS - 2020

Education



299
children given
schooling



1940
producers made
aware of child
labor issues



406
hours of training pro-
vided on child labor

Community aid & local development



7593
amount of premiums
allocated to fair
trade vanilla (\$)



20,000
amount of premiums
paid by customers (\$)



45
women trained in
budget management



46
wells built



1590
hours of technical
training

Quality & risks



25%
of the vanilla
is traceable



0
contamination rate



3
hygiene training

Climate commitment



5
hectares dedicated
to agroforestry



5
hectares dedicated
to reforestation



10,000
trees planted for
reforestation



4
hectares dedicated
to fuelwood



1
hectare dedicated to
construction timber



1307
metric tons CO₂
equivalent captured
over 20 years



5
organized visits to
protected areas



25
hectares monitored
for biodiversity



2530
in funding to protect
biodiversity (€)

ACCESS TO EDUCATION

Lever #1: Schooling for all

Education of young people is a major issue in Madagascar. Sadly, the country is known for its high illiteracy rate (over one million people aged 15 to 24) and its extreme poverty. Despite a young population, access to education remains difficult for children and still more so at secondary level, which is reserved for a privileged few. Vanilla production in Madagascar (the world's leading producer) represents an essential source of income for many producers living off farming the family plot (1 to 1.5 hectares on average). Rural poverty often forces families to stop their children's schooling after primary level. The presence of Authentic Products in the vanilla markets, raising awareness of the need for education, encourages parents to send their children to school.

For Gigi and Laurence, promoting schooling from pre-primary to secondary is a major issue. Education for girls and boys is the gateway to the independence and resilience of future generations.

A primary school was therefore built as part of the Savanille project, in partnership with the company Firmenich. Located in Antsahamantsavana (40km from Antsirabe Nord), it currently has 222 children on the roll, from kindergarten up to age 11 (figures provided by the headmaster). In addition to this figure, there are 77 adolescents attending the Mahadera work-study professional training center.

 **299**
children given
schooling





Lever #2: Education for girls

Women are traditionally the mainstay of the family and play an important role in holding the family purse strings and educating the children. In addition, it has been observed that there are many single mothers, bringing up their children alone. **This is why education for girls is also the starting point for lasting change.**

An educated girl can take charge of her life and ensure that her future children get an education and in turn fight against all forms of discrimination to which girls are subjected. **Authentic Products strives to increase the proportion of girls in school and in the same way to combat poverty.**



Lever #3:

Knowledge transfer and awareness of child labor issues

Madagascar is among the poorest countries in the world. Although child labor is officially banned there, nearly a quarter of children between the ages of 5 and 17 help their parents provide for their families (Unicef data). **By promoting the diversification of cash crops, Authentic Products enhances and diversifies the sources of family income.**

To raise awareness and help combat child labor, **Authentic Products called on the expertise of NGO Save The Children in 2020 to provide 3 days' training for 2 project managers** so that they in turn could provide the facilitators of the 5 projects (10 facilitators) with the tools needed to communicate effectively on this issue. In addition, **Authentic Products submits an annual report to Save The Children on its activities, the means implemented, the populations concerned and the issues identified.**



1940
producers made
aware of child
labor issues



406
hours of training
provided on
child labor

CLIMATE COMMITMENT

Lever #4: Agroforestry to combat deforestation

Over the past 60 years, **Madagascar has lost nearly 44% of its forest cover**. Deforestation is speeding up rapidly and **the country ranks 4th in terms of deforestation with 510,000 hectares destroyed in one year** (or 6.5 times the surface area of New York City) according to Global Forest Watch. Deforestation of the country is partly explained by the need for arable land for farmers who practice slash-and-burn agriculture, in particular for the cultivation of rice, the staple diet in Madagascar (soil fertilization from the ashes). To avoid this process, harmful for both the soil and the climate, **Authentic Products has developed an agroforestry program. It consisted in setting up 8 nurseries to produce fuelwood, construction timber and cash crop seedlings through the Savanille project (3 nurseries) and Authentic Vanille project (5 nurseries).**

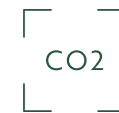
Purpose of the project

- Benefits of the tree in an agricultural environment
- Diversification of production
- Restoration of soil fertility
- Carbon storage to help combat global warming



Lever #5: Initiating a carbon offsetting program for vanilla

Reducing climate impact can be achieved through development of agroforestry as seen above, but also by restoring forest cover in Madagascar. In 2020, 5 hectares were planted as part of the Authentic Vanille project. The goal is to plant 10 hectares in 2021 plus an additional 3 hectares in the three areas covered by the Savanille project. Authentic Products thus intends to put a real reforestation campaign in place, in collaboration with partner nursery Forest Madagascar. Our partner supplies the seedlings and offers around fifty varieties of forest seedlings for reforestation of the SAVA region. To ensure the success of the reforestation campaign, a stock of 100,000 seedlings has been built up while awaiting planting.



1307
metric tons CO₂
equivalent captured
over 20 years



5
hectares dedicated
to reforestation



10,000
trees planted for
reforestation

With this program, **Authentic Products aims to control the carbon footprint of its vanilla sector.** To this end, the company's future hope is to be able to sequester the amount of CO₂ emitted during the production and distribution of the vanilla, and this within its own value chain.



Lever #6: Conservation of Madagascar's natural fauna and flora habitats

Madagascar has an incomparable wealth of flora and fauna and constitutes a true sanctuary for the island's endemic species. Some species are unique in the world, with 7 varieties of baobab, 19,000 plant species and more than 100,000 species of fauna.

In the hope of restoring natural animal and plant habitats, **reforestation** is one of the solutions. In the short term, **it provides a means of restoring these ecosystems and in the long term their more successful regeneration without human intervention.**



5
organized visits to
protected areas



2530
in funding to protect
biodiversity (€)



25
hectares monitored
for biodiversity





AID TO POPULATIONS & LOCAL DEVELOPMENT

Lever #7: Aid for hygiene and health

Healthcare in Madagascar is very limited and all major operations require evacuation to the large cities, the capital, or Reunion Island for the wealthiest patients. As a result, families often forgo healthcare and, still more, surgical treatment.

Access to drinking water, sometimes impossible, is an aggravating factor for populations requiring care. It is also the cause of many digestive disorders, especially in infants. In this difficult health context, Authentic Products (in partnership with the Firmenich group and Frontier) has chosen to build several wells to help the communities. **Construction of these wells started in 2014. Each well benefits the community and approximately 25 to 50 people take advantage of it.**

To date, **46 wells have already been built** at a unit price of 4 million ariary (€1200).



46
wells built



Lever #8: Improvement of producers' standard of living

The fluctuation in vanilla prices leads to the vulnerability of populations when the market drops. This is why **producers who join Authentic Products' sustainable programs have an income 8% higher than conventional producers.**

Members of the Savanille, Bio Andapa and Authentic Vanille projects benefit from an additional premium of 10 to 25% over the price of conventional vanilla (outside the scope of sustainable projects). This additional premium is defined

and adjustable according to the market price of conventional vanilla (10 to 25% depending on the price level). **Authentic Products is also encouraging producers to diversify cash crop production** through nurseries offering clove and pink peppercorn seedlings.



7593
amount of premiums
allocated to fair
trade vanilla (\$)



20,000
amount of premiums
paid by customers (\$)



45
women trained in
budget management



1590
hours of technical
training

Producers regularly receive technical training in good picking and preparation practices for vanilla (half a day's training in 100 villages) as well as for other cash crops. This training is also aimed at improving yields. 4-day training sessions have also been held on good hygiene practice and organic and/or fair trade standards.

In addition, to encourage diversification of activities and improve producers' resources, 5 half-day modules have been set up for training in rearing chickens (vaccinations included) with the support of the company **PROFIS**. Producers can then sign up for additional training at the Mahadera agricultural training center, launched and supported by **Authentic Products in collaboration with Firmenich and FERT**. In 2020, 3 producers followed the full poultry training module.



Fish farming

Initially planned by the State, a project to build a fish-farming pond will soon see the light of day in partnership with the Mahadera NGO.

After a meeting with the Ministry of Fisheries, it was decided to provide assistance to vanilla producers to diversify their cash crops.

To this end, a 254 m³ pond will be built with the target of stocking it with 9000 tilapia of 400 grams in 6 months. The project also includes investment in an oxygenator, to allow the sale of live fish.

Lever #9: Training for women

In many countries, women are the mainstay of the family, active members of the community and also responsible for agricultural work. **Their education and training therefore contribute to their empowerment in relation to their environment and their community. A module to train women in budget management was created in March 2019.** This module comes under the Tsara Kalitao project and was initially entrusted to the NGO GCD (Groupe de Conseil et de Développement) for one year, up to April 2020. Now the module is delivered by trained facilitators. In a country where people live from day to day, **the goal of this training course is to learn how to keep the family budget through simple bookkeeping.**

Mastery of budget management allows women to analyze their expenditure and income and make medium-term projections. They can thus **achieve financial security** during the lean season between harvests (February and March) and **invest in a personal project.**

From its start in just one village of 15 women, **the program now extends to three villages with 45 women in total.**



45

women trained in
budget management





QUALITY DEMANDS PRODUCT EXCELLENCE

Authentic Products' know-how is a guarantee of vanilla quality. This quality results from the technical skills and long-term expertise of the two co-founders of Authentic Products, but also thorough quality and traceability processes, overseen by recognized bodies (Ecocert, FloCERT, Beth Din de Paris, Ecovadis) and also by the group's customers.



Organic by Ecocert
(European organic label)
NOP (US organic label)

Authentic Products vanilla is certified Organic by Ecocert. This certification is a guarantee of production practices that respect biodiversity, animal welfare, soil fertility as well as transparent labeling for the consumer.

These certifications allow Authentic Products to market its products in Europe and the United States.



25%
of the vanilla
is traceable



0
contamination rate

Fair trade

Some of the vanilla produced by Authentic Products is Fair Trade certified. This certification commits the company to complying with strict specifications based on production, marketing and consumption methods that contribute to sustainable development. The reliability of this label is reflected in the regular inspections carried out by players in the fair trade chain, from production through to packaging.



Ecovadis

A platform for evaluating CSR and responsible purchasing performance, Ecovadis allows a company to self-assess its extra-financial performance and also the sustainability of its procurement and suppliers.

Authentic Products has been awarded the Ecovadis silver medal for its commitment to Social Responsibility.



Sustainable Vanilla Initiative

The Sustainable Vanilla Initiative brings together, for the first time, importers, distributors, major players in the flavoring and cosmetic industry, and the food industry. It aims to promote stable, sustainable and high-quality supply over the long term. This initiative also aims to guarantee vanilla production that respects people and the environment. Its members share a common vision: **to ensure the long-term future of the sector in terms of production volumes, quality and price stability, for the benefit of all stakeholders and more particularly the producers, without whom natural vanilla would not exist.**





4. SUSTAINABLE PROJECTS



The comprehensive understanding of the entire vanilla sector by the founders of Authentic Products is the result of Gigi's local upstream experience and Laurence's 30 years in vanilla marketing. 8 out of 10 vanilla pods come from Madagascar, making it the world's leading producer country. These impressive figures demonstrate the major and vital economic and social interest that vanilla holds for Madagascar and the producers.

Traditionally, producers on the north-east coast of Madagascar rely almost entirely on vanilla production and sales for their income. Producers are therefore particularly dependent on this production and are highly vulnerable when vanilla prices are low.

Based on this observation, **Gigi and Laurence have chosen to develop clean and sustainable projects to improve the living conditions of producers, secure the sector and get vanilla consuming companies to sign up to a more sustainable model.**

Savanille cooperative

This project stems from three producers' associations (certified organic since 2005) created in 2008 and grouped together in 2010 to form the Savanille cooperative. The cooperative had 2551 members (organic and fair trade) in 2020, up from 2420 in 2019.

Other than paying an additional premium for organic and/or fair trade vanilla, Authentic Products has developed various actions to improve producers' daily lives.

Some actions were started, supported for many years and then abandoned due to lack of support or understanding from producers, in particular rice production techniques and combating deforestation (notably through natural terraces planted with vetiver grass).

Others have been put in place with the support of international customers (**Firmenich, Frontier Co-op**) and continue to operate.

To improve producers' income, trees have been planted to **diversify cash crops**. The cooperative now has 3 tree nurseries. **A school has also been created as part of the Savanille project** and awareness training on child labor is provided regularly.

The project also aims to **improve the health conditions of producers and their families** with the building of 42 drinking-water wells.

All these actions make it possible to ensure that vanilla production takes place with the **greatest respect for the populations**.



Bio Andapa

Creation of the Andapa project began in 2014. The initial plan was to **diversify cash crops** by setting up nurseries for cloves and pink peppercorns.

The project then became Bio Andapa after **obtaining organic certification from Ecocert in 2018**. In 2020, 359 new members signed up to the Bio Andapa organic project. **Organic certification allows vanilla producers to obtain an additional premium** (from 10 to 25%) and thus **improve the standard of living of producers** who belong to the program.

Bio Andapa also **trains producers in agroforestry**. Training is delivered 3 days a month by agricultural engineers on pilot plots.



Mahadera

Authentic Products has chosen to collaborate with the **Firmenich group**: its customer and official partner. Firmenich has developed the **Natural Together program**, bringing together its main suppliers including **Authentic Products**.

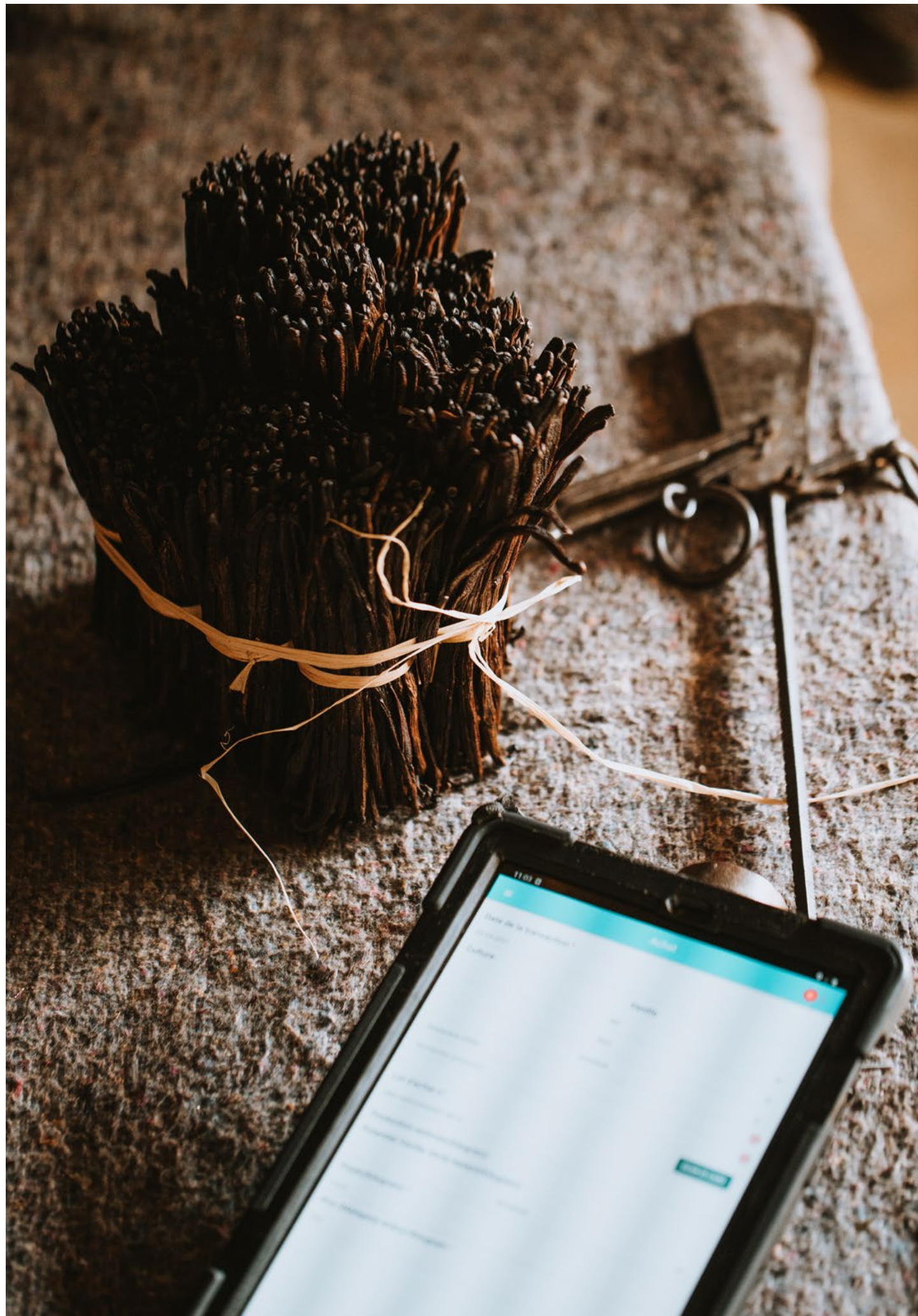
United in their shared values, **Authentic Products** and **Firmenich** decided to set up an educational project with a strong social impact: the creation of a 25-hectare **work-study training center**. Opened in 2020, this center provides technical training delivered by agricultural engineers in the fields of agriculture, cash crops, market gardening, beekeeping and pig farming.

The training center is an excellent springboard for empowering adolescents for their future professional activities. To date, **77 young people have benefited from this work-study training program** delivered over four years (three years of training and one year of follow-up by agricultural technicians).

The aim is to train the young farmers of tomorrow. **These young future “entrepreneurs” will thus be able to guarantee their income and that of their families and take a sensitive approach to economic, social and environmental issues.**

Access to quality education is also a major issue for Authentic Products. The teachers and Director of the Mahadera agricultural work-study training center receive 5 days of teacher training delivered by the organization **FERT**.





Authentic Vanille

The sustainable project Authentic Vanille was created in 2019 at the initiative of Authentic Products. In 2020, **Firmenich, a long-term customer and partner, joined forces with Authentic Products to complement the sustainable actions already in place and strengthen the vanilla value chain.**

This takes the form of a new **digital traceability program aimed at promoting ethics and transparency upstream and downstream** of conventional vanilla production. The target is to get **10,000 farmers signed up to the program by 2025.**

Authentic Vanille intends to become **the main source for procurement of conventional vanilla.**

Digital traceability is carried out using a tool and application developed by Firmenich.

Authentic Vanille is also developing tree planting for construction timber and fuelwood. a total of 5 nurseries have been planted: 60% acacias for fuelwood, 20% hintzy (Intsia bijuga) for construction timber and 20% cash crop diversification (pink peppercorns and cocoa)

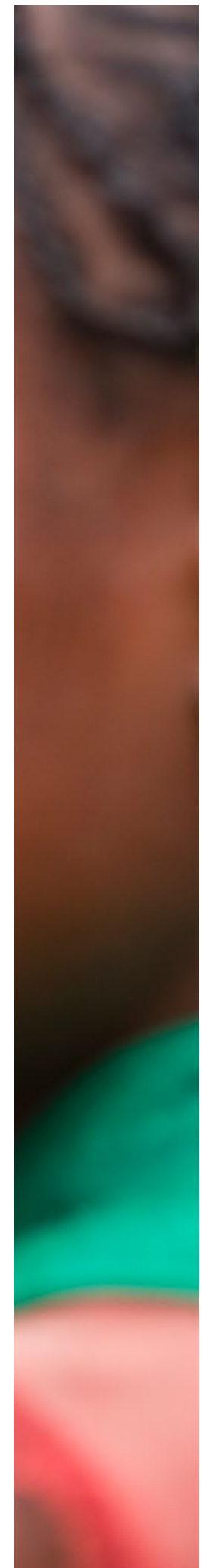


Tsara Kalitao

To promote a more sustainable agricultural model for vanilla producers, **Authentic Products set up the Tsara Kalitao project in partnership with the Kerry Group** in 2014. Located in the SAVA region of Madagascar, the project initially welcomed 654 member producers, with **3 objectives: supporting producers and their families, improving quality and productivity, promoting education.**

In 2018, to fulfil the initial goals of this sustainable development initiative, **Authentic Products obtained organic certification for this project (EU and NOP).** As a result, Kerry can provide its customers with products that are both traceable and sustainable.














To sustain crop farming in the long term and combat deforestation, **Tsara Kalitao promotes agroforestry.** For two days each month, organic producers receive training in this practice in collaboration with the Ministry of Agriculture.

















5. PROSPECTS AND TARGETS



Education		2020	2025 TARGET
	children given schooling	299	350
	producers made aware of child labor issues	1940	6000
	hours of training provided on child labor	406	500
Community aid and local development		2020	2025 TARGET
	amount of premiums allocated to fair trade vanilla	7593	8352
	amount of premiums paid by customers	20,000	30,000
	women trained in budget management	45	70
	wells built	46	86
	hours of technical training	1590	2822
	kilograms of fish sold	0	40,000
Quality & risks		2020	2025 TARGET
	organic and/or fair trade tonnage	25%	35%
	traceable conventional vanilla	0	25%
	hygiene training	3	6
	contamination rate	0	0

Climate commitment		2020	2025 TARGET
	hectares dedicated to agroforestry	5	25
	hectares dedicated to reforestation	5	25
	trees planted for reforestation	10,000	50,000
	hectares dedicated to fuelwood	4	20
	hectares dedicated to construction timber	1	5
	metric tons CO ₂ equivalent captured calculation carried out over a 20-year average with a loss rate of 15%	1307	6537
	number of organized visits to protected areas	2	18
	number of protected areas created	0	5
	hectares monitored for biodiversity	25	50
	number of fruit trees planted	0	1000
	in funding to protect biodiversity (€)	2530	5030
	number of seedlings sold to producers	0	6000



Improving our Social and Environmental Responsibility

Authentic Products has embarked on a global approach to offer vanilla with a reduced carbon footprint by 2025. To achieve this, an Insetting program is being studied, structured around social, societal and environmental goals.

Actions have already been put in place on the 4 pillars opposite and there are more on the way.

Access to education

Climate commitment

Aid to populations
and local development

Quality demands
Product excellence

SUSTAINABLE DEVELOPMENT GOAL



Photographs, Editing,
Layout: Agence Odds





Authentic
Products

Authentic Products
Parc d'activités Caroline Aigle - 20 rue Caroline Aigle
33185 Le Haillan - FRANCE

+33 (0) 5 57 53 08 10
contact@authenticproducts.eu