



**Source 2024**

Intermediate sustainability report







# Summary

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# 01. The group

Words from founders

Key figures

Our business model

Controlling our carbon footprint

Highlights of the year

A year of ESG transition

Our certifications and sustainability commitments





In 2025, we celebrate our 20th anniversary.

We created the Authentic Products group because, for over 30 years, we have shared the same passion for our product, a deep interest in our industry and its farming base, and the desire to provide our partners and customers with quality products that comply with regulations.

We wanted to build a professional, ethical group, with human and environmental convictions sincerely anchored in our DNA. Since 2005, we have strived to take concrete action to sustainably develop our business and that of our stakeholders.

**We are facing an increasingly harsh and complex world:** pandemics, conflicts, political instability and increasingly extreme climatic events are undermining our economies. Training, raising awareness and working together around our CSR objectives offer the capacity for resilience, better risk management and adaptation. For the past 3 years, Authentic Products has been presenting its CSR report. European regulations are evolving and imposing the CRSD to satisfy a need for transparency in corporate sustainability, to better assess their impact on the environment, and to encourage them to be better. One of the major objectives of the CSRD is to facilitate the comparability of ESG data between companies. Our Group is not, for the moment, subject to this obligation, but we prefer anticipation to the obligation of urgent action.

This report will therefore be an interim sustainability report, partly in line with our CSRD obligations. This approach requires significant investment in terms of human resources, internal processes and calling in experts. It also requires real teamwork to ensure that the issues are understood.

However, we feel it is important to take this step in order to support our customers and partners in terms of transparency and sustainability in our industry. We would like to thank our Franco-Malagasy teams for their daily involvement, and our customers and partners for their support in this process, and for their contributions in support of our actions in the field.

Let's look to the future together!

Gigi Chan Hoi Mi  
Laurence Cailler





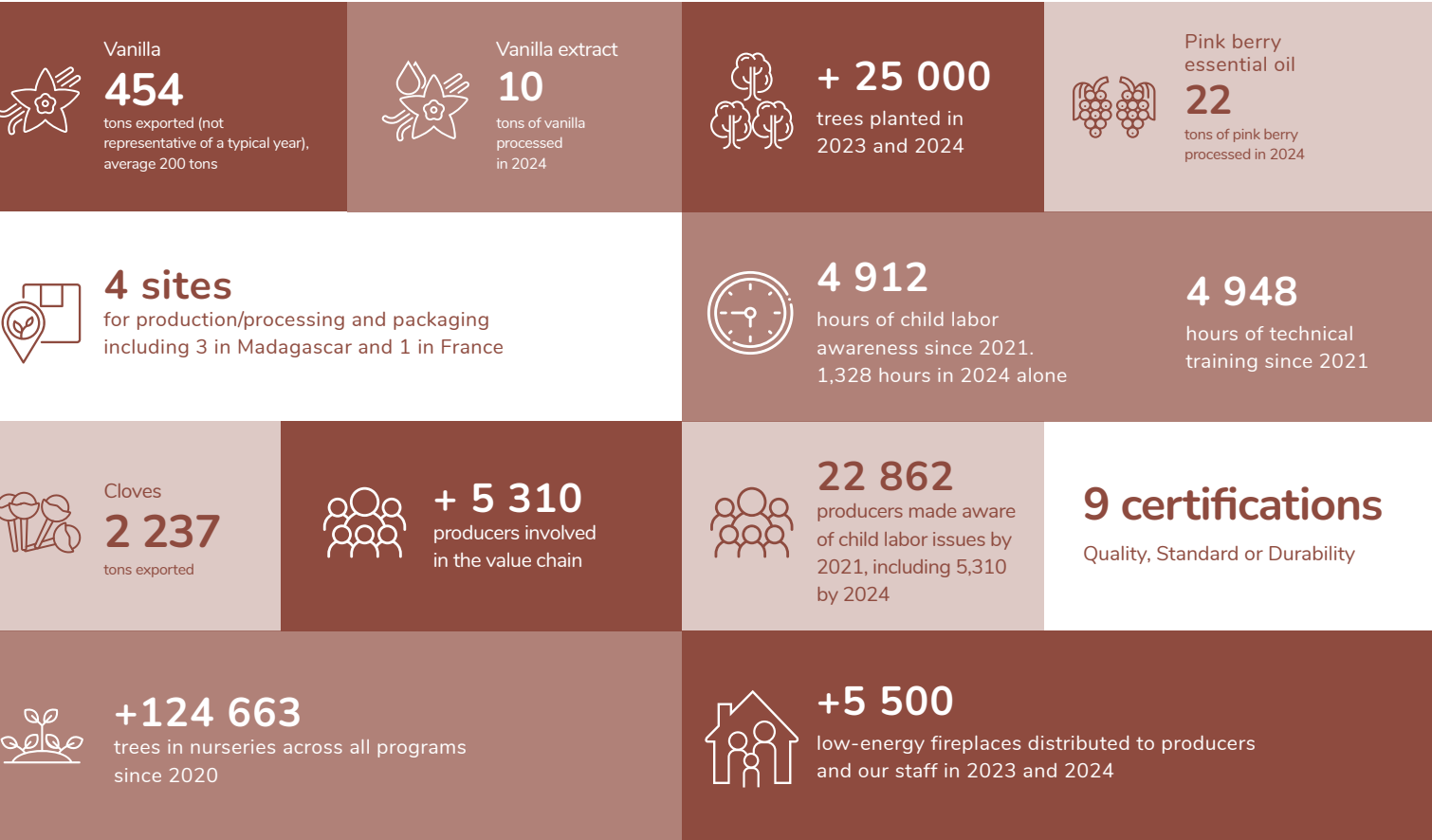
01. The group | Key figures

Turnover breakdown

(Mt by product fiscal year 2024)

Carbon trajectory since 2019

(Mt by product fiscal year 2024)



The origins of our vanillas | The group. 01





- 2005
- Creation of Authentic Products  
Organic Certification  
Kosher Certification
- 2008
- Fair Trade certification  
*(delivered by Flocert)*  
Producers grouped into 3 associations  
from certified organic and fair trade  
producers (Flocert standard obligations)
- 2010
- Merger of 3 associations into a single  
cooperative called Savanille
- 2014
- Creation of the Andapa project and creation  
of the Tsara Kalitao project in  
partnership with the Kerry group  
  
The Andapa project becomes Bio Andapa  
after obtaining BIO certification from Ecocert  
  
Plant expansion techniques in Madagascar
- 2017
- Start of construction of the training center  
work-study program in partnership with  
Firmenich
- 2018
- Inauguration of a school in Antsahamantsavana  
financed in partnership with Firmenich  
  
Tsara Kalitao is certified organic by Ecocert  
  
Relocation and purchase of new premises in  
Bordeaux, 1 500m² for storage and customer  
order preparation



- 2019
- Opening of the Mahadera work-study  
agricultural training center in  
partnership with Firmenich  
  
Creation of the Authentic Vanille project
- 2020
- Awarded Ecovadis Silver Medal, for  
commitment to sustainable development  
and quality
- 2021
- Awarded Ecovadis Silver Medal, for  
commitment to sustainable development  
and quality  
  
Obtaining Halal certification
- 2023
- Authentic Products France obtains  
FSC22000 certification, a guarantee  
of quality and food safety
- 2023
- Authentic Products Industry production  
start-ups: pink berry, ginger and vanilla  
extracts UEBT / RA certification
- 2023
- Complete in-house production  
of processed products at  
Authentic Products France





OUR MISSION

Produce exceptional vanilla while creating a lasting positive impact for our entire ecosystem: producers, local communities, the environment and consumers.



OUR VISION

To be a catalyst for responsible transformation in the natural raw materials industry, demonstrating that excellence, ethics and commitment to the climate transition can go hand in hand.



OUR VALUES

Respect

Respect is the very essence of our identity and guides our every action. Our relationship with Madagascar's vanilla growers flourishes in a climate of mutual trust and consideration. We deeply value the traditional knowledge, cultural diversity and fragile ecosystems that surround us. This ethic of respect permeates our entire value chain, creating a virtuous circle in which each partner is recognized and valued.

Support

Our approach is collaborative and supportive. Like the unbreakable friendship between our founders Gigi and Laurence, we believe in the power of genuine bonds to overcome challenges. We actively support community development education and access to essential services.

Excellence

We perpetuate ancestral know-how while striving excellence in every aspect of our business. Our passion and determination in the face of daily challenges drive us to maintain the highest standards of quality, both in our products and in our practices.

Transparency

Our commitment drives us to be transparent about the realities of our supply chain and the challenges it faces: precariousness of producers, access to education, empowerment of women and the fight against deforestation.

Our vision translates into concrete action  
around three fundamental pillars:

1

Environmental preservation

Sustainable vanilla cultivation, protecting Madagascar's unique biodiversity and adapting to global warming

2

Human development

Promoting education and access to basic services for local communities

3

Business ethics







Fair and transparent relations with all our partners  
The friendship of our founders, from different cultures but united by common convictions for over 30 years, perfectly embodies the spirit of Authentic Products:

“ Building bridges between cultures, people and nature for a more sustainable and equitable future. ”



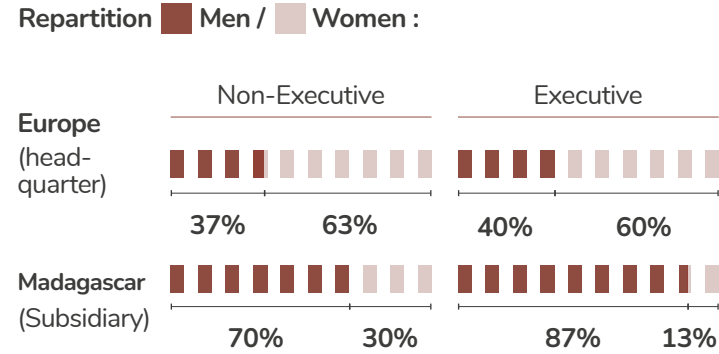


RESOURCES

Natural & Industrial	
	454 tons exported Vanilla (200 tons in a normal year)
	2,237 tons exported Cloves
	10 tons of vanilla used to manufacture extracts
	22 tons of pink berries used to make essential oils
	4 production / processing and packaging sites, 3 in Madagascar and 1 in France (including 1 industrial processing site in Madagascar)
	1 industrial site
Scope 1/2/3 carbon footprint calculated annually since 2019	

Sales & Relations	
+ than 900 customers	
5,310 producers	
7 origins of product	
40 countries for exportation	
5 financial & banking partners	

Intellectual & Human	
100 employees (FTE) group	
General management and shareholders 100% female	
+ than 30 years of experience in sourcing and sales of tropical raw material	



ACHIEVEMENTS & IMPACTS

Natural & Industrial	
9 certifications quality, standard or durability	
Certification FSSC 22000	
10 % of sales in organic certification (In 2024, but the global 2024 volume is not representative. On average 20 to 25% of our sales in organic/Fair Trade/Rainforest Alliance certification)	
+ 25,000 trees planted in 2023-2024	
+ 124,663 trees in nursery (since 2020)	
+ de 5,300 low-energy ovens distributed (since 2020)	
Agroforestry: 1,831 ha in 2024 8.5 ha dedicated to reforestation in 2024 3.7 ha dedicated to firewood in 2024	
GHG trajectory calculated from 2019	

Sales & Relations	
3 NGOs in the field	
Ethical and anti-corruption code signed by all our counterparties	
Top 5 Vanilla/Cloves exporters	
67,712 USD Voluntary CSR contributions Authentic Products France	
30,000 € Voluntary customer contributions after cyclone Gamane	
1,275 USD Sustainable premium	

Intellectual & Human	
6.4 years of service	
35 years average age (Group average)	
Nearly 9,900h of training since 2021 (technical training, child labor awareness)	

Authentic Products produces, markets and distributes natural vanilla worldwide in pods, powder or through a range of processed products (natural vanilla extracts and flavors, vanilla paste and vanilla pearls). For nearly 3 years, the company has been developing a new offer of processed products with a site in Tamatave producing vanilla extracts, ginger and pink berry essential oils.

The company is supported by an experienced team, led by a 100% female duo. Authentic Products supplies over 900 customers in 40 countries and ranks among the world's top 5 exporters of vanilla and cloves. Our business model reflects our long-term objective of promoting the processing and value-added of local products from our sustainable programs and our crop and income diversification initiatives. Figures for fiscal year 2024 are shown opposite.

In the context of **CSRD** as well as VSME, the aim of the business model is to describe the main elements of the company's value chain business model, as well as its overall strategy for dealing with sustainability issues, in order to **understand its exposure to impacts, risks and opportunites (IROs)<sup>(1)</sup> to its environment**.

It is specified that a company's business model must present its resources (and the method used to gather them) and its actual expected results and benefits for stakeholders.

The IIRC (International Integrated Reporting Council) framework, which is the one we have followed, sets out an **international frame of reference for integrated reporting**, such as sustainability reporting, and proposes the publication of the following major components<sup>2</sup>:

- Main resources
- Main activities
- Main achievements - products and services
- Main results and impacts



CSRD (Corporate Sustainability Reporting Directive)  
VSME (Voluntary Sustainability Reporting Standard for SMEs)  
<sup>1</sup> CSRD, ESRS 2, publication requirements SBM-1 – Strategy, economic model and value chain, §39  
<sup>2</sup> International reference framework for integrated reporting, IIRC



Controlling our carbon footprint

Authentic Products' total emissions for 2024 amount to 2175 tons of CO2 equivalent, excluding Authentic Products Industry, for a carbon footprint per kilo of vanilla beans of around 5.10 kgeqCO2 (excluding contribution to offsetting).

What is remarkable over the years is that, while Authentic Products' trading activity has grown, the carbon footprint per bean has almost halved. The company's relentless efforts, particularly in managing its transport flows and strengthening its energy mix, have reduced carbon footprint per kilo of vanilla.

The breakdown of emissions shows a strong concentration on freight, which fluctuates from year to year, depending on transport constraints, but also on the quantities of vanilla exported and the type of freight used.

Emission levels are therefore closely linked to economic activity, and to economic and geopolitical tensions. It is therefore important to correlate the emissions curve with the quantities of raw materials processed, for reasons of consistency.

In 2024, Authentic Products had to bring large quantities of vanilla to France, much more than in previous years. As far as possible, the company has chosen to make this transport by sea: only 1/4 of the vanilla volumes transported between Madagascar and France were by air, representing 93% of the emissions linked to internal freight. The remaining 3/4 were transported by sea.

Another notable fact for Authentic Products is that of energy-related emissions in Madagascar. Madagascar's energy mix is highly carbon-intensive when the local electricity grid is faulty. Part of the energy needed to run the site comes from photovoltaic panels, but also from diesel-powered generators, which sometimes has a heavy impact on this item, depending on the year.

Finally, since 2020, Authentic Products has been committed to a reforestation policy at various levels such as reforestation plots, agroforestry or firewood plantations. These plots help to reduce communities' dependence on wild-cut timber, but also to voluntarily sequester carbon.

Since the beginning of the program, these are:



+25,000

trees planted for reforestation in 2023 and 2024



124,663

trees in nurseries across all programs since 2020



2,175 T

equivalent CO<sub>2</sub> in 2024 excluding Authentic Products Industry



5.10 KGEQCO<sub>2</sub>

per kg of vanilla pods, that's the estimated carbon footprint



Scope and methodology

Authentic Products carried out its first carbon footprint® in 2019 and has repeated the exercise every year, with the exception of 2020 (Covid year). These assessments concern the French and Madagascan entities. In 2024, the exercise was extended to Authentic Products Industry, the Group's new industrial entity for the transformation of raw materials into extracts and essential oils, and to Mahadera, a teaching and training structure initiated by Authentic Products.

All the Group's activities are therefore included in the operational scope of the carbon footprint calculations. The assessment was carried out using the Bilan Carbone® method, and covers all scopes 1, 2 and 3.

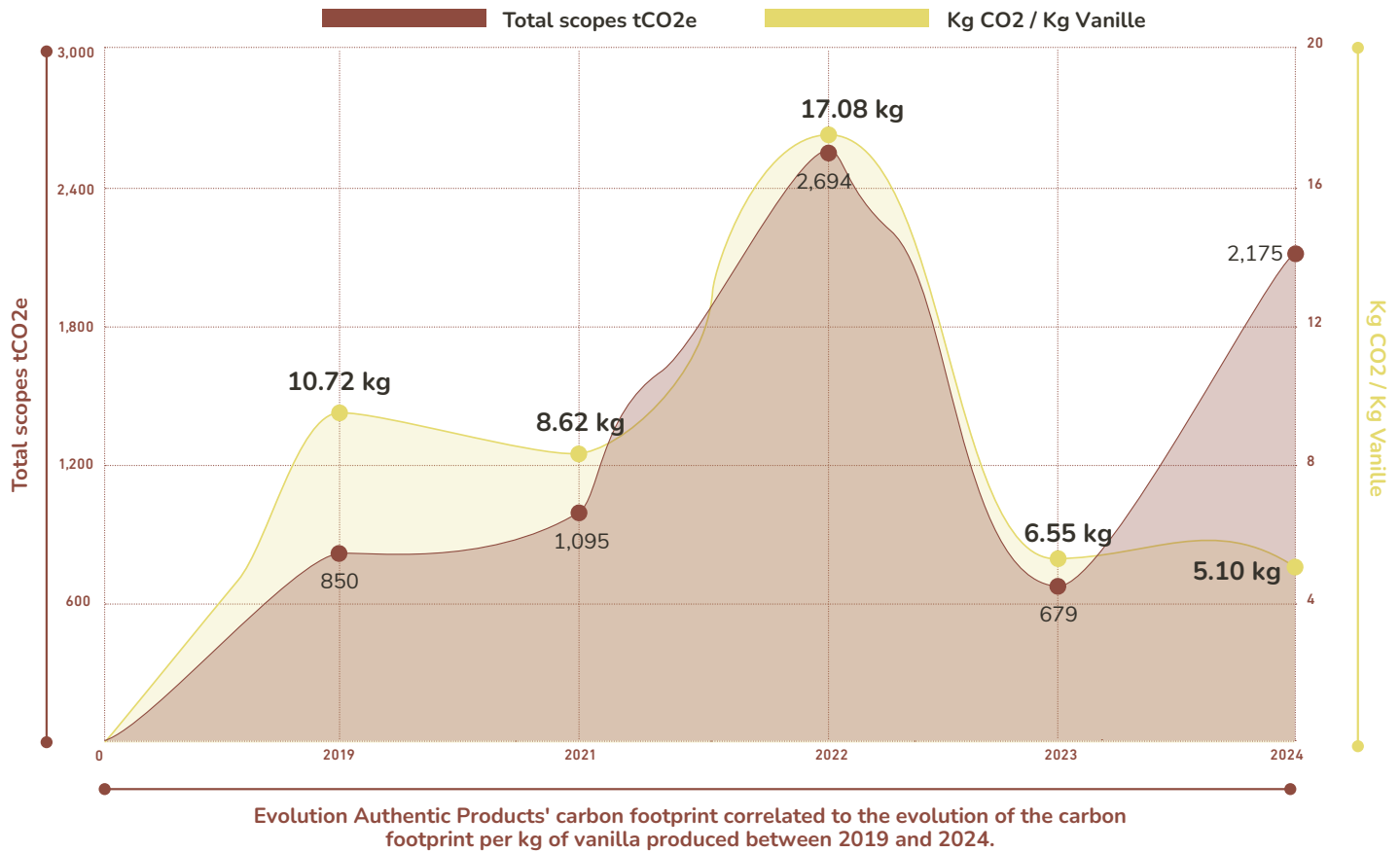
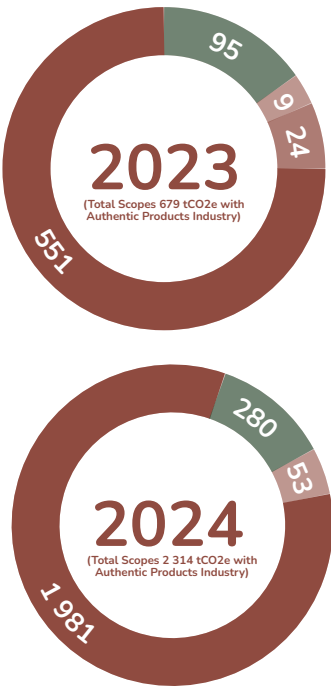
- Scope 1 :

Direct emissions (fuels, vehicles owned).
- Scope 2 :

Indirect energy emissions (electricity consumption).
- Scope 3 :

Other indirect emissions (purchases, freight, travel, etc.) for which we will split upstream and downstream.

The approach adopted is that of operational control, which means that all emissions from activities over which Authentic Products has operational control are accounted for. An exception is Authentic Products Industry, for which financial control has been adopted.







“ Diversification of industrial activities at their origins to capture new markets ”

Over the past three years, we have worked hard to make Authentic Products a company that masters vanilla, from the preparation of the beans to their transformation extracts. In recent years, we have developed a range of processed products (vanilla extracts, paste and pearls), enabling us expand our customer base in France and abroad, while maintaining our core values of offering high-quality products with guaranteed food safety and a responsible approach to the industry.

This development has been made possible by the launch of our second Madagascar site in Tamatave. It is dedicated to the processing of vanilla, as well as pink berries and ginger, which we aim to source mainly from our associations and cooperatives.

This approach is the logical continuation of our drive to diversify crops and incomes, which we have been pursuing for several years with the growermembers of our associations and cooperatives.

This new plant enables us to meet the specific needs of our customers. It also enables us to produce concentrates to our own specifications, which are then diluted at our French site for our gourmet customers. New product developments are currently underway to pursue our development in the flavours and extracts range, as well as in the sale of essential oils from our new Madagascar plant (pink berry, pepper, ginger).



“ The development of gourmet sales at international markets, future growth drivers ”

Since 2005, Authentic Products has strived to produce and market the finest vanilla beans, combining traceability, durability and high quality. This quest for excellence and authenticity has enabled us to work with renowned chefs such as Pierre Hermé and Bernachon in Lyon, as well as leading small and medium-sized agribusinesses such as Sacré Willy in south-eastern France.

Favoring proximity to craftsmen, Authentic Products sells directly in France and relies on a network of international distributors. Its presence in Asia has been growing in recent years, thanks in particular to the award of FSSC22000 certification in 2022, recognized by the GFSI.

Finally, a broader product range, including extracts, pastes and pearls, makes it easier to penetrate distribution channels.

The Gourmet market still has strong development potential, with demand growing steadily, particularly in the Middle East. We will be concentrating our efforts on these new zones, which are probably more dynamic than the European market at the moment.







Gigi Chan Hoi Mi  
Managing Director Authentic Products Madagascar

“ The Girofle market  
– encouraging  
prospects ”

Like vanilla, cloves are a spice that is particularly close to my heart. Both are emblematic of our country and represent major sources of income for farmers, as well as a strategic position and an essential source of foreign currency for Madagascar's economy.

Madagascar has 18,000 clove producers, with a cultivated area of 70,000 hectares, and 90% of production concentrated on the east coast of the island, mainly in the Analanjirofo region.

Madagascar's clove production is cyclical, fluctuating from 5,000 to over 20,000 tons per year. It is generally second in terms of export value after vanilla, making my country the world's second largest clove producer after Indonesia.

Madagascar cloves are mainly used in the pharmaceutical industry because of their therapeutic properties. The main importers include India, Indonesia and Singapore, but also Europe and Dubai. Indonesia the world's leading producer and also a major consumer of cloves for its own local market, particularly for the manufacture of kretek cigarettes, is the price-maker in our market.

In 2023, Indonesia reported a lower-than-expected harvest. Faced with strong Indian demand, prices remained high. We therefore benefited from this market situation to market and promote our cloves.

Climate change is affecting clove production worldwide, and Madagascar is no exception. In 2024, clove trees in Madagascar entered a dormant phase after several years of good production.

Production was around 12,000 tons. Indonesia, meanwhile, had a very large harvest of nearly 100,000 tons, with prices lower than those in Madagascar. The Indian rupee weakened against the US dollar, favoring purchases from Indonesia at the expense of Madagascar. However, Madagascan cloves, despite their higher price, found their place thanks to their excellent quality.

For 2025, the critical period will be March/April in Madagascar. If there is too much rain, production could be down. The 2025 forecast for Indonesia is around 60,000 to 80,000 tons.

The outlook for the clove market in Madagascar is positive. International demand remains strong and according to some analysts, the outlook for the international clove

market is positive, with growth expected to reach 3.70% by 2029. To support this growth, it is crucial to improve sustainable production practices and strengthen supply chains. It is also very important to improve production and transport infrastructures to ensure sustainable growth.

Authentic Products is committed to the future and is constantly investing in its clove business in Tamatave, in buildings and equipment to offer perfectly dried, sorted, and high-quality cloves. We are also committed to the sustainability of our supply by combining it with our sustainable actions in the vanilla sector in the SAVA region.

Producers in the SAVA region, my native region, are too dependent on vanilla as their main crop. Among other things, we are working with members of our vanilla associations and cooperatives to diversify crops. Cloves naturally play a prominent role in this. It is also a way of diversifying our supply areas in the long term and spreading the risk of climate change.

A significant portion of our clove supply should come from the SAVA region by 2030, thanks to our sustainable crop diversification efforts.



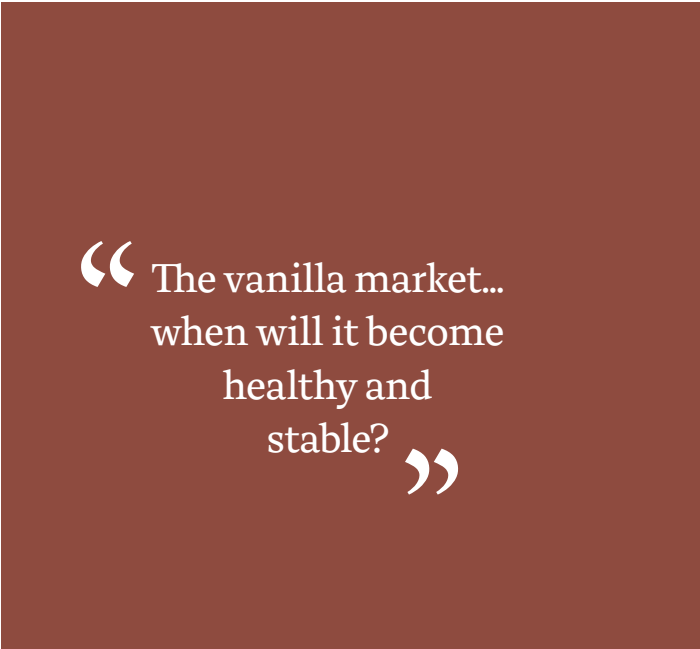




The vanilla market has been going through a rough patch for several years. This sector is dominated by Madagascar, the world's leading producer. **With nearly 80% of global production**, Madagascar essentially sets the pace for prices on the international market, which is subject to the law of supply and demand. If we take a responsible view of our industry, this principle of supply and demand must nevertheless take into account the need for sustainability and support for producers. **This is the only way to guarantee a stable, sufficient, and high-quality supply.**

**Vanilla is Madagascar's most important spice**, providing work for **nearly 150,000 producer families**, not to mention collectors, exporters and the entire peripheral economy. **Vanilla is one of the main sources of tax revenue and foreign exchange earnings for the Malagasy state.** When vanilla is doing well, everything is doing well !

Unfortunately, this industry is far from stable, with two main areas of concern. On the one hand, the Malagasy state and its vanilla industry, which desperately need the income generated by vanilla. On the other hand, the international market, with its consumers whose incomes have been weakened, which no longer has complete confidence in the Malagasy industry and is wary of its procrastination and various attempts at organization. Yet these two sides share the same aspiration: **a stable and sustainable market where everyone can earn a decent living. A market that offers a reliable supply of highquality products. The vanilla market is therefore seeking to find its balance and is struggling to find effective and sustainable solutions.**



In 2020, the Malagasy government set a minimum export price of USD 250/kg FOB. This price, which was unrelated to the price actually paid to producers and the price negotiated by competing countries on the international market, led to strong resistance from international buyers and intervention by donors. This policy was abandoned in May 2024 with the official liberalization of export prices. Unofficially, a minimum export price was imposed, albeit in a "heterogeneous" manner. This was set at USD 60/kg FOB in July 2024 for all grades.

A country's desire to protect its farming community through decent producer prices and to protect its tax resources is understandable, but it remains essential that the rules are respected and applied by and to all, particularly in terms of prices and the repatriation of foreign currency.

Stocks are accumulating in Madagascar and outside Madagascar, and global supply far exceeds demand. **More than 4,400 tons were exported from Madagascar in the 2023-2024 season, a record!**

However, this volume is not representative of global annual consumption (**2,500-2,700 tons**). These massive purchases were motivated by the excellent quality of the vanilla and the desire to secure stocks outside Madagascar, safe from any possible legislative changes. These stocks will be used to cover consumption in 2025 and 2026.

The Malagasy government wants to find solutions to support producers and preserve tax revenues, support and promote Malagasy quality, professionalize the industry and develop local processing of some of its products. Madagascar's vanilla deserves it.

However, the crucial point remains the supervision and control of compliance with the rules by all, without exception. Offers that fall outside the regulatory framework, particularly for the lowest qualities, represent a real brake on the marketing of quality products that respect the rules. These offers drive

down prices on the whole market and damage the quality image of Madagascar vanilla; the first victims are above all the producers. Finally, they only generate mistrust and a wait-and-see attitude on the part of international buyers.

After the crises of 2000-2003 and 2017, isn't it time to establish a stable, sustainable market offering transparency and fair competition? Peripheral support through sustainable actions in education, training, income diversification and environmental protection remain complementary and imperative for the long-term preservation of the industry and its environment.





In recent years, the European Union has developed an ambitious regulatory arsenal in the field of sustainable finance. This initiative has resulted in the adoption of several major texts, notably SFDR, the European Taxonomy and MiFID 2.

The aim is threefold: to combat greenwashing practices, strengthen financial market transparency and encourage investment in economic activities that contribute to the ecological transition. This growing regulatory trend bears witness to Europe's determination to transform its financial system in depth, to place it at the service of sustainable development.

Against this backdrop, the Corporate Social Responsibility Reporting Directive (CSRD), adopted in 2022 and recently phased in, establishes an ambitious, harmonized framework to guide our economies and companies on the path to transition. By providing companies with a solid foundation for

integrating environmental and social risks while transforming their business models, it represents a strategic lever in the construction of a sustainable economic model.

The European Financial Reporting Advisory Group (EFRAG) has taken an important step by publishing the VSME standards, a sustainable reporting framework specifically adapted to unlisted small and medium-sized enterprises. This publication marks the culmination of design work aimed at offering SMEs a voluntary reporting tool within the framework of the CSRD directive.

While some SMEs may see this as an additional administrative burden, in reality it represents a strategic opportunity, particularly for Authentic Products. Indeed, adopting this reporting framework will enable us to structure our CSR approach, strengthen its impact and promote our commitments to sustainable development to all our stakeholders.

Sources DP #futurCSRD / Sami réglementations / ID l'info durable



Towards structuring our ESG reporting,  
Authentic Products chooses the Voluntary Framework for CSRD, VSME

CSRD is an important element of the European Green Deal and the Sustainable Finance Action Plan. It aims to ensure that investors have the information they need to understand and manage the risks to which invested companies are exposed as a result of climate change and other sustainability issues.

It also aims to ensure that investors and other stakeholders have information on their sustainability commitments and performance. Authentic Products has chosen to follow this VSME methodology, which enables progressive implementation of reporting requirements while ensuring consistency and comparability of extrafinancial data.

The VSME standard is based on the fundamental concept of double materiality, inherited from the ESRS (European Sustainability Reporting Standards). This analysis methodology combines two assessment dimensions: financial materiality, which measures the impact of ESG factors on a company's financial performance, and impact materiality, which assesses the company's externalities on its environment and stakeholders.

ESG governance, the first step towards responsibility  
in sustainable development

Choosing responsible governance means fully integrating the ESG approach into the group's global strategy and day-to-day operations.

It means staying on course with the objectives Authentic Products has set for itself, controlling risks, taking into account the interests of the various stakeholders and encouraging fairness, participation, sharing, transparency and ethics on a daily basis.

Authentic Products has set up specific bodies to bring ESG to life and position it at the heart of the Group.





01. The group | An ESG Steering Committee



The ESG Steering Committee plays a central role in overseeing and evaluating ongoing initiatives. It validates project deliverables and milestones, monitors and analyzes performance, facilitates discussions on strategic decisions and ensures the collection of data essential to ESG performance indicators.





An ESG risk impact analysis: an essential step before double materiality

Authentic Products' activities range from field operations in producing countries to the delivery of packaged products to customers on different continents. Throughout this value chain, operations are subject to certain ESG risks.

Risk analysis is a process of identifying and rating the ESG risk factors to which the company is exposed and for which control measures are implemented. This assessment results in a map classifying risk factors according to their potential impact and likelihood of occurrence. This reflects the entity's exposure to these various risks, after taking into account the control measures implemented.

With regard to the Authentic Products business, risk factors are presented here in five broad categories:

- Strategy and Operations
- CSR Risks
- Industrial Risks
- Financial Risks
- Legal and Regulatory Risks

For each category, a list of potential impacts has been drawn up and adapted to the environment of the company, Authentic Products, its structure, activities, products and services, geographical locations, and business relationships.

The impact of the identified risks is assessed using a multi-criteria grid defined with the company. The analysis criteria include financial, reputational, legal, and social, environmental, and societal responsibility criteria. This methodology allows for a dual materiality approach, taking into account the impacts on the company itself and on its stakeholders. For each potential impact, a rating grid is used to assess its materiality by scoring its severity on a scale of 1 to 4 and then the probability of the risk occurring.

- **Severity of impact**  
impacts on the reputation of the organization, its customers, and its operations
- **Probability of risk occurrence**  
risk occurrence frequency

Logically, the priority ESG issues that emerge after risk analysis are as follows:



**Global challenges related to climate change:**  
Climate change directly impacts the availability and quality of traded raw materials, as well as production capacity.



**Respect for human rights, fundamental freedoms, and ethics:**  
We are constantly vigilant on these issues, whether with producer associations, cooperatives, or teams of technicians in the field. Raising awareness of the risk of child labor is a major material issue that cannot be ignored.

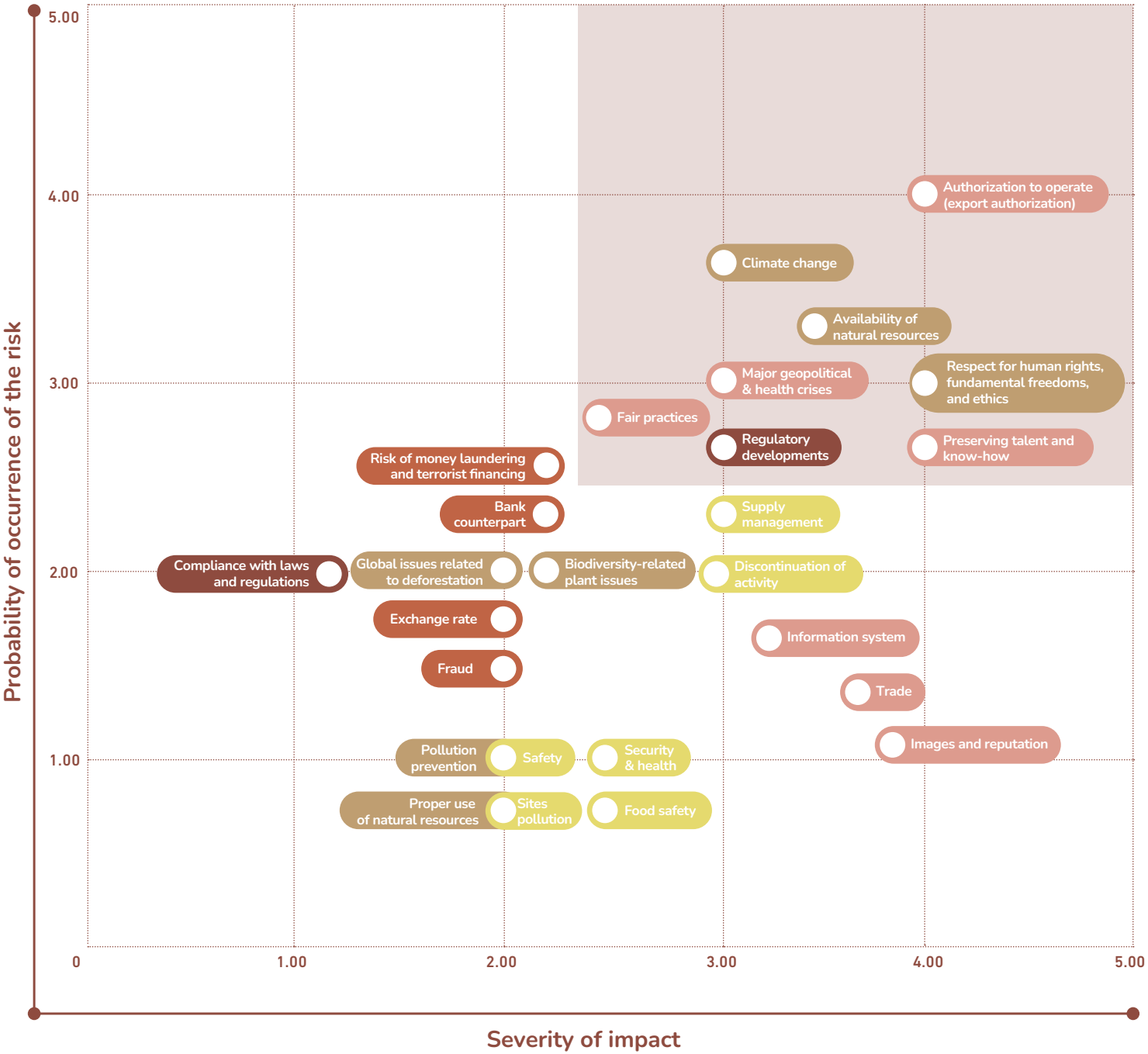


**The availability of natural resources or the security of supplies**  
Capital to secure its business model Authentic Products is working in particular to build sustainable supply chains to smooth out the effects of price fluctuations and crop failures.

This work also highlights material risks at the strategic and operational levels. Indeed, it appears that Authentic Products' business model remains vulnerable to major geopolitical or health crises such as Covid, but also to various export authorizations (approvals), which can prove more difficult to obtain in some years than in others. Finally, the loyalty of practices is becoming a major material issue, particularly in the context of the duty of care towards all stakeholders.

Changes in European and international regulations through new standards on residue analysis and other topics are becoming increasingly restrictive. Authentic Products has a regulatory monitoring mechanism in place to address this.

Mapping ESG issues



**Legend:**

Strategy & Operations Risks CSR

Risks

Industrial Risks

Financial Risks

**Scale of impact severity and probability of occurrence:**

1 Low

2 Moderate

3 Significant

4 High

**Most material risks for Authentic Products**





Certifications







## 02. Remaining innovative in the face of climate change

Environmental indicators

Sailing transport, to go further in decarbonizing the value chain

A commitment to reforestation to support climate policy

Water management in the face of global warming

Towards circular waste management: vermicomposting and biodigesters

Biodiversity: species inventory, preservation, and awareness






 **19**  
tons of compost produced


 **100%**  
emballage recyclé


 **11,484**  
trees planted for reforestation since 2022, including 3,101 in 2024


 **76**  
Number of wells constructed since the program launched in 2021

 **870 Ha**  
Cumulative area monitored for biodiversity in 2024

 **38,267**  
trees in nurseries in 2024

 **5,423 Ha**  
Cumulative area since the program's launch

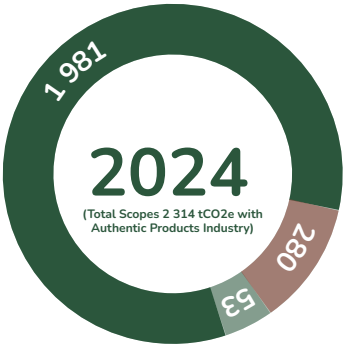
 **124,663**  
total number of trees in nurseries since 2020

 **13,291**  
atrees planted for reforestation since the start of the program (figures as of the end of 2024)

**Scope 1 :**  
Direct emissions  
(fuels, vehicles owned)

**Scope 2 :**  
Indirect emissions  
related to energy  
(electricity consumed)

**Scope 3 :**  
Other indirect emissions  
(purchases, freight, travel,  
etc.) which we will split  
between upstream and  
downstream.



**Madagascar: Its natural heritage threatened by climate change**

The island of Madagascar, a global treasure trove of biodiversity, is facing the onslaught of global warming, which threatens both its unique ecosystems and its populations.

With more than 80% of its endemic species, this isolated island is bearing the brunt of climate change. Between 2002 and 2023, Madagascar lost approximately 1.08 million hectares of primary tropical forest, while 2020 saw more than 60,000 fires ravage its forest areas.

Agriculture, the economic mainstay employing 80% of the working population, is severely affected by recurrent droughts. In the south, access to water is becoming critical, exacerbating food insecurity. At the same time, coral bleaching is compromising the fish stocks on which coastal communities depend.

The WWF ranked Madagascar among the world's 24 critical "deforestation hotspots" in its 2021 report and estimates that 53% of its terrestrial protected areas are particularly vulnerable to climate change.

Sources  
WWF Report (2021) : "Les fronts de la déforestation : moteurs et réponses dans un monde en mutation"  
WWF Report (2019) on the vulnerability of protected areas  
Ministry of the Environment and Sustainable Development (2020)  
Deforestation statistic (2002-2023)





Sailing transport, to go further in decarbonizing the value chain

To source raw materials, Authentic Products uses various modes of transport throughout the value chain: **motorcycles or trucks** for bush deliveries, **trucks or maritime transport** (coastal shipping) for connections to the port, then maritime transport in containers or by air for special shipments to the Authentic Product France site.

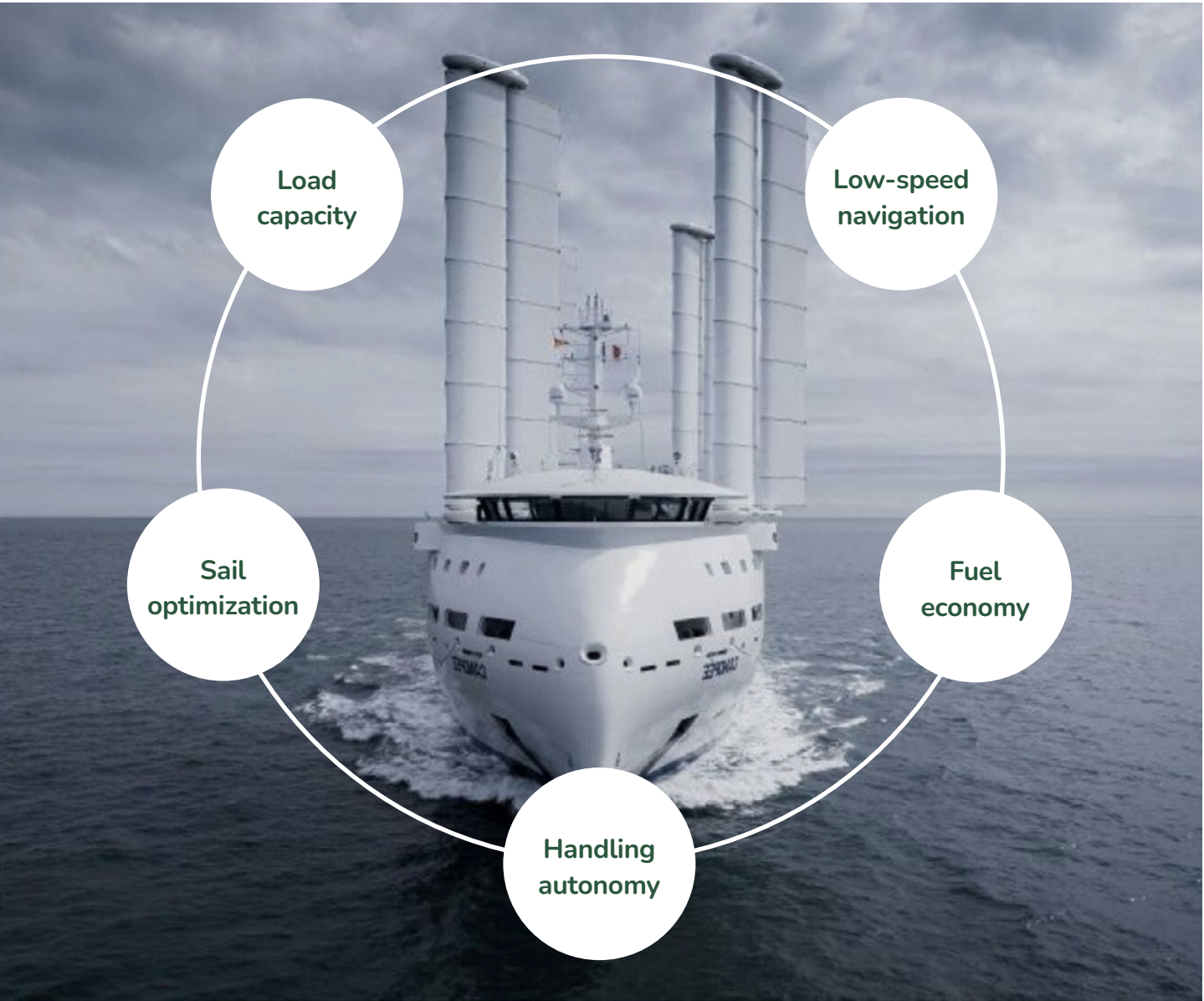
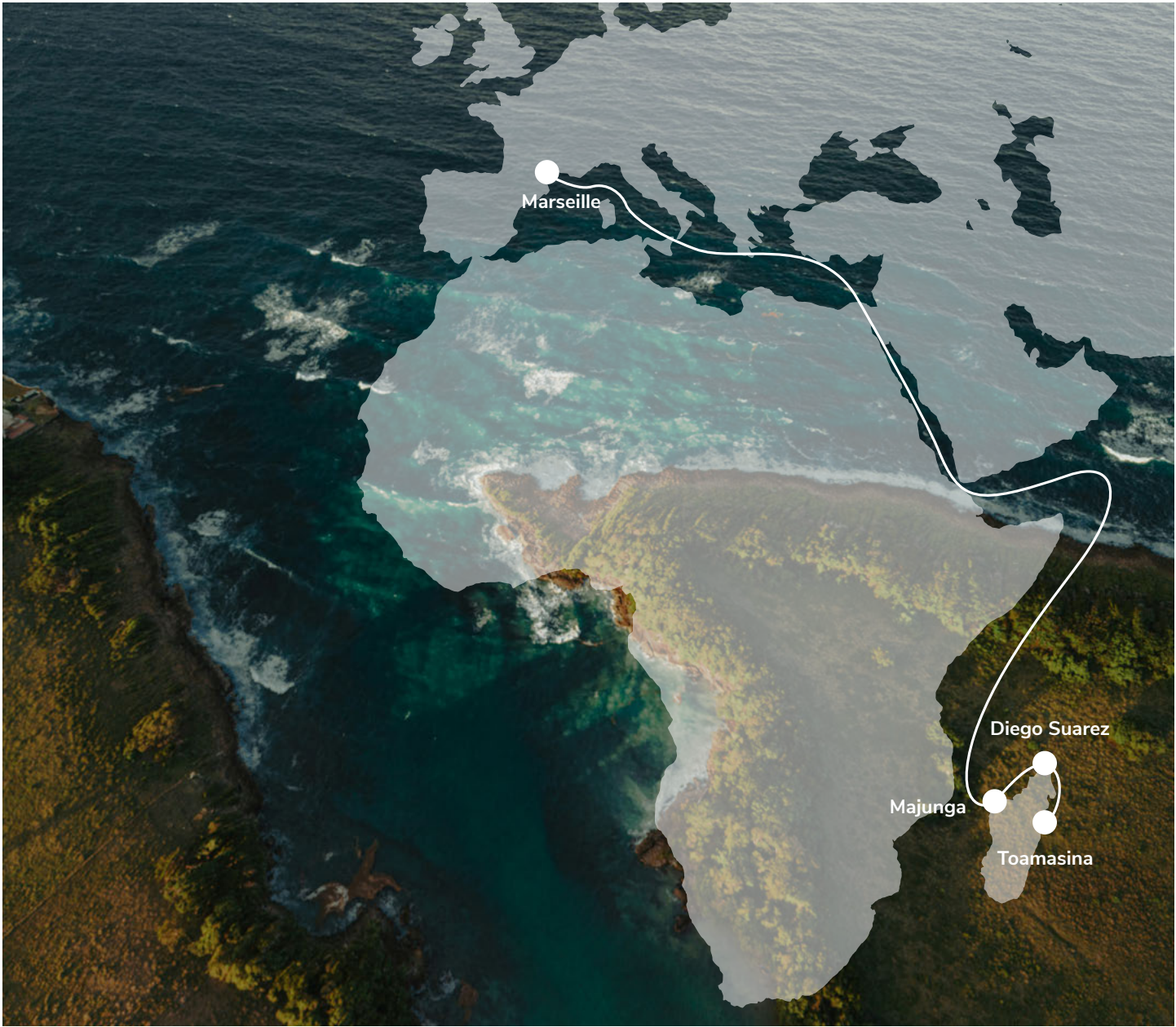
From there, the goods are shipped by road, sea, or air.

The longest route is, of course, from Madagascar, departing from the port of Tamatave on the east coast. East of the island. The main route goes up the Suez Canal, but recently some lines have been bypassing Africa via the Cape of Good

Hope. These routes are operated by container ships using fossil fuels.

**Authentic Products has partnered with the WindCoop** project, a sailing container ship that will begin operating its first routes in 2027. This ambitious project aims to reduce the carbon footprint of maritime transport by 90%. As soon as the route is operational, Authentic Products plans to reserve freight space on these routes, thereby confirming its commitment to more sustainable logistics.

(Calculation estimate by Windcoop)



Windcoop's first ship will be a container ship. It will meet numerous constraints associated with the first route to be opened: **France-Madagascar**.

The company's objectives are: a capacity of **210 20-foot containers** (i.e. 2,000 tons of cargo) with a maximum length of 89 meters, a ship optimized for sailing to achieve maximum energy savings, **autonomous handling** (i.e., a ship equipped with cranes to unload containers) to serve Madagascar's secondary ports.

**Low speed under wind power:** The average target speed of the Windcoop cargo ship will be 9 knots. In periods of

favorable wind, the sails will allow it to accelerate beyond 9 knots and in areas with no wind for long periods, the engine will take over to reach windy areas and limit variations in transport time.

Significant fuel savings: Thanks to sailing, **the Windcoop cargo ship will save up to 90% in fuel** depending on the route and season, which is our average target. This figure is an average based on voyage simulations carried out in partnership with D-Ice Engineering. These estimates are based on wind statistics from the last ten years.

(Source windcoop)  
<https://www.wind.coop/>



A commitment to reforestation in support of climate policy

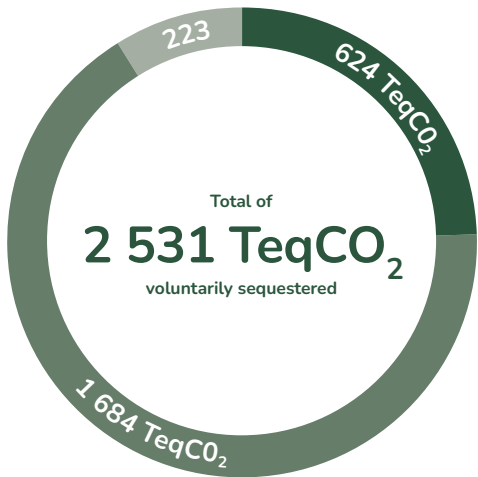
If we add the effects of deforestation to the impact of global warming on forest resources, we can only paint an alarming picture of the situation on the red island. Through Source, Authentic Products is pursuing its reforestation program, through reforestation, agroforestry and tree nurseries, with the support of the local population. Savanille, Authentic Vanille, Tsara Kalitao and Mahadera projects.

By 2024, the program will have participated in the planting of 3,101 trees dedicated to reforestation and 61 fruit trees. A total of 13,291 trees have been replanted since the program began, and 1,277 fruit trees since 2023, when planting began.

Reforestation, a source of voluntary carbon sequestration

As part of the Authentic Vanille program, areas that have suffered deforestation are replanted with species selected for reforestation, mainly Intsia Bijuga and Acacia.

	11,484 trees	6,064 of Intsia Bijuga
		3,183 of Acacia
		2,237 others



- 6,064 Intsia trees 624 TeqCO<sub>2</sub> sequestered over 20 ans
- 3,183 Acacia trees 1 684 TeqCO<sub>2</sub> sequestered over 20 ans
- 2,237 other trees 223 TeqCO<sub>2</sub> sequestered over 20 ans

(The sequestration method is available in the appendix)




Through such a program, Authentic Products acquires a voluntary sequestration potential that can help offset its own carbon footprint.

An innovation with green coal


Composed essentially of non-essential plant matter (broken bamboo, green waste, straw, earth), green charcoal is produced on site by communities on the advice of program technicians. At the end of the manufacturing cycle, charcoal briquettes, a true “green” fuel, are distributed to villagers to fuel their cooking stoves.

Currently at the experimental stage, this process provides an alternative to wood-based fuels (wood, charcoal, briquettes). A real way to combat deforestation!


- 1




**Choice of raw materials**  
Broken bamboo, green waste, straw, earth
- 2




**Collection and preparation**  
Recovery and cutting of materials
- 3




**Drying**  
Drying in the sun or with drying devices
- 4




**Carbonization**  
High-temperature heating (400°C-600°C) in an oxygen-free environment
- 5



**Cooling and molding**  
Cooling and briquetting
- 6



**Distribution and use**  
Supply to villagers for cooking
- 7



**Environmental benefits**  
Reduced deforestation, low CO<sub>2</sub> emissions, sustainability



02. The environment | Water management

Water management to cope with global warming

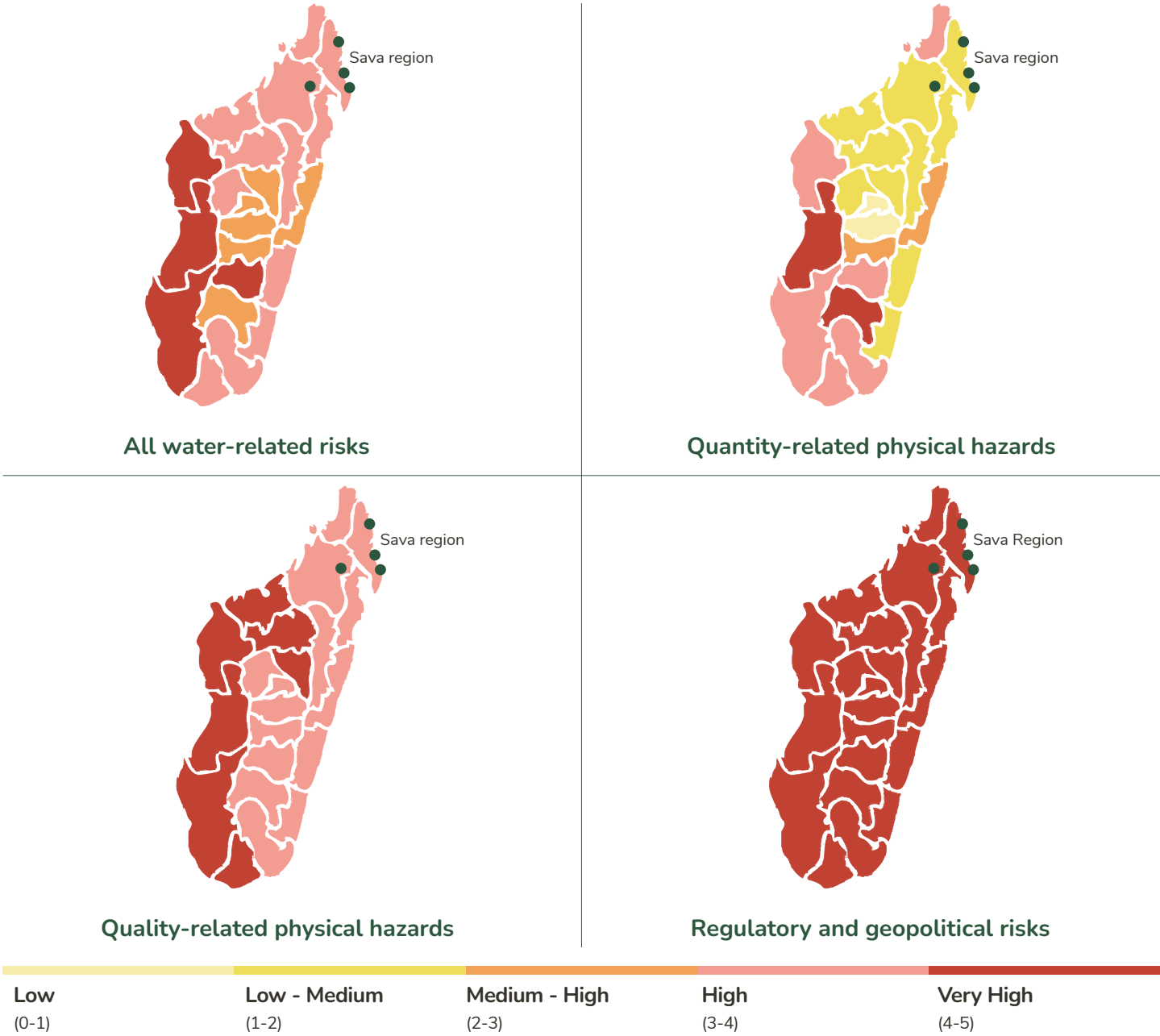
For several years now, Authentic Products' business areas have been suffering from periods of drought. These areas can be identified as water-stressed zones

Madagascar is experiencing problems related to water resource management, both in terms of quality and availability.

In Authentic Products' areas of activity, the major risk concerns **water quality**, meaning that the water available is unfit for consumption. **This risk rises to the highest levels of the scale** in terms of severity and probability of occurrence, according to the surveys and maps of the World Water Stress Atlas (World Resource Institute).


According to the same source, the risk of water stress (discrepancy between water availability and demand) is more of a problem in the central, **western and southern regions of the island**. These regions have experienced very intense droughts over the past five years. The consequences of climate change are being felt in all regions of the island, particularly in relation to **population movements towards regions** less affected by water resource availability.


Sources :  
WRI Institute, Aqeduct Water Risk Atlas  
Amnesty International, Madagascar.  
Les dirigeant-e-s mondiaux doivent agir de toute urgence pour sauver des vies et protéger les droits menacés par la crise climatique, 27 oct 2021





The programs run by Authentic Products to address this issue are multi-faceted, as adaptation to climate change must be multi-faceted.

They aim to increase the availability of water resources and their accessibility to populations, as well as to improve their quality.

 **Mahadera center**  
installed a water collector and drilled new wells

 **Training in good agricultural practices, particularly rice cultivation**

 **Well construction**  
76 built by the end of 2024

 **Testing new, more suitable varieties**  
122 ha dedicated to the production of more resistant rice (post cyclone Gamane 2024)



Towards circular waste management:  
vermicompost and biodigester

Vermicompost

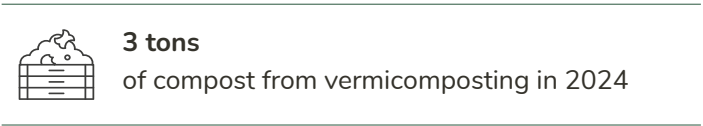
A new project at the Mahadera training center, research into the best composting systems is one of the prerogatives of the teaching team. **This year's vermicomposting project produced satisfactory results.**

The vermicomposting process recovers food scraps and other compostable waste, and produces a **natural fertilizer that improves the quality of agricultural yields.**

This process consists of 4 distinct stages: fresh waste is first **broken down by a range of micro-organisms (bacteria, fungi) and then consumed by worms.**

The resulting waste is transformed into solid compost in one compartment and highly concentrated liquid fertilizer in the last compartment.

The humus-rich composition of this natural compost improves soil quality, stimulates plant root systems, aids water retention and aerates the soil. All of which contribute to better harvests.



Biodigester

**Authentic Products uses another organic waste recovery solution, the biodigester,** which produces a green fuel gas, biogas, and a green fertilizer, digestate.

The transformation of materials takes place through a natural fermentation process that degrades waste in an oxygen-free (anaerobic) environment.

This process is part of a virtuous circle involving the reuse of materials, the reduction of GHG emissions, and the use of biogas to power the restaurants/schools in the program founded by Authentic Products.





**Biodiversity :**  
**identifying, preserving and raising awareness**

Authentic Product is committed to preserving biodiversity through two major initiatives: certification and contributions to local programs (Flocert, UEBT, RA):

- 

Conservation and sustainable use of biodiversity
- 

Education and capacity building for producers

**Conservation and sustainable use of biodiversity**

These actions involve identifying the species present on producers' farms and implementing protection measures, as well as identifying sensitive areas and establishing buffer zones between farms and sensitive ecosystems.

**Educating to preserve biodiversity**

Supporting growers in the adoption of agroforestry remains a key factor in the industry's sustainability, by encouraging the planting of trees and local species, creating natural shade and reintegrating indigenous plants for vanilla cultivation.

Our actions in the field also focus on training farmers in cultivation techniques that reduce erosion and improve soil fertility, while encouraging them to limit the use of inputs in favor of natural methods.

**870** Ha     Area monitored for biodiversity







## 03. Staying focused on Social

Social and societal indicators

Fighting poverty in Madagascar: an integrated economic approach

Education and training as levers for sustainable development

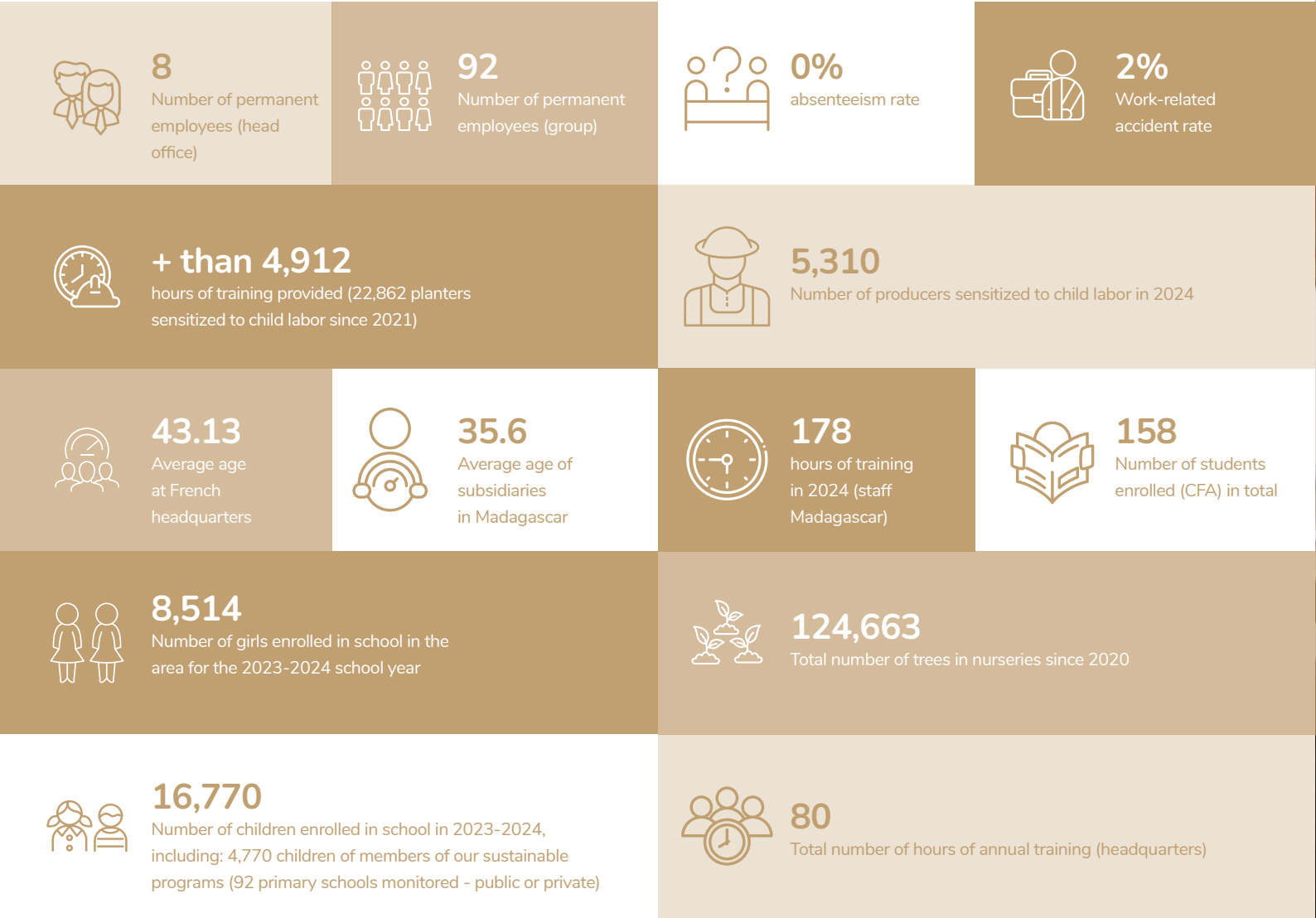
Empowering women: striving for social equality in Madagascar

Improving agricultural productivity through diversification and innovation





03. Social | Indicators



**Madagascar faces major socio-economic challenges that hinder its development.** In 2022, 75.2% of the population lives below the national poverty line, ranking the country among those with the highest poverty rates in the world. This precarious situation is due to a combination of structural factors: **weak governance, slow economic transformation, growing vulnerability to external shocks, and increased exposure to climate disasters.**

Rural areas, where the majority of people living in poverty reside, are particularly affected by this precariousness. Low agricultural productivity, limited access to essential services (education, health, etc.), and inadequate infrastructure keep people trapped in a cycle of persistent poverty. Human capital development remains hampered: Madagascar ranks 177th out of 191 countries on the Human Development Index.

In this context, international institutions such as the IMF, through its Extended Credit Facility (ECF) and Resilience and Sustainability Facility (RSF) programs, seek to promote more inclusive and sustainable growth.

These programs aim to strengthen climate resilience, improve governance, and create the fiscal space needed for essential social investments.

It is in this complex environment that Authentic Products operates.

**Through its four sustainable development programs** - the Mahadera Vocational Training Center, Tsara Kalitao, Authentic Vanille and Savanille -the company is implementing a model that provides concrete responses to the country's socio-economic challenges, while aligning itself with international program objectives. These initiatives, rooted in local realities, are pragmatic responses to Madagascar's structural issues.



Fighting poverty in Madagascar:  
an integrated economic approach

In Madagascar, where 75.2% of the population lives below the poverty line, real but insufficient economic growth is struggling to offset rapid population growth. To address these challenges, the IMF's FEC and FRD programs have been put in place with the aim of promoting more sustainable and inclusive growth and thereby reducing structural poverty.

Authentic Products is establishing itself as a complementary player by setting up an ethical vanilla supply chain. Through its four programs, it contributes directly to the Malagasy economy, with vanilla representing the country's second largest source of foreign exchange.

Faced with market fluctuations, the company has made economic diversification its priority. The Mahadera Center trains young people to develop several income generating activities simultaneously, a strategy that has become crucial since the recent fall in vanilla prices, which has left many families in a precarious situation. Students are encouraged to test different projects to identify those that offer the best economic viability in their local context.



At the same time, the Tsara Kalitao and Savanille programs enable participating producers to generate additional income compared to conventional producers, thanks to a better-structured supply chain and access to more lucrative markets. Savanille complements this initiative with a fair trade system that guarantees premiums to producers who comply with social and environmental standards.

This integrated economic approach, combining ethical supply chains, income diversification, and product value enhancement, offers a concrete model for fighting poverty at the local level that is perfectly aligned with the macroeconomic objectives of international programs.

Education and training as drivers of sustainable  
development

Human capital development is a major challenge for Madagascar, ranked 177th out of 191 countries according to the Human Development Index. This alarming situation results in limited access to education, which is particularly fragile in times of economic crisis. Studies show that a Malagasy child only reaches 61% of their potential compared to what they could achieve with a complete education and good health.

Authentic Products is responding to this challenge by placing education at the heart of its activities. The Tsara Kalitao and Savanille programs directly support the education of children in vanilla-producing communities. This approach is particularly relevant in a context where falling vanilla prices often force families to take their children out of school, either because they cannot afford the tuition fees or because they need them to help with family farming activities. At the same time, raising awareness among producers about the dangers of child labor reinforces this preventive approach and helps break the intergenerational cycle of poverty.

The Mahadera Vocational Training Center embodies the company's most ambitious commitment to education. Since its creation in 2019, the center has trained 55 young people across three cohorts, providing them with expertise in agroecology and sustainable agricultural practices. The quality of the learning environment, characterized by participatory teaching methods and dedicated trainers, fosters the acquisition of practical skills and the emergence of a new generation of farmers.



Mahadera's educational approach is not limited to the technical aspects of agriculture. The center takes a holistic approach by offering a variety of sports and cultural activities that contribute to the personal development of students while preventing risky behavior. This comprehensive educational vision prepares young people not only to become skilled farmers, but also responsible citizens and entrepreneurs capable of innovating in their communities.

Aware of market developments, the center has recently expanded its offering with training in food processing, thereby creating added value and reducing post-harvest losses. The center's director herself has undergone specialized training to be able to pass on these techniques to students, illustrating the teaching team's commitment to staying at the forefront of knowledge and practices. This strategic shift directly addresses current economic challenges by enabling young farmers to diversify their sources of income and access higher value-added markets.

This comprehensive approach to education and vocational training directly contributes to the human capital development objectives of international programs in Madagascar. By training young people to adapt their practices to changing economic and environmental realities, Authentic Products is actively participating in building a more resilient and inclusive economy, while strengthening local capacities in the long term.



Women's empowerment:  
Working for social equality in Madagascar

In Madagascar, gender inequality persists, particularly evident in literacy rates. Women, who receive less education than men, face additional barriers to economic independence and full participation in social life. In response to this reality, **Authentic Products has integrated women's empowerment as an essential component of its development programs.**

**The Tsara Kalitao program has set up specific financial management training courses for women** in producer communities. These modules enable them to acquire the skills they need to manage a family budget effectively, analyze their income and expenditure, and plan for the medium term. This financial autonomy is particularly valuable during difficult periods such as the lean season or when the vanilla market fluctuates.

**Within the Savanille cooperative, a women's association has been created to strengthen their participation in decision-making** structures and enhance their contribution to production. This initiative explicitly recognizes the crucial role of women in the vanilla sector, particularly their expertise in flower pollination, where they can process up to 1,000 flowers daily.

**The Mahadera Center exemplifies this commitment with a proactive approach to supporting female students.** The first graduating class saw a woman become valedictorian, receiving full support for her business project. Partners such as the Odds Agency contribute specifically to funding projects led by female students, creating a conducive environment to their entrepreneurial success.

These initiatives, which cut across all Authentic Products programs, are helping to gradually transform gender relations within communities while strengthening the overall economic resilience of the vanilla industry.



Improving agricultural productivity through diversification  
and innovation

The low productivity of Madagascar's agricultural sector contributes to keeping the rural population in chronic poverty. Faced with this structural challenge, Authentic Products is developing an agricultural diversification strategy tailored to local realities.

The Mahadera Center and the Authentic Vanilla program actively promote crop diversification by strategically targeting products that are in high local demand but traditionally imported from other regions. For example, students are developing carrot and onion cultivation projects to meet identified needs in the Sambava markets, while also focusing on a diverse portfolio that includes vanilla, cloves, pink peppercorns, and even coconuts.

Training at the Mahadera Center has evolved pragmatically in response to economic realities. While the first classes focused on livestock farming, the third has turned more toward food crops and market gardening, which require less initial investment and offer better returns in the face of rising feed costs. This adaptation reflects a dynamic educational approach rooted in the realities on the ground.

At the same time, new value chains are developing. The Mahadera Center is exploring value creation through the processing of agricultural products. An integrated value chain is emerging among the student cohorts, with some specializing in peanut production and others focusing on processing, illustrating a holistic approach to agricultural development that directly addresses productivity challenges.

Authentic Products' programs are a concrete model for implementing the objectives of the IMF's FEC/FRD programs at the local level. While IMF programs operate at the macroeconomic level, Authentic Products works directly with communities on the ground. This model of engaged business illustrates how the private sector can contribute effectively to the country's sustainable development goals by providing concrete solutions to Madagascar's structural challenges: poverty reduction, human capital development, climate adaptation, and improved governance.

In times of economic uncertainty and fluctuating vanilla prices, diversifying activities and continuing to invest in local development demonstrate a resilient approach that could inspire other economic actors in Madagascar.



A sustainable development model  
aligned with national objectives





## 04. Reinforcing our compliance requirements

Certifications

Strengthening our quality and compliance systems

New developments in certified programs

Highlighting key issues

Mapping the value chain







While Europe has paved the way for stricter ESG (environmental, social, and governance) reporting, other regions of the world are also getting on board, even those most reluctant to regulate their markets.


“The global economy seems to be converging towards greater regulation of corporate ESG reporting” says Tania Martha Thomas, research fellow at the Global Climate Action Observatory (Climate Chance).

At the beginning of 2024, 71 stock exchanges worldwide, more than half of the total, had guidelines for the disclosure of environmental, social and governance (ESG) information in one form or another, compared with only 13 in 2015. Twenty-seven of these had specific rules in place. This will cover 40% of the global economy in a few years' time, when these rules all come into effect, according to the US based World Resources Institute.


In addition, there are other texts relating to compliance in the value chain (CSDDD) and laws on deforestation (Eudr) that affect several raw materials.

The context is therefore becoming increasingly urgent for SMEs, which are finding themselves subject to additional and complex reporting requirements as a knock-on effect.


AUTHENTIC PRODUCTS Certifications




Rainforest Alliance




Commerce équitable :  
FAIRTRADE, par FLO-Cert (Madagascar, France)




Certification Halal (France)




FSSC22000 (France)




FDA (Madagascar, France)




Certification biologique Union Européenne  
et NOP (Madagascar and France)



Certification Casher (France)



Ecovadis (France)



Sedex (Madagascar)



Towards strengthening our quality and compliance systems

With the tightening of certain regulations, but also as part of the voluntary VSME standard, we have conducted a comprehensive review of our various policies, charters, and protocols. As part of this review, our responsible purchasing policy has been strengthened.

- Policy reviews within the framework of the VSME
- Code of Ethics and Professional Conduct
- Food Defense Code
- Food Fraud Code
- IT Charter & GDPR
- Supplier Code
- Responsible Purchasing Policy
- Supplier Audit
- Supplier Selection Policy

The Authentic Products group has established and maintains a quality system that complies with current regulatory requirements, ensuring food safety and the application of good hygiene practices throughout the vanilla processing chain.

The hygiene and food safety policy implemented by Authentic Products Madagascar is subject to strict controls and validated by recognized certification bodies, including the US Food and Drug Administration (FDA), ECOCERT, FLOCERT, the Union for Ethical BioTrade (UEBT), the government authorities of the various destination countries, and SEDEX.

In line with changes in national and international regulatory frameworks, the frequency of on-site inspections has been significantly increased. The quality system includes the implementation of a health control plan based on the HACCP (Hazard Analysis Critical Control Point) methodology, documented food safety procedures, a business continuity plan (BCP), workplace safety protocols that comply with current standards, data protection measures and information systems, a corporate social responsibility (CSR) program, and a formalized regulatory monitoring process.



The rigorous application of HACCP methodology enables Authentic Products Madagascar to ensure that its products comply with applicable food safety requirements. Storage, production, repackaging, and distribution activities are then handled by Authentic Products France at its Bordeaux site, in accordance with the same quality standards and even exceeding them through FSSC22000 certification.

Analytical checks are systematically carried out to identify and control microbial, chemical, and physical risks in accordance with validated sampling plans. These analyses are carried out exclusively by European laboratories accredited by Cofrac in accordance with ISO 17025.

Authentic Products France has renewed its FSSC22000 (Food Safety System Certification) certification for the third consecutive year, attesting to its compliance with one of the most demanding standards in food safety. This standard is recognized by the Global Food Safety Initiative (GFSI) and meets the requirements of international regulations applicable to the food sector.




\* CSDDD  
Corporate Sustainability Due Diligence Directive  
\* EUDR  
European Union Deforestation Regulation



Authentic Products has several certifications in place in certain sectors (organic, fair trade, UEBT-RA) that guarantee strict specifications in terms of human rights, the environment, biodiversity, and ethics.

In the Authentic Vanilla program, one area is UEBT-RA certified. The Tsara Kalitao program is EU/NOP organic certified. The Savanille cooperative is EU/NOP organic and fair trade certified.

The Union for Ethical Bioproducts (UEBT) is a non-profit association that supports and monitors companies committed to sourcing raw materials in a respectful manner.

4	Number of minor non-compliances with the organic standard (Madagascar)	
15	Number of minor non-compliances with FLO standards (Madagascar)	
12	Number of minor non-compliances with the UEBT-RA standard (Madagascar)	
0	Number of conformities for Authentic Products France	

The Rainforest Alliance label (the famous frog...) means that the ingredient has been grown on farms certified according to the Rainforest Alliance Standard for Sustainable Agriculture, an American NGO that aims to preserve biodiversity and sustainability.

The UEBT and the Rainforest Alliance have developed a joint Herb and Spices program.

EcoVadis offers a globally recognized CSR assessment that measures companies' performance according to 21 criteria grouped into four themes: Environment, Social & Human Rights, Ethics, and Responsible Procurement.

The methodology is based on international standards (ISO 26000, Global Compact, GRI) and evaluates companies' policies, actions, and results. After a document review, organizations receive a score out of 100 and a medal (Bronze, Silver, Gold, or Platinum).

This certification offers several advantages: it meets the growing demands of clients, identifies areas for CSR improvement, promotes commitments to stakeholders, and facilitates access to tenders requiring CSR criteria.

More than 100,000 companies in 175 countries use EcoVadis, which has established itself as the benchmark for assessing the sustainable performance of supply chains.





Highlighting major issues

Authentic Products' activities span all continents, from the United States and Europe to Asia, the Middle East and Africa. The various segments of its value-creation model revolve around activities based in Madagascar, such as:

- Cultivation and extraction of raw materials
- Transport of raw materials to production sites
- Production activities

And other parts around:

- Transport of products to Europe, the USA and other international destinations
- Packaging, sales and distribution
- The stages of use, consumption and end-of-life of products by consumers.

If we focus on segments located in Madagascar, real issues revolve around the availability of natural resources and the protection of human rights. **In this respect, Authentic Products identifies three major risks:**

- The scarcity of resources, notably linked to the deterioration of growing conditions in connection with climate change.
- Respect for the fundamental rights of communities in the value chain, a reality still very present on the African continent, and more specifically child labor and “living
- Ethical business practices

On these issues, Authentic Products remains extremely vigilant and exerts a positive influence with concrete actions in response to these risks and realities on the ground, through the practice of agroforestry, reforestation and social actions, such as children's schooling, women's autonomy and the professionalization of producers, or training on the ground in relation to child labor.

In the transport and production segments, the issues at stake focus on pollution and waste management. Authentic Products points to the negative impact of goods transport and related pollution on climate change. Opportunities also arise in response to this challenge, such as the development of a green energy shipping line, but also the contribution of positive impacts with the development of local jobs in Madagascar.

Finally, in the packaging and distribution phases, followed by the consumption and end-of-life phases, which are generally located in Europe and the United States, the challenges are to meet the needs and expectations of customers and consumers through circular economy initiatives, certification linked to product quality and safety, and pollution related to the sale of products. A specific point of attention concerns regulatory issues.

For several years, Authentic Products has been in full compliance with all standards, certifications and customer expectations. A review of all quality-related policies was the subject of a working session. Authentic Products' main associated risks are reputational and health-related.





Value chain mapping

A company's value chain is defined by its activities, resource flows and relationships in relation to its business model, its value creation (production of goods and services) and the external environment in which it operates. A value chain extends from the raw materials purchasing phase to the design of products and services, right through to the distribution, consumption and end-of-life of its goods and services<sup>3</sup>.

To do this, we look at the resources and relationships required to develop your company's activities and the associated revenues. This analysis also assesses the impacts, risks and opportunities of activities throughout the production cycle, including both upstream and downstream of the company's direct activities. In the upstream part of this representation, we address the dependence of our activities on various resources: natural, human and social. All these elements are represented visually in the form of a map.

In the context of CSRD and also VSME<sup>4</sup>, the expected objective is to describe the main elements of the company's business model and value chain, as well as its general strategy dealing with sustainability issues, in order to understand its exposure to impacts, risks and opportunities (IROs)<sup>5</sup>.

We have therefore analyzed all our activities, from the purchase of our raw products (vanilla, pink berries, cloves, ginger, etc.) to the end-of-life of the products with end customers. To do this, we will follow the recommendations of EFRAG, which rightly specifies the activities, resources and relationships to be included in the mapping of its value chain<sup>6</sup> :

Those included in company activities, such as human resources.

Those included in the supply, marketing and distribution chain, such as the materials and resources used, the sale of goods and services, and transportation.

The financial, geographic and regulatory environments in which the company operates.

The analysis of the value chain mapping was supervised by a firm of experts, who provided guidance and additional orientations on certain issues. The final analysis was validated in the workshop by consensus.



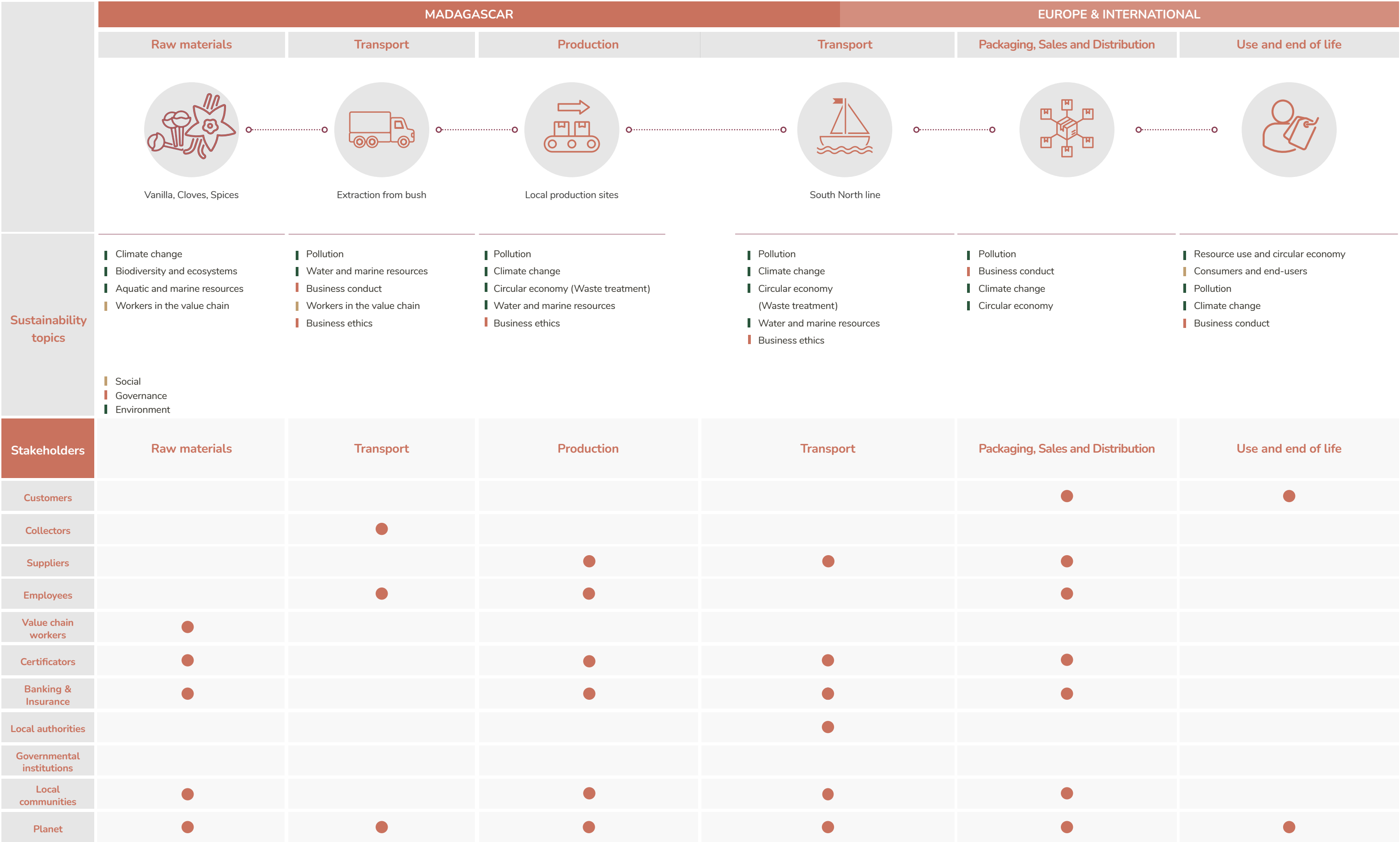
<sup>3</sup> EFRAG IG 2 : value chain Implementation Guidance, §23, p. 10

<sup>4</sup> VSME : European sustainability reporting standards established to help micro-enterprises and SMEs better understand and communicate their environmental, social and governance impacts

<sup>5</sup> CSRD, ESRS 2, SBM-1 publication requirements - Strategy, business model and value chain, §39

<sup>6</sup> EFRAG IG 2 : Value Chain Implementation Guidance (Dec 2023)







	MADAGASCAR				EUROPE & INTERNATIONAL		
	Raw materials	Transport	Production	Transport	Packaging, Sales and Distribution	Use and end of life	
	Vanilla, Cloves, Spices	Extraction from bush	Local production site	South North line			
Stakeholders	<ul style="list-style-type: none"><li>Local village communities</li><li>Value chain workers</li><li>Planet certification bodies</li><li>Local communities and government institutions</li><li>Banking and insurance partners</li></ul>	<ul style="list-style-type: none"><li>Collectors</li><li>Local authorities</li><li>Planet</li></ul>	<ul style="list-style-type: none"><li>Employees</li><li>Suppliers and service providers (energy, consumables, and equipment)</li><li>Local communities and government institutions</li><li>Banking and insurance partners</li><li>Certification bodies</li><li>Planet</li></ul>	<ul style="list-style-type: none"><li>Local authorities and government institutions</li><li>Suppliers (sea and air transport)</li><li>Local communities</li><li>Banking and insurance partners</li><li>Certification bodies</li><li>Planet</li></ul>	<ul style="list-style-type: none"><li>Customers</li><li>Suppliers and service providers</li><li>Certification bodies</li><li>Employees</li><li>Banking and insurance partners</li><li>Planet</li><li>Local communities and authorities (social, fiscal...)</li></ul>	<ul style="list-style-type: none"><li>Professional final customer</li><li>Government institutions: DDPP and DGCCRF</li><li>Planet</li></ul>	Stakeholders
Sustainability topics	<ul style="list-style-type: none"><li>Climate change</li><li>Biodiversity and ecosystems</li><li>Aquatic and marine resources</li><li>Workers in the value chain</li></ul>	<ul style="list-style-type: none"><li>Pollution</li><li>Water and marine resources</li><li>Business conduct</li><li>Workers in the value chain</li><li>Business ethics</li></ul>	<ul style="list-style-type: none"><li>Pollution</li><li>Climate change</li><li>Circular economy (Waste management)</li><li>Water and marine resources</li><li>Employees</li><li>Business ethics</li></ul>	<ul style="list-style-type: none"><li>Pollution</li><li>Climate change</li><li>Business conduct</li><li>Business ethics</li></ul>	<ul style="list-style-type: none"><li>Pollution</li><li>Employees Business conduct</li><li>Climate change</li><li>Circular economy</li></ul>	<ul style="list-style-type: none"><li>Resource use and circular economy</li><li>Consumers and end-users</li><li>Pollution</li><li>Climate change</li><li>Business conduct</li></ul>	Sustainability topics
Risks	<b>Risks</b> <ul style="list-style-type: none"><li>Resource scarcity</li><li>Reputation linked to child labor</li><li>Regulatory (local, international)</li></ul>		<b>Risks</b> <ul style="list-style-type: none"><li>Pollution</li><li>Climate change (extreme events)</li><li>Production disruption due to supply shortages</li><li>Consumables</li><li>Business ethics</li><li>Regulatory (local, international)</li></ul>	<b>Risks</b> <ul style="list-style-type: none"><li>Climate change &amp; infrastructure</li><li>Limited supply chain</li><li>Policy</li></ul>	<b>Risks</b> <ul style="list-style-type: none"><li>Regulatory</li><li>Data leakage</li><li>Financial</li></ul>	<b>Risks</b> <ul style="list-style-type: none"><li>Consumer trends</li><li>Reputation</li><li>Health risk</li></ul>	Risks
Impacts	<b>Positive impact of sust. programs</b> <ul style="list-style-type: none"><li>Diversification of cash crops and income</li><li>Reforestation and greater respect for the environment thanks to agroforestry cultivation</li><li>Professionalization of producers</li><li>Empowerment of women</li></ul> <b>Negative impacts</b> <ul style="list-style-type: none"><li>Soil pollution due to poor waste management</li><li>Economic dependence</li><li>Loss of market in case of Reputation</li></ul>	<b>Negative impacts</b> <ul style="list-style-type: none"><li>Product collection by truck</li><li>Contribution to climate change</li><li>Induced pollution</li></ul>	<b>Positive impacts</b> <ul style="list-style-type: none"><li>Local job opportunities</li></ul> <b>Negative impacts</b> <ul style="list-style-type: none"><li>Contribution to global warming</li></ul>	<b>Negative impacts</b> <ul style="list-style-type: none"><li>Contribution to global warming</li></ul>			Impacts
Opportunities	<b>Opportunities</b> <ul style="list-style-type: none"><li>Sustainable program for a positive impact</li><li>New market</li></ul>		<b>Opportunities</b> <ul style="list-style-type: none"><li>Development of processed products (essential oils, extracts) with high added value</li></ul>	<b>Opportunities</b> <ul style="list-style-type: none"><li>Green energy shipping line theoretically available in 2026 for container exports.</li><li>Opportunity for new markets?</li></ul>		<b>Opportunities</b> <ul style="list-style-type: none"><li>New markets</li></ul>	Opportunities





## 05. Appendices

Scope and standards considered

Matrix of performance indicators





The reporting period is based on our fiscal year, from January 1st to December 31, 2024. Given the nature of our activities, the issue of animal welfare has not been defined as a relevant issue for our Group and is therefore not covered in our sustainability report.

The content of this chapter is dedicated to indicators linked to sustainable development and Authentic Products' ESG policy. It has been prepared in collaboration with the relevant support functions and Group subsidiaries.

Reporting principles

All reported data (indicators) come from various internal reporting systems:

- **HR** : Reporting tools for social data and health, safety and environment (HSE) data
- **Sustainability**: Group reporting
- **Statistics and financial data**: management and accounting tools

Reporting scope

This sustainability report covers all Group subsidiaries in operation. Some indicators are not applicable to a complete scope, so this is specified where appropriate. This document is based on several data:

Social indicators managed and collected by the Human Capital department for banking and insurance subsidiaries, and by the Health, Safety and Environment (HSE) departments for industrial subsidiaries;

Societal indicators are monitored directly by the departments concerned and then transmitted for the report;

Environmental information is tracked directly by the departments concerned and then submitted for the report;

Financial information monitored by the finance department.

CALCULATION AND MEASUREMENT INDICATOR OR INDEX:

Tracks and measures an action (or its impact). It remains indicative and can, if relevant over the long term, be converted into KPI's.

Carbon footprint calculation scope

Authentic Products carried out its first carbon footprint® in 2019 and has repeated the exercise every year, with the exception of 2020 (Covid year). These assessments concern the French and Madagascan entities. In 2024, the exercise was extended to Authentic Products Industry, the Group's new industrial entity for transforming raw materials into extracts, and to Mahadera, an education and training structure supported by Authentic Products.

All the Group's activities are therefore included in the operational scope of the carbon footprint calculations. The assessment was carried out using the Bilan Carbone® method, and covers all scopes 1, 2 and 3:

Scope 1:	direct emissions (fuels, vehicles owned)
Scope 2:	indirect energy emissions (electricity consumption)
Scope 3:	other indirect emissions (purchases, freight, travel, etc.) for which we will split upstream and downstream

The GRI standard

The GRI standards framework was launched in 2002, becoming one of the first global standards dedicated to sustainability reporting. Initiated by the Global Reporting Initiative (GRI), it aims to help companies, governments and other organizations understand and communicate their impacts on issues such as GHG emissions, social and governance issues.

Today, the GRI reporting framework helps to improve the transparency of organizations by promoting high-quality disclosure of material sustainability information that meets the needs of stakeholders.

References to the SDGs

Adopted on September 25th, 2015 by the Heads of State and Government meeting at the Special Summit on Sustainable Development, the Agenda 2030 sets out 17 Sustainable Development Goals (SDGs) broken down into 169 targets to address common challenges based on the 3 dimensions of sustainable development - environmental, social and economic.

The Agenda 2030 and the ensuing SDGs present a profoundly innovative conception of sustainable development:

- They combine the fight against extreme poverty and the reduction of inequalities with the **preservation of the planet in the face of climate disruption**.
- They transcend the challenges of sustainable development for all the countries of the planet in a **global and universal approach**.
- They are the fruit of an **unprecedented consultation process involving players from civil society, the private sector, local authorities, the research community and others**.





Scope	YEAR OF DECLARATION				Indicators	GRI
	Vsme	2024	2030	Units		
	N1				Strategy: business model and sustainability	
Group					Please refer to page 14 of the Group section	
	N2				Material sustainability issues	
Group					Please refer to page 29 of the Group section	
	N3				Managing material sustainability issues	
Group					Source program detailed in sub-sections	
	N4				Key stakeholders	
Group					See stakeholder mapping	
	BP4				Transition plan for climate change mitigation	
Group					Detailed in the environment sub-section	
	BP5				Physical risks associated with climate change	
Group					See swot Act physical risks related to climate change	
	B3				Energy and GHG emissions	
Group		473,250	30,000	kWh	Fossil fuel	302-1
Group		69,762	35,000	kWh	Electricity	302-1
Group		280	150	tCO <sub>2</sub> eq	Scope 1	305-1
Group		53	25	tCO <sub>2</sub> eq	Scope 2	305-2
Group		1,981	1,500	tCO <sub>2</sub> eq	Scope 3 upstream	305-3
Group		0	5	tCO <sub>2</sub> eq	Scope 3 downstream	305-3
	BP3				Fighting global warming	
Subsidiary		1,831	3,250	Ha	Surface area dedicated to agroforestry	304-2
Subsidiary		8.5	15	Ha	Surface area dedicated to reforestation	304-3
Subsidiary		3.7	6.50	Ha	Area dedicated to firewood	304-2
Subsidiary		11,484	32,000	Qtty	No. of trees planted for reforestation	304-3
Subsidiary		30,460	68,500	Qtty	No. of trees in nursery in 2024	304-2
Subsidiary		124,663	220,000	Qtty	Cumulative No. of trees in nurseries since 2020	304-2
	B4				Air, water and soil pollution	
Subsidiary					Declarative, in compliance with current standards	
Subsidiary					Declarative, in compliance with current standards	
Subsidiary					Declarative, in compliance with current standards	

Scope	YEAR OF DECLARATION				Indicators	GRI
	Vsme	2024	2030	Units		
	B5				Biodiversity	
		13,000	13,000	m²	Impervious surface (yards)	304-1
Subsidiary		6,000	10,000	US\$	Funding to protect biodiversity	304-2
Subsidiary				US\$	Cumulative funding for biodiversity protection	304-2
Subsidiary		870	1,500	Ha	Area monitored for biodiversity	304-2
Subsidiary		1,277	2,500	Qtty	No. of fruit trees planted	304-2
Subsidiary		19	25	Qtty	No. of visits organized in protected areas	304-2
	B6				Water	
Group					Total water withdrawn	303-3
Group					Total water consumption	303-5
Subsidiary		76	130 à 140	Qtty	Number of wells built since the start of the program	
	B7				Resource use, circular economy and waste management	
Subsidiary		19	26	Mt	Manufactured compost	306-1
Subsidiary		3	4	Mt	Lombri compost	306-1
Subsidiary		100	100	%	Recycled packaging	306-1
	BP6				Ratio of hazardous and/or radioactive waste	
Subsidiary		2,800	10,700	m³	Quantity of alcohol consumed	306-6

	B8				General	
Headquarters		8	9	Qtty	No. of permanent employees	405-1
Subsidiary		92	95	Qtty	No. of permanent employees	405-1
Group		100	104	Qtty	No. of permanent employees	405-1
Headquarters		37/63	35/65	%	Non-executive gender breakdown	405-1
Subsidiary		70/30	70/30	%	Non-executive gender breakdown	405-1
Headquarters		40/60	40/60	%	Executive gender breakdown	405-1
Subsidiary		87/13	85/15	%	Executive gender breakdown	405-1



Scope	YEAR OF DECLARATION				Indicators	GRI
	Vsme	2024	2030	Units		
	B9				Health & Safety	
		2		Qty	Work-related accident	403-9
Group		2%	0%		Work-related accident rate	403-9
Headquarters		0%	0%		Absenteeism rate	403-9
Subsidiary		0%	0%		Absenteeism rate	403-9
Headquarters		43.13	40		Average age	401-1
Subsidiary		35.6	40		Average age	401-1
Headquarters		6.4	10		Average length of service	401-1
Subsidiary		5.28	10		Average length of service	401-1
	B10				Compensation, collective bargaining and training	
Group		100%	100%		% of employees covered by collective bargaining agreements	401-3
Headquarters		80	80		No. of hours of training per year	404-1
Subsidiary		178	200		No. of hours of training per year	404-1
Group		100%	100%		% employees entitled to family leave (maternal, paternal, nursing)	401-3
	B11				Workers in the value chain	
Subsidiary		5,310	5,500	Qty	No. of producers trained in good agri, social and enviro practices	404-1
Subsidiary		5,310	5,500	Qty	No. of producers made aware of child labor	408-1
Subsidiary		1,328	1,500	Qty	Hours of training on child labor	408-1
Subsidiary		4,948	10,000	Qty	Technical training hours since 2021	404-1
		36%	55%		Percentage of members' children attending school in the area (the lower the vanilla price, the lower this indicator).	404-2
		75%			Retention rate of students throughout the 2023-2024 school year in the zone	404-2
Subsidiary		11	15	Qty	No. of students trained (CFA)	404-2
Subsidiary		158	182	Qty	Cumulative number of students entering (CFA)	404-2
Subsidiary		500	580	Qty	Cumulative No. of adults trained (CFA)	404-2
Subsidiary		8,514		Qty	No. of girls enrolled in 2023-2024	404-2
Subsidiary		16,770	11,450	Qty	No. of children with access to school (via program)	404-2
	BP2				Ratio of gender diversity within the governance body	
Group		100%			Gender ratio in governing body (ratio of women to men)	405-1
	BP10				Work-life balance	
					Maternity leave	

Scope	YEAR OF DECLARATION				Indicators	GRI
	Vsme	2024	2030	Units		
	B12				Conducting business	
Group				Declarative	Anti-corruption policy & business ethics	205-1
	N5				Responsibility for sustainable development	
Group				Declarative	Sustainable purchasing policy	407-413
	BP1				Revenues from certain sectors	
Group				Declarative	See business model	
Group				Declarative	Declaration in the appendix of sectors not concerned	
	BP7				Alignment with internationally recognized instruments	414-1
Group				Declarative	Statutory Auditors	
	BP8				Compliance monitoring processes and mechanisms for dealing with violations	
Group				Declarative	Policies Food defense / Food Fraud / FSSC22000	
Group	0	0		Qty	Number of non-compliances with standards	
Subsidiary	4	<5		Qty	Number of minor non-conformities to organic standards	
Subsidiary	15	<5		Qty	Number of minor non-conformities to the FLO standard	
Subsidiary	12	<5		Qty	Number of minor non-conformities to UEBTA-RA standard	
	BP9				Violations of OECD / UN guidelines	
Group				Declarative	Declarative appendix	







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