

**WE
CAPTURE
WHAT
MOVES**



V. MANE FILS

2011 Communication on Progress



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**Time Period Covered**

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About Mane

Mane is one of the worldwide leaders in the Flavour & Fragrance Industry.

Established in 1871 in Southern France near Grasse, Mane is a 100% family-owned and run company.

Today, the group's industrial network consists of more than 50 sites, including 21 production facilities and 27 research & development or creative centres located in more than 30 countries around the world. And the company employs close to 3000 people worldwide.

In 2010, Mane achieved sales of 480 million euros, 28% higher than in 2009.

Message from the President



For the eight consecutive year, we reaffirm our continued support for the United Nations Global Compact and renew our ongoing commitment to the initiative.

All the four principle issue areas are transposed by the group's subsidiaries into local actions, presented in this 2011 Communication on Progress.

Mane has been a signatory of the Global Compact since 2003 and through the implementation of its Sustainable Development Policy, the company carefully conducts its business in a socially responsible manner, in line with the 10 Principles of the Global Compact.

I am pleased with our achievements as a member of the Global Compact and am glad to share our communication in this respect.



Jean Mane, President.

Responsible purchasing

Since 2009, our Purchasing Department has been implementing a Responsible Purchasing program aiming at inducing our main suppliers to adopt our own corporate social responsibility (CSR) commitments.

To do so we elaborated a “Purchasing and Sustainable Development Charter” that requests our suppliers to respect the five following commitments:

- To respect the national regulations and other applicable laws relative in particular to their environmental aspects and social responsibility requirements (child labour, forced and compulsory labour, freedom of association & right to collective bargaining, remuneration, discrimination),
- To control the environmental impacts of their activities and products (pollution, water consumption, energy, emissions to air, waste),
- To ensure good, safe and healthy labour conditions for their employees,
- To ensure the protection of biodiversity in their sourcing channels, to encourage channels coming from organic farming and to fairly share the added value resulting from the exploitation of genetic resources in particular with the supply chain stakeholders (indigenous people, local communities, farmers) and
- To implement a purchasing policy aiming to promote social responsibility values and principles to their own suppliers and sub-contractors.

Besides, a self-assessment questionnaire covering the different requirements of our Charter has been sent out to our most significant suppliers. The purpose of this questionnaire is to help them in evaluating their CSR level in order to identify with them any improvements or actions appropriate to meet the targets of sustainable development. Each supplier is rated according to its answers, which allows Mane to maintain a “Supplier Risk Cartography”.

Measurement of outcomes:

- 76 significant suppliers out of 372 referenced by the Purchasing Department are being followed up from a CSR viewpoint, which represents 84% of the purchases.
- 74% of them are signatories of our Charter.
- 5% of them do not want to sign it for consistency reasons but have published a CSR report verified by independent third parties.
- 73% of suppliers assessed have a CSR rating of above 3/5.

Eco-design

Mane's eco-design approach is at the heart of the group's Research & Development activities. Eco-design that aims to integrate environmental considerations into the design of a product, applies throughout the whole life cycle at all stages, including the raw materials acquisition, its formulation, manufacturing, use and disposal.

An evaluation tool for green chemistry

Concretely, Mane's eco-design approach consists in integrating the 12 principles of Green Chemistry at the design stage. From this perspective, we have developed an evaluation tool for green chemistry, which allows to assess either an extract (vegetable raw material extracted by various means) or a molecule coming from chemical synthesis.

The methodology behind consists in implementing a scoring system based on various fundamental criteria, which address the main topics of green chemistry below:

- The origin of raw materials,
- The "naturalness" of the process,
- The types of solvents used,
- The toxicity and hazards of reagents and solvents,
- The reaction mass efficiency,
- The toxicity and hazards of the final product,
- The E-factor and
- The environmental quotient.

A set of criteria and scores has been defined, ranking the different options in terms of performance, therefore filling out the evaluation questionnaire results in a global score (from 0-100), which reflects a green chemistry performance indicator.

Measurement of outcomes:

This tool helps Mane's formulators to select ingredients that have a good environmental profile, and develop new and more eco-friendly formulations.

Waste reduction

Reducing unnecessary waste where feasible is a priority for Mane. In 2010 the group reduced by 9,6% its waste per ton of shipped product. In fact, the waste reduction initiatives implemented in many of our production facilities help to achieve this outcome:

- This is the second consecutive year that our factory in Mexico has significantly reduced its waste generation mainly due to extensive waste sorting (48% reduction in 2010).
- In our Cikarang site in Indonesia, we have requested our suppliers of Propylene Glycol and Dipropylene Glycol to preferably ship their products in 20 tons ISO tank containers rather than metal drums, which can only contain 200L of raw materials. We first focused on these two raw materials as they represent 33% of the purchases in terms of tonnage. In 2010, bulk deliveries have resulted in very substantial benefits in terms of logistic (fewer deliveries) and waste reduction with more than 33 tons less metal waste.



Metal drums.



ISO tanks.

Environmental awareness activities

Reforestation of Nevado de Toluca:

Each year, we encourage our sites around the world to organize environmental awareness activities. Our aim is to make our staff more aware of environmental issues. In July 2010, Mane Mexico joined a reforestation project of the Nevado de Toluca (volcano Xinantecatl), organized by the Tlálóc Foundation. That day, 40 Mane's employees joined 200 volunteers of Tlálóc to plant 3,000 trees.

The Nevado de Toluca is one of the most important aquifers in Mexico, contributing to the water supply of more than 1.6 million people. Each year this National Park loose 156 hectares of forest so reforestation is important to avoid soil erosion caused by the deterioration of forest ecosystems and the impossibility for water to filter into underground to feed groundwater. A tree can help loading the groundwater up to 50,000 liters.



Staff's children environmental awareness:

In November 2010, Mane Mexico organized a "Fiesta de los Niños" for its staff's children, which consisted of a social and environmental exhibition, a theatre play, a music concert and a campaign to collect toys for underprivileged children.

This event was a great opportunity for the children to participate to educative activities, which aimed at raising their awareness of sustainable development issues.

PROGRAMA

Horario	Lugar	Evento
9:00 - 11:00	Entrada	Exposición / Talleres concientización ambiental y social
11:00 - 12:00	Escenario	" <i>Misión Basura, una aventura para salvar al mundo</i> " (Obra de teatro educativa sobre la conservación del medio ambiente)
12:00 - 13:00	Escenario	" <i>Orquesta Basura</i> " (Concierto de música con instrumentos fabricados con material de desecho)
13:00 - 15:00	Escenario	Entrega de regalos
Continuo (9:00 - 15:00)		Juegos mecánicos, interactivos y comida

FIESTA DE LOS NIÑOS!



Energy and greenhouse gas reduction

In 2010, the group reduced by 6% its energy consumption compared to 2009. To do so we are focusing on efficient energy use, the use of natural gas in preference to fuel (which emits less carbon) and renewable energy.

Mane's sites around the world are contributing to the group's energy and greenhouse gas reduction target:

- Our factory in Lerma (Mexico) uses solar heating panels to heat water for showers for their employees, which results in lower fuel consumption.

The installed solar panels can heat 4100 litres of water up to 52°C and deliver the equivalent of 4% of the factory's natural gas daily demand.



- In 2010, Mane's plant in Le Bar-sur-Loup (France) has reduced by 6% its energy consumption compared to 2009. One of the main reasons why is the modernization of its gas boiler and steam generation installations.
- The investments made significantly improved the performance for optimized energy efficiency. Estimations made show that it would result in an energy saving of around 810 MWh per year.



- Besides, through its "kWh Equilibre" contract issued by EDF (French electricity supply company), our main production sites in Southern France contribute to promote renewable energies. Thereby the equivalent of 6.7% of the group's total energy use came from renewable energy sources in 2010 (7,000 MWh).

Health & Safety initiatives

The group is committed to providing a healthy and safe working environment for its employees across all operational sites worldwide.

At Mane's Quéven factory in France, an ergonomic study carried out within the framework of the Occupational Medicine prevention program, resulted in the adaptation of the workstation design for raw materials unpacking, handling and grinding. This workstation ergonomic arrangement allows the user to work in a posture that minimizes repetitive gestures involving pelvis rotation, lifting, pushing/pulling, etc. with the sole aim of improving worker well-being.



Another group initiative in Colombia, we provided personal protective equipment to personnel.



Anti-corruption

Mane complies with the United Nations Convention against Corruption. We reject all forms of corruption and do not tolerate use of influence, extortion and bribery.