

Communication on Progress 2012 United Nations Global Compact

Paris, June 2012

Letter from the Bel Group Chairman and CEO

The Bel Group of tomorrow is being built upon our Corporate Social Responsibility



Our corporate social responsibility policy lies at the heart of a business model that the Group has adhered to since its creation more than 140 years ago. This is the model of a company driven by the desire to give meaning to its actions, to take into account the interests of its customers, employees and the communities in which it operates.

In a time of great economic uncertainty, our increasing sales are a sign of the strong relationships—founded on trust, quality and pleasure—that our brands have forged with their consumers. The Bel Group has undeniable assets for continued growth: the specific nature and strength of our brands and our proximity to our markets are the results of our strategy to internationalize and our Corporate Social Responsibility policy, which guides our actions and ensures our constant growth.

Our CSR policy, a commitment that unites

Our mission—to bring smiles to all families through the pleasure provided by our products made with dairy goodness—and our values enrich our Corporate Social Responsibility policy. This policy is at the heart of our development strategy and influences all our operations. It is built upon our willingness to listen and engage in dialogue with our stakeholders. We would like to convert this dynamic process into a unifying force that will carry over to our employees, customers, partners and suppliers.

Our employees are the primary actors behind our program. Trained to face our sustainable development challenges, our employees make sure that corporate, social and environmental considerations are incorporated into their decision-making processes in order to strike a fair balance between economic development, the respect for human rights and the environment. This is a continuous improvement plan, a long-term dynamic process designed to bring change to the company.

It is only through the involvement and commitment of each one of us that our sustainable growth strategy will enable us to fulfill our mission and spread even more smiles throughout the world.

Antoine Fiévet

Bel Group Chairman and CEO



The Bel Group is a signatory to the United Nations Global Compact. The Group is committed to embrace, support and enact the 10 core principles of the Global Compact in favor of human rights, labor standards, the environment and anti-corruption.

United Nations Global Compact principles – Correspondence table

United Nations Global Compact principles	Our commitments <i>Links to the Group reference documents</i>	Our 2011 achievements and outlook <i>Links to the Group reference documents</i>
HUMAN RIGHTS		
1. Businesses should support and respect the protection of internationally proclaimed human rights 2. And make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> - The commitments of Bel for sustainable development <ul style="list-style-type: none"> • page 9 «Respecting human rights and best business practices» • pages 21-22 «Sharing our CSR commitments with suppliers and clearly stating our expectations» • pages 23-26 «Employer commitment» - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> • with our employees: pages 26-31 • with our partners: pages 32-33 - Bel Group Sustainable Purchasing Charter 	<ul style="list-style-type: none"> - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> • with our employees: pages 58-59 • with our partners: pages 56-57 «Sharing our CSR commitments with suppliers and clearly stating our expectations» - Formalization and deployment of the Code of Best Business Practices (see below)
LABOUR		
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining 4. The elimination of all forms of forced and compulsory labour 5. The effective abolition of child labour 6. The elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> - The commitments of Bel for sustainable development <ul style="list-style-type: none"> • page 9 «Respecting human rights and best business practices» • page 25 «Encouraging social dialogue» • page 25 «Recruiting without discrimination, in accordance with the local population» - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> • with our partners: pages 32-33 - Bel Group Sustainable Purchasing Charter 	<ul style="list-style-type: none"> - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> • with our employees: pages 58-59 • with our partners: pages 56-57 «Sharing our CSR commitments with suppliers and clearly stating our expectations» - Formalization and deployment of the Code of Best Business Practices (see below)

United Nations Global Compact principles	Our commitments <i>Links to the Group reference documents</i>	Our 2011 achievements and outlook <i>Links to the Group reference documents</i>
ENVIRONMENT		
7. Businesses should support a precautionary approach to environmental challenges	- The commitments of Bel for sustainable development <ul style="list-style-type: none"> pages 17-19 «Environmental footprint» page 20 «Promoting the development of a sustainable dairy chain» - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> pages 38-45 «Preserving the environment» with our partners: pages 32-33 	- Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> pages 54-55 pages 56-57 «Promoting the development of a sustainable dairy chain», «Sharing our CSR commitments with suppliers and clearly stating our expectations» - Formalization and deployment of the Code of Best Business Practices (see below)
8. Undertake initiatives to promote greater environmental responsibility		
9. Encourage the development and diffusion of environmentally friendly technologies		
ANTI-CORRUPTION		
10. Businesses should work against corruption in all its forms, including extortion and bribery	- The commitments of Bel for sustainable development <ul style="list-style-type: none"> page 9 «Respecting human rights and best business practices» - Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> page 33 «Involving our partners in sustainable development» - Bel Group Sustainable Purchasing Charter	- Bel Group Business and Corporate Social Responsibility Report <ul style="list-style-type: none"> pages 56-57 «Sharing our CSR commitments with suppliers and clearly stating our expectations» - Formalization and deployment of the Code of Best Business Practices (see below)

Code of Best Business Practices

The formalization of the Bel Group Code of Best Business Practices was initiated in 2011. It will be gradually rolled out from 2012. It allows all employees to know about the values and principles to be respected in the framework of their professional activities. The Code of Best Practices is structured around 7 key principles that the Group wants to apply in all actions implemented with its stakeholders:

- Respect laws and regulations; take into account international standards
- Protect consumers
- Respect the environment
- Protect the basic rights of employees
- Prevent conflicts of interest, fraud and corruption
- Promote fair business relationships
- Ensure the accuracy and confidentiality of professional information

These principles are in line with the 10 principles of the United Nations Global Compact.

The Code of Best Business Practices will be gradually rolled out to all employees through a dedicated training module. Moreover, according to the priorities of each geographical area, thematic training modules will be implemented including a specific one about anti-corruption.

The implementation of the Code will be completed by several measures:

- The distribution of an internal training document providing some context and examples of each of the Code's principles, in order to facilitate its sharing within Bel subsidiaries employees and newcomers;
- The implementation of a warning process so that employees can report behaviors that may conflict with the Code;
- The creation of an Ethics Committee chaired by a Group Director will be in charge of verifying the effective sharing of the Code within the Group and receiving any report of behavior that may conflict with the Code, in particular those related to the fight against corruption.

Attachments: *Bel Group Corporate Social Responsibility Policy: «The commitments of Bel for sustainable development»*
Bel Group Sustainable Purchasing Charter

See: *Bel Group Business and Corporate Social Responsibility Report – 2011*

(English version available end of June 2012 on <http://www.groupe-bel.com/bebel/en/home.html>)

www.smilesfortheplanet.com: CSR documents and CSR best practices of Bel Group entities around the world.

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