ARC INTERNATIONAL'S SOCIAL AND DISABLED INTEGRATION POLICY

I- SOCIAL POLICY

ARC International is a French company whose expansion was based on an industrial culture which emphasized a strong social support. Over the last few years, the Group has accelerated its development in some countries which are less developed than others in the areas of labour rights, health and safety. It was therefore necessary to define some minimum requirements.

This led to the publication in April 2005 of ARC International's Social Policy which upholds the principles of Human Rights and the Global Compact. This Social Policy was distributed to all managers at a special convention in September 2005, and was integrated into the purchasing conditions in November 2005.

All of ARC suppliers are required to respect this Social Policy and to make sure that it is applied; suppliers will be audited from the end of 2006.

II- DISABLED INTEGRATION

In accordance with principles 2 and 6 of the Global Compact and in line with the Social Policy which underlines that "workers are employed for their ability to do their job, not for their physical appearance or their beliefs", ARC International has developed anti-discrimination programs to promote the integration of disabled people into the company.

· In China

The programme for the insertion of disabled personnel, launched in October 2005, is conducted in collaboration with the local government association for the disabled. Eight people have been recruited and four are now working in services as diverse as human resources, production, packaging and sorting. Their workplaces have been especially adapted to ensure their safety. The management describes their integration as highly satisfactory. The goal is to recruit ten more disabled people before the end of 2006.

In Spain

In Spain, there is a legal obligation to employ disabled people to the extent of 2% of the staff. For our subsidiary, that would mean nine people, but in fact fourteen disabled people have been recruited in the plant in Spain (Vicrila) in a sheltered workshop. Proportional to total staff, this exceeds the requirements of Spanish law by over 70%. Spanish law also allows subcontracting the corresponding working hours to an external workshop.

In France

- The Lobel Workshop for employees with mild mental disorders was created in 1993. It is a sheltered workshop whose activities are mainly packing, finishing printed goods and other manual tasks. Since its opening, 31 people have passed through the Workshop and successfully moved on to a normal working environment. The Briqueterie Workshop was opened in 1997 and collects and recycles materials such as metals and wood. It takes in young people in trouble with reduced chances of finding employment. Through a graduation contract they follow an insertion and training programme on the site.

	Lobel Workshop		Briqueterie Workshop	
	2004	2005	2004	2005
Number of staff	39	41	26	19
Number of hours worked	42,540	54,102	34,442	26,494

ARC INTERNATIONAL, GREENHOUSE GASES AND SELECTIVE SORTING

ARC International has been aware of environmental issues for decades. Recently the Group implemented action plans to reduce greenhouse gas emissions fulfilling principles 7, 8 and 9 of the Global Compact.

I- GREENHOUSE GASES

In 2004, the Company set up a greenhouse gas reporting process, enabling all the entities to view their results, to benchmark and to share best practices within the Group. For further information, visit the website of the French Association AERES (http://www.aeres-asso.org)

Results

T. of C02/T. of glass produced	2004	2005
Europe	1.14	1.09
North America	1.22	1.20
International division	1.66	1.49

The company officially committed to lower this output by 1% in France and even demonstrated that it is achieved in all regions

The main achievements are:

- Control over flame in feeders
- During fire finishing process, glass items are now followed mechanically by burners (which used to be fixed)
- In order to achieve results, all units are organized by project with designed groups, monitoring committee and reporting.

II- SELECTIVE SORTING

In 2005, in order to reduce the impact of our activities, the industrial sites of ARC International instigated a system for sorting waste selectively per production line with a systematic and common monitoring system. The policy involves reducing all waste

production and, where that is not possible, finding other channels where it can be recycled as a raw material and find a new use.

Waste (in tonnes)	Europe	North America	AGN (China)
Plastic	60	Not sorted	51
Paper	6.240	1 176	1.4
Cardboard		19	178
Metals	1 051	114	18

For further information, visit http://www.arc-international.com
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