



REACH OUT TO THE CHILDREN PROGRAMME

In 2002, MACLEAY S.A.R.L. and its consulting division, NOGATEC INTERNATIONAL (NI), embarked on a restructuring plan designed to reinforce the development of their "Omaré" brand of professional face and body care products. At that time, the Omaré line, created in 1998, was made up of a relatively modest range of products distributed in a limited number of Asian test markets. NI's international project consulting activities continued to constitute the company's core business.

In 2003, a strategy was developed for the creation of exclusive distribution networks in selected Asian, S. American and N. American markets. Commercialisation of new Omaré products began in selected SE Asian markets in late 2003 and early 2004. In 2004, MACLEAY S.A.R.L. / NI announced the creation of their "Reach Out to the Children Programme". The programme would be designed to provide support for non-profit causes and organisations that sought to improve the daily well-being of children, particularly in the fields of health and education (including HIV/AIDS prevention, actions to abolish child labour, social work for orphaned or abandoned children and human rights questions related to children's rights in general). Both research work and action of a more practical nature would be eligible for consideration.

On a practical level, the programme would be put into place with Omaré distributors over a two year period from 2004 to 2006 in those countries where exclusive distribution agreements were being put into place. In these countries, MACLEAY S.A.R.L. / NI, owners of Omaré, would make a contribution to the selected organisations equal to 1% of annual export sales. Contributions would be made in the first quarter of every year and would concern annual sales for the previous calendar year. A single non-profit organisation would be selected in each country in collaboration with the national Omaré distributor. Contributions to selected organisations would be made in the name of Omaré, the local distributor and all of Omaré's clients.

The first country to benefit from the programme was Singapore. In February 2005, MACLEAY S.A.R.L. / NI made a donation on behalf of Omaré and Omaré's Singaporean distributor Heritage 21 PTE equal to 1% of our annual export sales value to the NKF Children's Medical Fund in Singapore. Formal acknowledgement of the donation was received on April 23rd, 2005.

With exclusive distribution contracts being put into place in Canada, S. Korea, Hong Kong, Vietnam, Thailand, Turkey and Lithuania in 2005, donations to new non-profit children's causes will be added to those in Singapore in 2006.

Children are the world's most precious resource. Improving the quality of their daily lives is one of the most important challenges of our time. We are fully conscious of the very limited scope of our efforts. Omaré is a small brand and we have just begun to slowly build our global network. However, we do hope that our "Reach Out to the Children Programme" can make a modest contribution to meeting this all-important challenge. It is our experience that small companies, like individuals, often consider that their efforts and contributions are insignificant when compared to those of large multi-national or governmental organisations. While this may be true in absolute terms, we feel it is most important for small companies to simply do what they can to support a worthwhile cause that furthers the objectives of the Global Compact. What small companies lack in size, they can sometimes make up for in flexibility, originality and proximity. Taken together, their collective contribution can most certainly make a difference.

R. Scott MacLeay - Managing Director, MACLEAY S.A.R.L.

