COMMUNICATION ON PROGRESS



COMPANY: ARaymond France

TITLE: Carbon Footprint of the 4 ARaymond France sites

GLOBAL COMPACT PRINCIPLES:

Principle 7:

Businesses should support a precautionary approach to environmental challenges **Principle 8:**

Undertake initiatives to promote greater environmental responsibility **Principle 9:**

Encourage the development and diffusion of environmentally friendly technologies.

MESSAGE FROM CHIEF EXECUTIVE OFFICER

The ARaymond family-owned enterprise, founded in 1865, is definitely focused on the long-term.

Sustainable development is, for our organisation settled in 23 countries, a key issue, as far as our success is fully backed by human beings. Their level of engagement is directly linked to the capacity of our company to generate sustainable added value and sense.

We consider the well-being of our employees as a major competitive ingredient.

A high level of innovation requests a lot a trust and belief in our enterprise.

Strong values, including the respect of life on our planet, are fully aligned with our ambition to transmit the development of our company to future generations.

Our commitment is to contribute to the reduction of energy consumption, of CO2 emissions and of pollutions of any kind.

We want, everywhere in our enterprise, to leverage the motivation, the engagement and the realisation of our colleagues through a better meaning and well-being.

Antoine RAYMOND
CEO

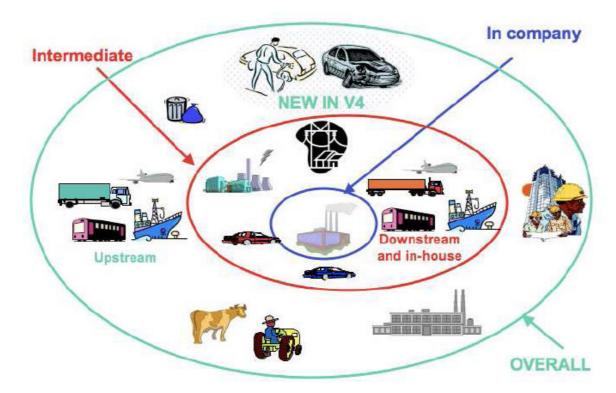
ACTIONS

Why running a global Carbon Footprint analysis of the ARaymond France activities? Because it makes sense...

- From a company point of view:
 - o Risk management versus increasing energy prices
 - Anticipate coming legal aspects: Carbon Tax
 - Sense-making topic for the employees
 - 0 ...
- From an environmental point of view:
 - Fight against global warming means to reduce the green house gas GHG- emissions: How to combine economic activity with a reduction of the carbon footprint?
 - Where to put our efforts? Identify the levers to activate, searching for the maximum results

On the ARaymond Group level we have decided to use the "Bilan Carbone®"method as:

- It is the official method used in France with funds from the government
- This methodology is about to become the international standard for GHG reduction
- Its scope is very large considering the in-house activity, the incoming goods and services, the final usage and the waste management see picture below.



Source: Ademe Methodology Manual

In 2010 the "Bilan Carbone $^{\circ}$ " has been performed for the 4 sites of ARaymond France.

This work has been done with the help of an external engineering office "Climat Mundi".

The decision was to perform four separate "Bilan Carbone®", one per site and merge all those together in order to keep a detailed vision of the specific activities:

- 1 production site for metal parts based in Grenoble
- 1 production site for plastic injection and assembly based in Saint-Egrève
- 1 logistics and administrative centre based in the south of Grenoble
- 1 sales office based in Paris

The study roll-out follows the steps:

- 1. Define scope of the study
- 2. Data acquisition
- 3. Carbon footprint calculation
- 4. Workshops on selected topic
- 5. Set up action plans
- 6. Follow up action plans and correct if needed

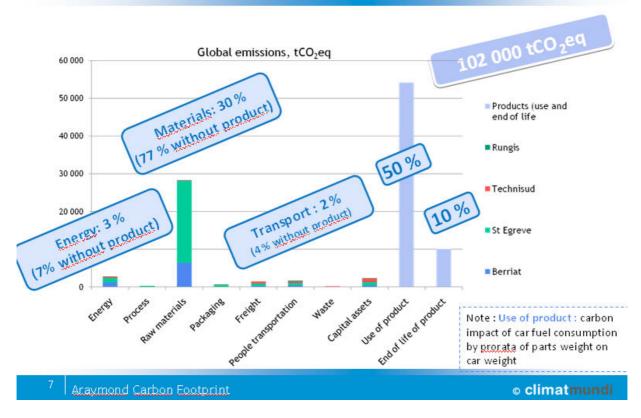
By end of December 2010 we have finished step 5.

RESULTS

Here comes the ranking of the global emission sources for ARaymond France:

- 1. Use of the product.
- 2. Impact of the waste treatment
- 3. Material incomes
- 4. Energy consumption
- 5. Transport of goods and people

Global result WITH use and end of life of products



Use of the product

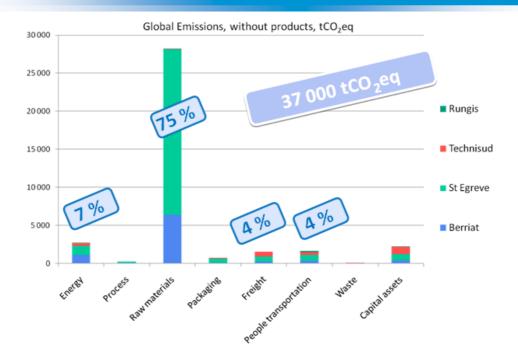
This ranking highlighted how vulnerable the automotive activity is regarding the fuel price increase! The Bilan Carbone® enables us to simulate, for ARaymond, the economical impact of the different oil barrel cost hypothesis.

The hypothesis made was to make a ratio of the weight of the ARaymond parts versus the global car weight and calculate the average equivalent fuel consumption for a global mileage/life time of a vehicule.

Huge impact, which is out of our scope but gives ideas for weight reduction.

Having a closer look at the in-house activity, gives the following ranking:

Global result WITHOUT use or end of life of products



8 Araymond Carbon Footprint

o climatmundi

The precision of the data acquired enabled us to have an approach:

- by French site (production, logistics,...)
- by category (energy, raw materials,...)

These figures led us to choose 4 topics for ARaymond France specific workshops:

- 1) Raw materials
- 2) Energy
- 3) Freight
- 4) People transportation

Those workshops where organized with the relevant company experts with the help of the engineering office. All ideas were collected through brainstorm sessions. Afterwards, a ranking was defined and emission reduction targets were set. Some ideas: Implement Eco-Designing of the parts developed (weight reduction, green materials...), introduce environmental aspects in the purchasing criteria to promote "green" suppliers, establish an intercompany car pooling...

The potential GHG reduction was calculated through the adaptation of the Bilan Carbone® tool.

- screenshot GHG reduction -

Poste	n° de l'action	Pistes de réduction	Nom de la personne en charge de l'action (à compléter par Araymond)	Cible	Hypothèses	Facilité (1= facile 3=difficile)	Coût de mise en œuvre†	Emissions nettes évités (teqCO2)	Invest. k € HT ("-" : coût)
I. Matériaux entrants	1	Systématiser des bonnes pratiques de conception		396	de réduction des émissions associées	2	-1	769	0 k€
	2	Remplacer les matériaux impactants par du PP		10%	des plastiques sont remplacés par du PP	3	1	1 479	0 k€
	3	Ajout de fibre de verre dans les plastiques PA 66		50%	des plastiques PA 66 intègrent de la FV	2	0	232	0 k€
	4	Réduction de la masse des pièces		5%	de réduction de la masse	1	-1	1 281	0 k€
	5	Réduction des pertes matières		3%	de réduction des pertes matières	1	-1	769	0 k€
	6	Utiliser des matériaux bio sourcés (remplacer le PA 12 par du PA 6-10)		30%	du PA 12 remplacé	2	2	255	0 k€
	7	Augmenter la part de matériaux recyclés		5%	des matériaux entrants sont d'origine recyclé	2	0	1 002	0 k€
	8	Choisir les fournisseurs ayant travaillé sur la thématique Carbone		2%	de réduction des émissions associées	1	0	586	0 k€
	9	Conscientiser le client		2%	de réduction des émissions associées	1	0	586	0 k€
								4 529 teqCO2	0 k€
	10	Management : - Assurer le suivi des consommations d'énergie - Analyser les données et les irrégularités - Sensibiliser les collaborateurs, les prestataires sur site, les sociétés de maintenance.		3%	de réduction des émissions associées	1	-1	80	0 k€
II. Energie	11	Optimisation des consommations d'électricité : - Asservissement du traitement de l'air en fonction de la qualité		5%	de réduction des émissions associées	1	-1	54	0 k€

Our estimation shows a potential mid-term reduction (within the next 3 years, rated to the same volume of production) of 15% of the global amount of GHG emissions in ARaymond France.

The challenges for the year 2011 are:

- Point 6: Follow up action plans and correct if needed, in ARaymond France and,
- Perform the Bilan Carbone[®] analysis of the 2 sites from ARaymond Germany, before spreading it through the ARaymond group.

COUNTRY: France

KEY WORDS: - Carbon Footprint Diagnosis using the "Bilan Carbone®" method

- Action plan to reduce the Global Green House Gas Emissions

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LINKS:

http://www.araymond.com/group/en/network.aspx

http://www2.ademe.fr/servlet/getBin?name=64107C35545F23FAF2

0C42EE39564A341196348175747.pdf

http://www.climatmundi.fr/lng FR srub 3-Accueil.html

COMPANY: ARaymond	

TITLE: Gender Equity

GLOBAL COMPACT PRINCIPLES:

Principle 6:

The elimination of discrimination in respect of employment and occupation.

ACTIONS

Data analysis

We highlighted in the Communication on Progress last year that our female employees have approximately the same access to trainings and internal promotions as male employees. However, we realised that the average salary of women was inferior to the average salary of men.

In November 2010, a deeper study was conducted with the help of all companies of our network to identify where this gap comes from. 3 possible causes have been investigated:

- In the same jobs, are men and women benefiting from comparable levels of salary?
 - HR correspondents were asked to identify the jobs in which there are various men and various women and to compare their salaries.
- Are there as many female as male employees in every level of hierarchy?

 Each HR correspondent considered 4 subgroups named "top management",

 "middle management", " expert workers", "workers" (defined locally not to
 introduce cultural biases), and gave the proportion of men and women in
 each of these groups.
- On a similar level of degree and duration of professional experience, are male and female employees on a similar level of jobs in the management scale?

 On the sample of people whose highest degree is a bachelor's degree or local equivalent, the repartition between the same 4 hierarchical groups than upper was studied.

The main conclusions are:

- In similar jobs, it appears that the median salary of men is globally 4% higher than the salary of women. Even though we will keep on paying attention to this slight difference, we can conclude that this is not where the difference comes from.
- Males are more represented in the high levels of hierarchy. Amongst the total population
 - 4% of male employees and 1,2% of female employees have reached a job in the top management
 - o 8,7% of male and 4,8% of female are in middle management
 - o 48,2% of male and 38,5% of female are senior / expert workers
 - 39,1% of male and 55,5% of female are workers and employees at the lowest level in the management scale
- The data using the criteria of length of experience was not relevant enough.
- Amongst the population who graduated from a bachelor's degree, a median of :
 - 25% of the total population are in middle management and top management
 - o 39% of men are in middle management and top management
 - o 8% of women are in middle management and top management
- → The main difference explaining that women's salaries are in general lower than men's salaries comes from the fact that women are mainly present in the lower levels of hierarchy.

Actions taken in 2010

These results have been presented to all HR correspondents in November 2010, and discussed. They are very aware of the issues of gender equity, diversity and non discrimination, and that they should be promoting it locally.

Within the ARaymond Network, there are many **examples of promotions** of women. In the US, there are three recent examples of promotions of women to a highest position: from worker to supervisor, supervisor to manager, based upon competencies. The growth of A. Raymond China allows promotions to leading / managing positions to their employees. A. Raymond Brazil works on its hierarchical structure through competencies first, also to make sure they are blind on gender when they implement training and development plans.

We tend to **involve more and more the local HR professionals** in the selection process for recruitments and promotions: they guarantee that recruitments and promotions are blind on gender. Also, the systematic internal posting of job vacancies within the whole ARaymond Network is being developed, to allow any employee to feel free to apply.

Women themselves sometimes report that they would prefer not to have higher responsibilities because they fear it might not be easy to balance with their personal and family life. Consequently, there is also a **tendency to develop more flexibility in the time** schedule, including for management positions: A. Raymond Tecniacero in Spain.

Some of the ARaymond companies have developed complete plans to work on gender equity. A. Raymond SARL in France has planned to work on specific actions:

- 1) Act on external causes of inequality and change mentalities.
- → Attract more young girls in our industrial jobs by welcoming them for periods of training or visits
- 2) Fight stereotypes.
- → Increasing people awareness about gender dimension
- → Promoting the advantages of diversity
- 3) Develop better harmony between lifetimes
- → Planning professional interviews before and after parental leaves
- → Proposing more flexible timetables
- 4) Increase diversity in our recruitments
- → Ensuring possibility for part-time workers to work full-time
- → Opening recruitment sources towards women networks
- → Increasing external partners' awareness about advantages of diversity and among our engagements towards professional equality
- 5) Encourage women's integration in industry
- → Proposing a code of conduct which avoids sexist remarks and behaviours
- → Increasing the quality of working conditions with our ergonomist and the Health department
- 6) Ensure equal opportunities of career for men and women
- → Making sure that people who come back from parental leave receive the general salary increases
- → Making professional interviews after parental leaves
- → Creating links between the different activities that enable professional mobility, thanks to training and HR planning

Results of the Global Employee Opinion Survey

In December 2010, the first Global Employee Opinion survey was conducted within the ARaymond Network. All the data was processed by experts of these kinds of surveys.

The results help us analyse the topics related to Gender Equity. Some questions are directly linked to the issues that can cause the difference between men and women as mentioned above.

It is interesting to study two items which were part of this Global Survey: "my work schedule allows sufficient flexibility to meet my personal / family needs" "I believe I have the opportunity for personal development and growth in my company"

On both, the statistical analysis done shows no significant difference between the responses of men and the responses of women globally.

→The ARaymond Network will continue the efforts to reinforce the awareness of all employees on the topic of Gender Equity, and would like to encourage women to feel free to target higher positions. We have to keep in mind that it will remain their own decision to show their interest for such evolutions.

KEY WORDS: - Gender Equity – Non discrimination

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