

**WE
CAPTURE
WHAT
MOVES**



CSR REPORT 2018

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1. ABOUT THIS REPORT

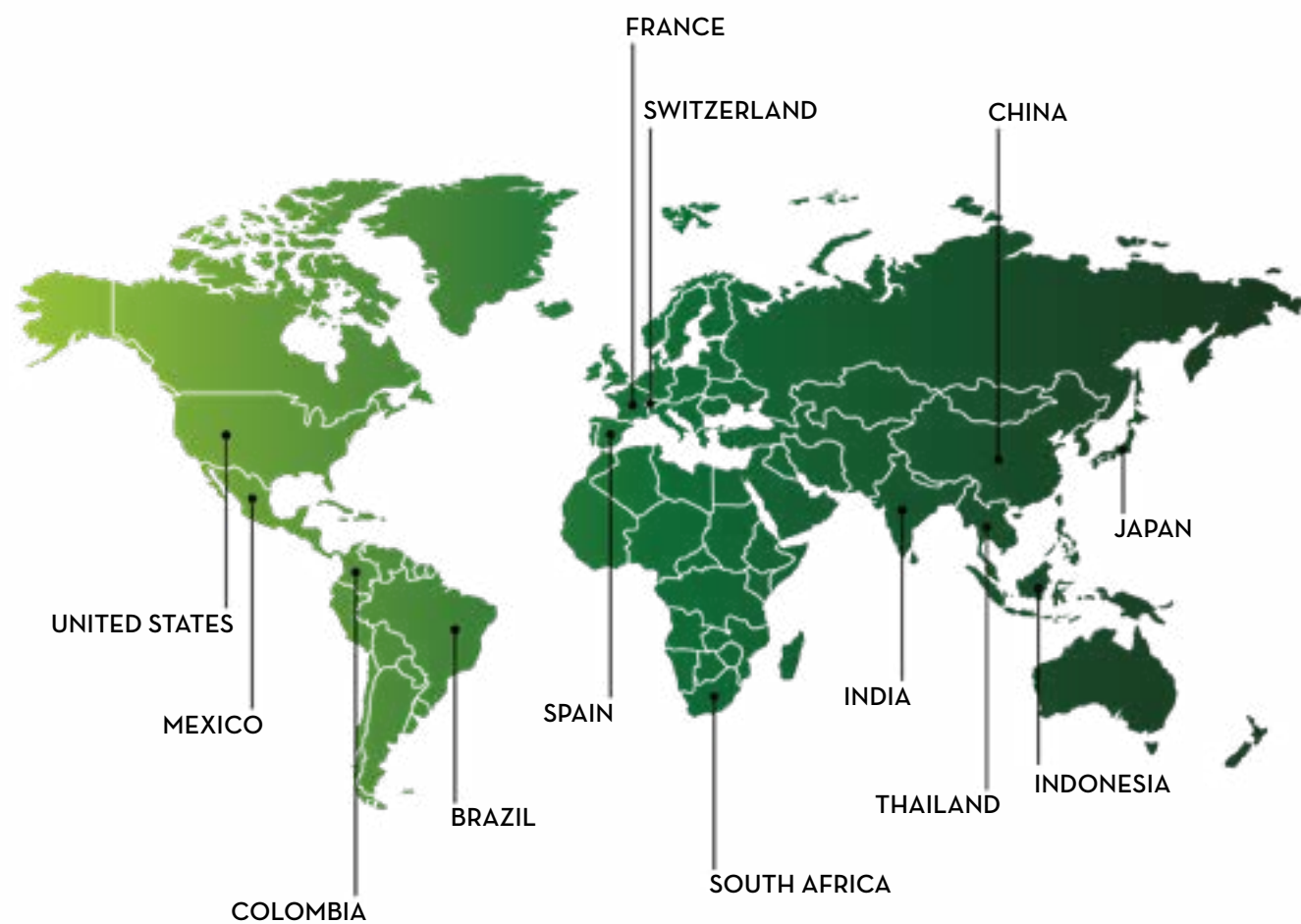
The 2018 CSR Report provides a detailed review of the Corporate Social Responsibility (CSR) priorities and actions undertaken by the MANE Group, as well as any progress made towards achieving its 2021 targets.

REPORTING PERIOD

The published non-financial information included in this report covers the period from 1 January to 31 December 2018.

SCOPE OF CONSOLIDATION

The scope of consolidation for the social, environmental and societal information referred to in this report concerns all of the Group's sites in France - including its head office - and in Switzerland, the United States, Indonesia, India, South Africa, Mexico, China, Brazil, Spain, Thailand, Colombia and Japan. These sites contributed 97% of the Group's consolidated turnover in 2018. Sites not included in the report are commercial buildings.



REPORTING METHODOLOGY

The aim of this report is to communicate clearly developments in the Group's CSR activities and the progress made in implementing its commitments. In order to reinforce the relevance of our CSR report, it has been prepared in accordance with ISO 26000 and the G4 guidelines of the GRI.

This report is also our way of complying with the French requirement to declare non-financial performance as set out in Decree no. 2017-1265 of 9 August 2017, and the requirement for a yearly Communication on Progress (COP) as part of the United Nations Global Compact.

To make our report easier to read, a correlation table has been supplied at the end of this document that links the information contained within to the information required by the following benchmarks: GRI G4, ISO 26000, decree no. 2017-1265 of 09/08/2017 and the 10 principles of the Global Compact. The table lists the topics covered and their location in the 2018 CSR report:

- ▶ GRI G4,
- ▶ ISO 26000,
- ▶ Decree n° 2017-1265 of 09/08/2017
- ▶ The 10 principles of the Global Compact

The table shows the topics discussed and their location in the CSR 2018 report.

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* The Global Reporting Initiative (GRI) is an independent, international, non-profit organisation that supports companies, NGOs and other stakeholders. GRI was created in 1997 in partnership with the United Nations Environment Programme (UNEP). It has developed Sustainable Development reporting guidelines that are widely used around the world. These provide companies with an international benchmark to help them present an account of their economic, environmental and social performance.

2. A WORD FROM THE PRESIDENT



It was in 1871 that my great-grandfather, Victor, founded the company MANE in Bar-sur-Loup, where it still has its head office today. Five generations have succeeded each other to lead the eponymous MANE Group. As a family business, we are committed to maintaining our independence, financial stability, and responsibility to our customers and employees. This governance allows us to maintain long-term relationships with all our partners.

The MANE Group is dedicated not only to the global distribution of a range of products from across the fragrance and flavour sector, but also to developing an international presence, allowing us to be closer to our customers. For many years, we have been reinvesting a considerable proportion of our profits in research and development, enabling us to provide our customers with countless innovative solutions.

MANE is committed to sustainable and profitable development, driven by a long-term vision. With this in mind, we have been developing our Corporate Social Responsibility (CSR) strategy for several years now to find a balance between economic growth, respect for people, and environmental protection, all of which are essential for the long-term prosperity of our company.

Our CSR strategy focuses on the following priorities:

- Ensuring product quality and safety
- Reducing our environmental impact
- Guaranteeing the health, safety and well-being of our employees in the workplace
- Developing our employees' skills throughout their careers
- Integrating CSR into our purchasing policy

This is how we see Sustainable Development at MANE.

In addition to our corporate responsibility, we also aim to contribute to society, particularly within the communities in which we do business, in order to promote their development.

The aim of this report is to communicate clearly the CSR challenges we have faced, the practices and actions put in place to deal with them, and the progress made by the Group in meeting its CSR targets.

I hope you find it interesting,

The image shows a building at night with the 'V. MANE' logo illuminated in large, white, three-dimensional letters on its roof. The building is lit from below, creating a warm glow against the dark night sky. The logo is the central focus of the upper half of the image.

V. MANE

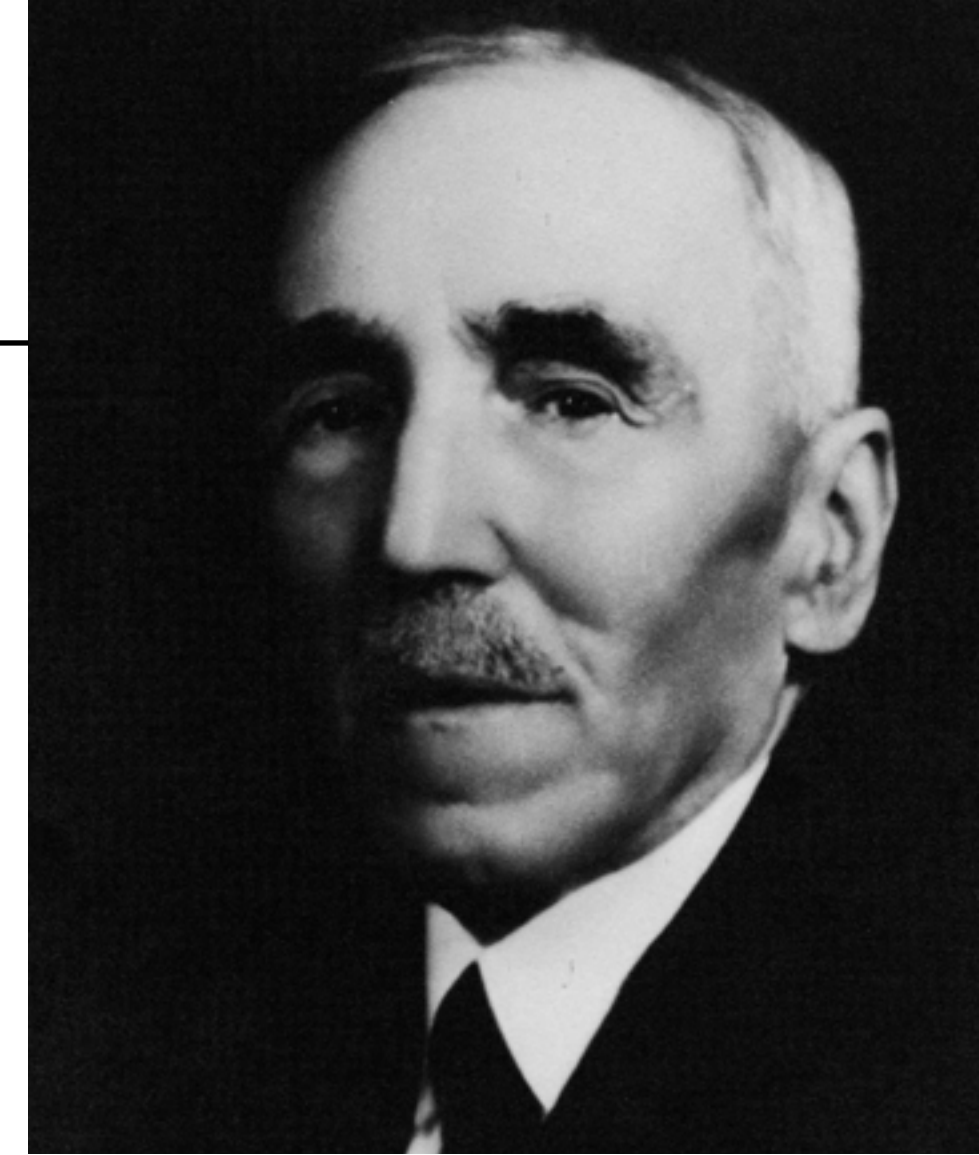
3. GROUP PROFILE

V. MANE Fils has been an independent family business for five generations, specialising in the creation and production of fragrance and flavour compositions and ingredients for the food, cosmetics, pharmaceutical, chemical and tobacco industries. As a corporate citizen, the MANE Group has long pursued a strategy of international development.

OUR STORY

From family adventure to international group

In 1871, Victor Mane started producing fragrances from flowers and plants from the Pays de Grasse. Since then, the small distillery has grown successfully to become one of the leading fragrance and flavour companies in the world and has been continually run by the Mane family for almost 150 years.



Victor Mane

Victor's sons Eugene and Gabriel modernised and developed the business internationally. Maurice Mane took over from his father, Eugene, in 1959.

Under his leadership, the company increased its production capacity, set up research and analysis laboratories, diversified into flavours for the food industry and developed its network of international subsidiaries.

In 1995, Maurice Mane retired to become Chairman of the Supervisory Board, while his eldest son Jean was appointed Group President, and his other son Michel, President of the Americas Region. His daughter Françoise is secretary of the Board of Directors. The three siblings are the sole members of the Board of Directors.

In 2016, Samantha Mane, from the fifth generation of the family, took over as Director of the EMEA region for 3 divisions: flavours, fragrances and ingredients.

The uncontested legitimacy of MANE is based on experience and the transfer of fundamental values through the years.



OUR BUSINESS MODEL

V. MANE FILS specialises in the creation and production of ingredients for the food, cosmetics, pharmaceutical and chemical industries. **As a socially responsible company, the MANE Group has pursued an international development strategy over a number of years with the following objectives:**

- Ensuring Sustainable Development,
- Improving the quality of the delivered goods,
- Preserving the Environment,
- Protecting its collaborators and sites.

In France, V. MANE FILS is ranked in the first position in its sector of activity and is ranked fifth worldwide.

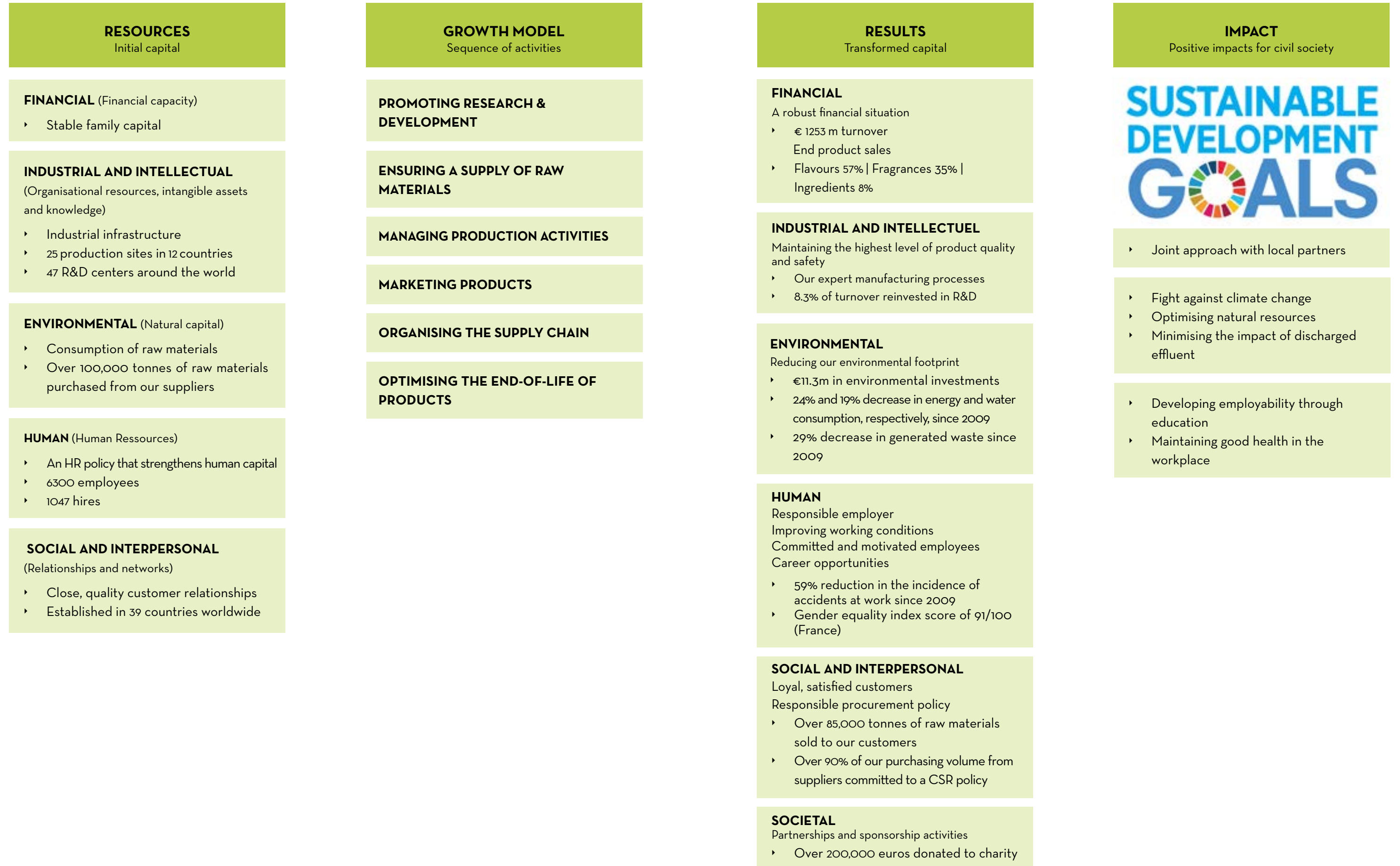
Our product ranges are as follows:

- Aromatic raw materials: Essential oils, absolutes, resinoids, isolates, flavoring substances, extracts, pharmaceutical active ingredients, concrete
- Fragrance bases and compounds
- Natural and synthetic flavors
- Ingredients and savoury additives mixtures
- Vegetable protein distribution
- Extracts and culinary preparations
- Cooking-extrusion
- Microcapsules and Macrocapsules flavours
- Supercritical fluids extraction

The applications for our products are diverse: fine perfumery, cosmetics, soaps and detergents, household and industrial products, essential oils, beverages, confectionery, pastries, dairy products, pharmaceuticals (active substances & excipients), tobacco products, dairy products oral hygiene, salty and spicy food products, etc.

MANE BUSINESS MODEL

MANE creates value through its growth model, which transforms the capital raised into results for its partners and civil society in general.



OUR EXTERNAL COMMITMENTS



The Group is involved in various local and international associations and organisations that develop its economic framework to encourage Sustainable Development in partnership with various company stakeholders.



GLOBAL COMPACT

Since 2003, MANE has been a signatory to the United Nations Global Compact initiative. Launched in 1999 by the then Secretary General to the United Nations, Kofi Annan, the Global Compact calls on organisations around the world to voluntarily align their operations and policies to 10 universally accepted principles relating to human rights, international working standards, the Environment and anti-corruption.



CARING FOR CLIMATE

In 2007, MANE signed the Caring for Climate declaration. Launched in 2007, Caring for Climate was jointly convened by the United Nations Global Compact, the United Nations Environment Programme (UNEP) and the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) with the aim of promoting the role of companies in the fight against climate change.



CORPORATE DIVERSITY CHARTER

In 2008, MANE signed a Corporate Diversity Charter. Launched at the end of 2004 by Claude Bébéar and Yazid Sabeg, the Corporate Diversity Charter is an undertaking that condemns discrimination in the workplace and agrees to work towards supporting diversity.



PARIS PLEDGE FOR ACTION

In 2015, MANE signed the Paris Pledge for Action on climate change. Launched by the French presidency of the COP21, the pledge invites non-state actors (organisations, companies, regions, towns and investors) to commit to ensuring the implementation of the Paris Agreement on climate change adopted on 12 December 2015.



BUSINESS AND BIODIVERSITY PLEDGE

In 2016, MANE signed the Business and Biodiversity Pledge, an agreement from the Convention on Biological Diversity (CBD) that allows economic leaders to give value to the importance of biodiversity and ecosystem services in their activities and to express their commitment to supporting biodiversity.

PROFESSIONAL ASSOCIATIONS

MANE is involved in several professional trade federations and associations through employees who hold positions on their governing bodies, or who participate in projects and committees. Due to the number of employees involved, we have listed the associations with which MANE is strategically involved:

- ▶ International Fragrance Association (IFRA)
- ▶ Flavour & Extract Manufacturers Association (FEMA)
- ▶ National Union of Flavour Manufacturers (PRODAROM)
- ▶ International Organization of the Flavour Industry (IOFI)
- ▶ European Flavour Association (EFFA)
- ▶ European Federation of Essential Oils (EFEO)
- ▶ Professional organisation for food flavouring manufacturers (SNIAA)
- ▶ Parfums Arômes Senteurs Saveurs competitive cluster (Pôle PASS)
- ▶ European Research Institute on Natural Ingredients (ERINI)
- ▶ National Research and Technology Association (ANIA)

4. OUR CSR POLICY

CSR GOVERNANCE

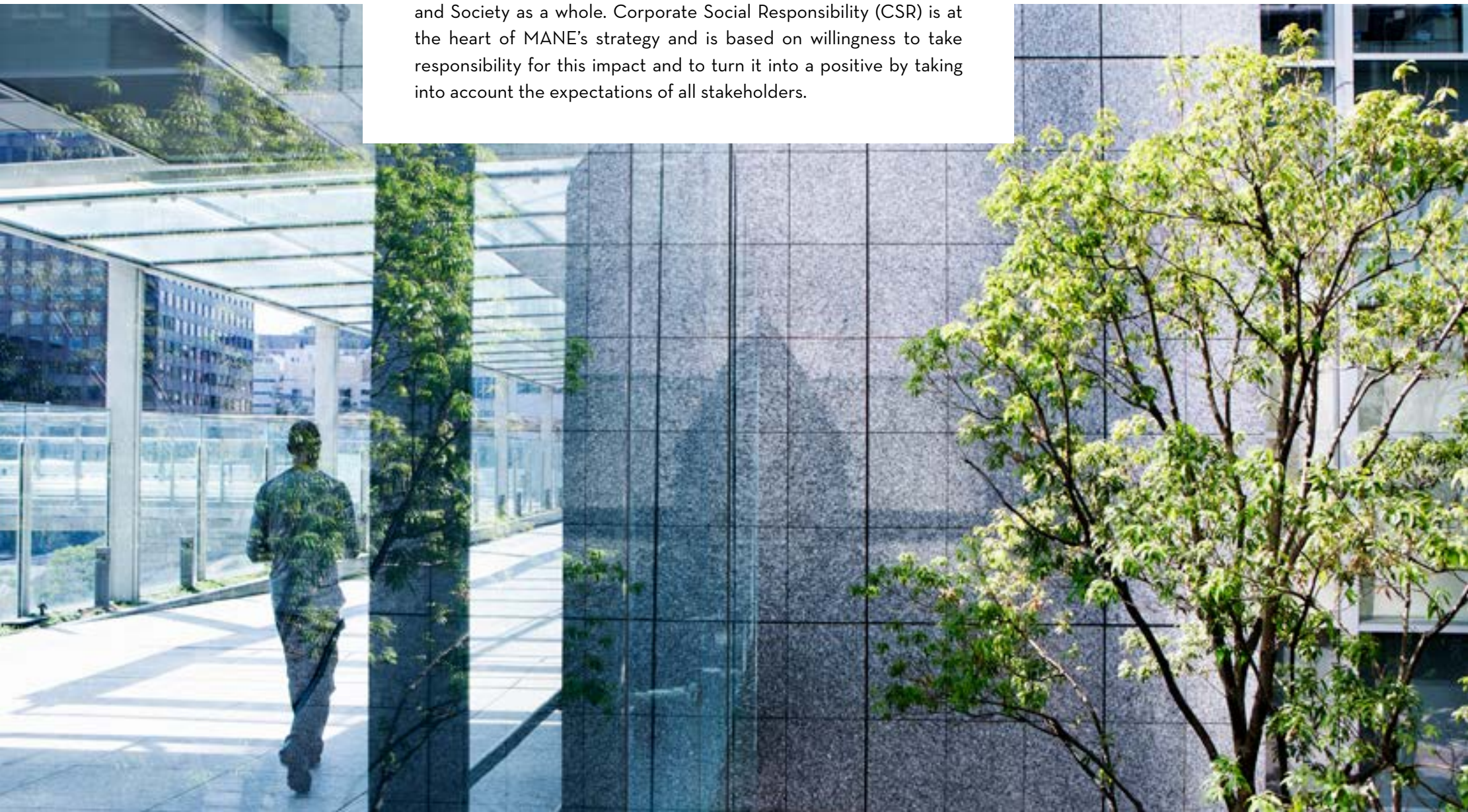
Through its decisions and activities, every company has an impact on its employees, customers and suppliers, as well as on the Environment and Society as a whole. Corporate Social Responsibility (CSR) is at the heart of MANE's strategy and is based on willingness to take responsibility for this impact and to turn it into a positive by taking into account the expectations of all stakeholders.

In order to incorporate Corporate Social Responsibility into its strategy, the MANE Group has implemented an internal CSR management system allowing it to define its commitments in line with its own interests and those of its stakeholders, and to integrate them operationally across all its activities.

The Group's CSR strategy is under the direct responsibility of the Chairman of the Board of Directors. It is managed by the Group's Sustainable Development Coordinator, who is responsible for drawing up, coordinating and promoting the CSR policy within the Group's various departments and subsidiaries. To achieve this target, the Coordinator relies on a dedicated CSR Committee (comprising representatives from the Purchasing, Environment, HR, Quality, Regulatory Affairs & Product Safety and Internal Audit & Risk departments) and a network of around twenty CSR correspondents from the main manufacturing sites abroad.

A CSR management review is performed once a year with the participation of the Chairman of the Board of Directors and members of the CSR Committee. During the review, the Group's CSR performance and target achievement rates are analysed in detail in order to assess the effectiveness of the internal CSR management system and, if necessary, to identify areas for improvement.

The Sustainable Development Coordinator also performs internal communication, awareness-raising and employee training activities focusing on CSR challenges and promotes good practices within the Group.



STAKEHOLDERS

Our CSR strategy is based on identifying and taking into account the expectations of Group stakeholders. Our aim is to listen to their concerns and their expectations in order to provide an appropriate response, within a context of dialogue and partnership.

CARTOGRAPHY OF STAKEHOLDERS OF THE GROUP

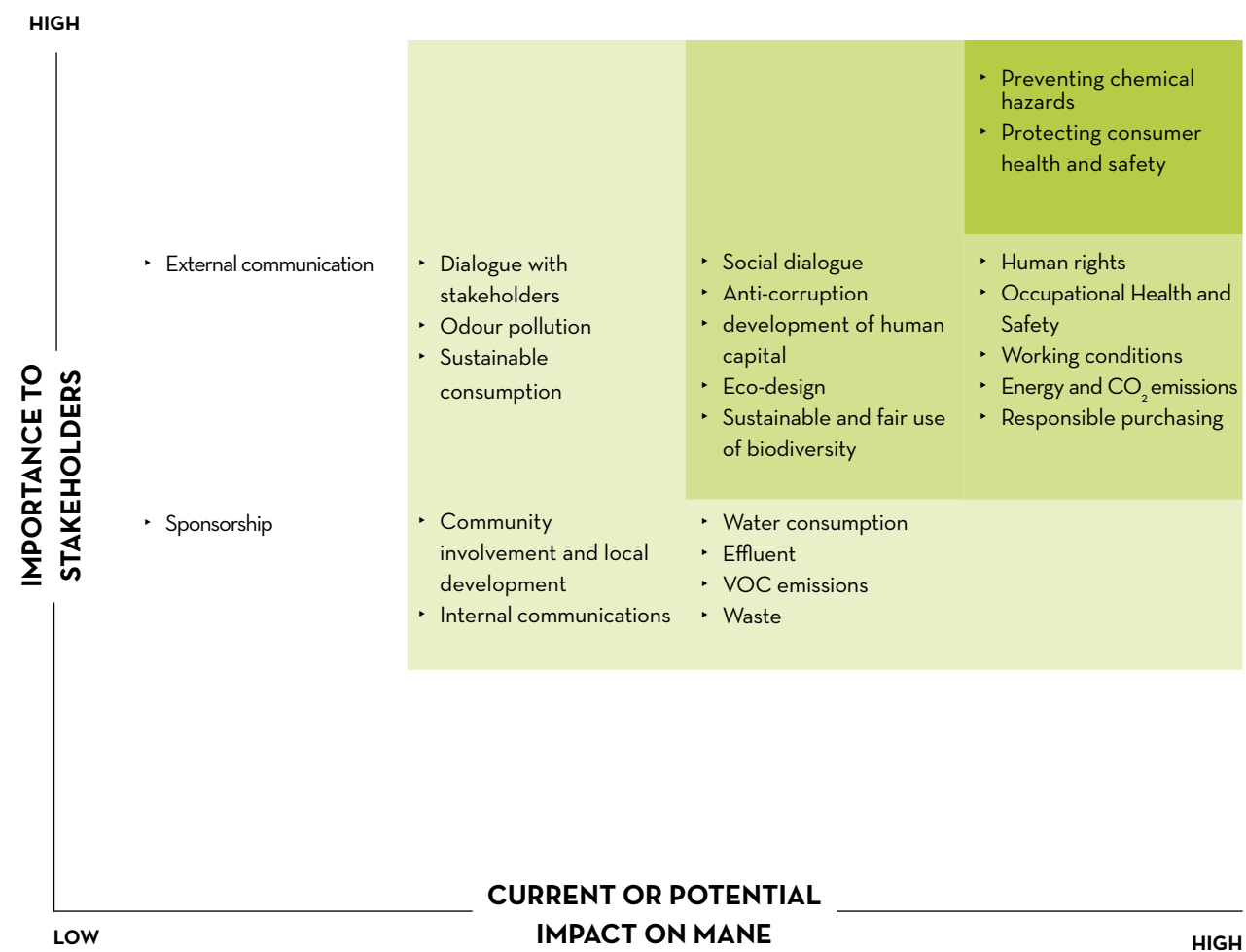
STAKEHOLDERS	CUSTOMERS	EMPLOYEES	SUPPLIERS	LOCAL COMMUNITIES, NGOS AND ASSOCIATIONS	PUBLIC AUTHORITIES	LOCAL RESIDENTS	COMPETITORS AND PROFESSIONAL ASSOCIATIONS
MAIN EXPECTATIONS AND CONCERNS	<ul style="list-style-type: none"> Protecting consumer health and safety Duty of care Sustainable and equitable use of biodiversity Fair practices Innovation Communication and transparency 	<ul style="list-style-type: none"> Respecting human rights and international working standards Working conditions and Occupational Health and Safety (OHS) Wages and incentive schemes Developing employability Equal treatment 	<ul style="list-style-type: none"> Long-term partnerships Fair practices Sharing CSR practices 	<ul style="list-style-type: none"> Job creation Social investments Preventing significant industrial hazards Preventing pollution Sustainable use of natural resources Protecting consumer health and safety 	<ul style="list-style-type: none"> Compliance with regulations Communication and transparency 	<ul style="list-style-type: none"> Preventing significant industrial hazards Odour and noise nuisance Preventing pollution 	<ul style="list-style-type: none"> Knowledge sharing Fair competition Respecting intellectual property
MECHANISMS FOR INFORMATION AND DIALOGUE	<ul style="list-style-type: none"> Satisfaction surveys Information exchange meetings Customer audits Sharing our CSR information (e.g. ECOVADIS, SEDEX, CDP, etc.) Publishing the CSR report (yearly) 	<ul style="list-style-type: none"> Quality of life at work surveys Occupational health Employee representative bodies Consultations with the Works Council (WC) and the OHSC (Occupational Health and Safety Committee) Group Intranet Yearly appraisals 	<ul style="list-style-type: none"> Raising awareness and providing information about CSR to suppliers (information exchange meetings, support to evaluate practices, on-site audits, etc.) 	<ul style="list-style-type: none"> Discussions about solicitation Publishing the CSR report (yearly) 	<ul style="list-style-type: none"> Information and discussion meetings to explain Group activities 	<ul style="list-style-type: none"> Information leaflet on industrial hazards for local residents 	<ul style="list-style-type: none"> Information exchange meetings Flavours Days
RESPONSES PROVIDED BY THE GROUP	<ul style="list-style-type: none"> Evaluating product safety (toxicology) Quality and food safety policies Management certification systems (ISO 9001, IFS & BRC, FSSC 22000, etc.) Monitoring customer satisfaction Collaborative partnerships Responsible purchasing GREEN MOTION™ by MANE 	<ul style="list-style-type: none"> HR and OHS policies Group Code of Ethics Collective agreements signed Strategic planning for Employment and Skills 2% of payroll dedicated to training Disability policy Corporate diversity charter 	<ul style="list-style-type: none"> Buyers' Code of Ethics Responsible purchasing Anti-corruption training for buyers 	<ul style="list-style-type: none"> Partnership or sponsorship activities Visiting manufacturing sites Participating in employment forums and exhibitions School-company partnerships Internships 	<ul style="list-style-type: none"> Regulatory compliance 	<ul style="list-style-type: none"> Environmental and Sustainable Development policies Major accident prevention policies 	<ul style="list-style-type: none"> Competitive clusters MANE is a member of several professional associations and federations Participating in sector and collaborative projects

OUR MAIN CHALLENGES

In order to reinforce the relevance of our strategy and our CSR reporting, we have performed a materiality analysis to identify our key challenges. Initially performed in 2008 (using the AFNOR (French organisation for standardisation) diagnostic tool SD 21000), we updated our methods in 2012 to incorporate the G4 guidelines from GRI and to develop some of the more significant challenges to our stakeholders and in our strategies.

Our materiality matrix represents a subject's level of relevance in relation to its impact for MANE (horizontal axis) and its importance to our stakeholders (vertical axis).

MATERIALITY MATRIX



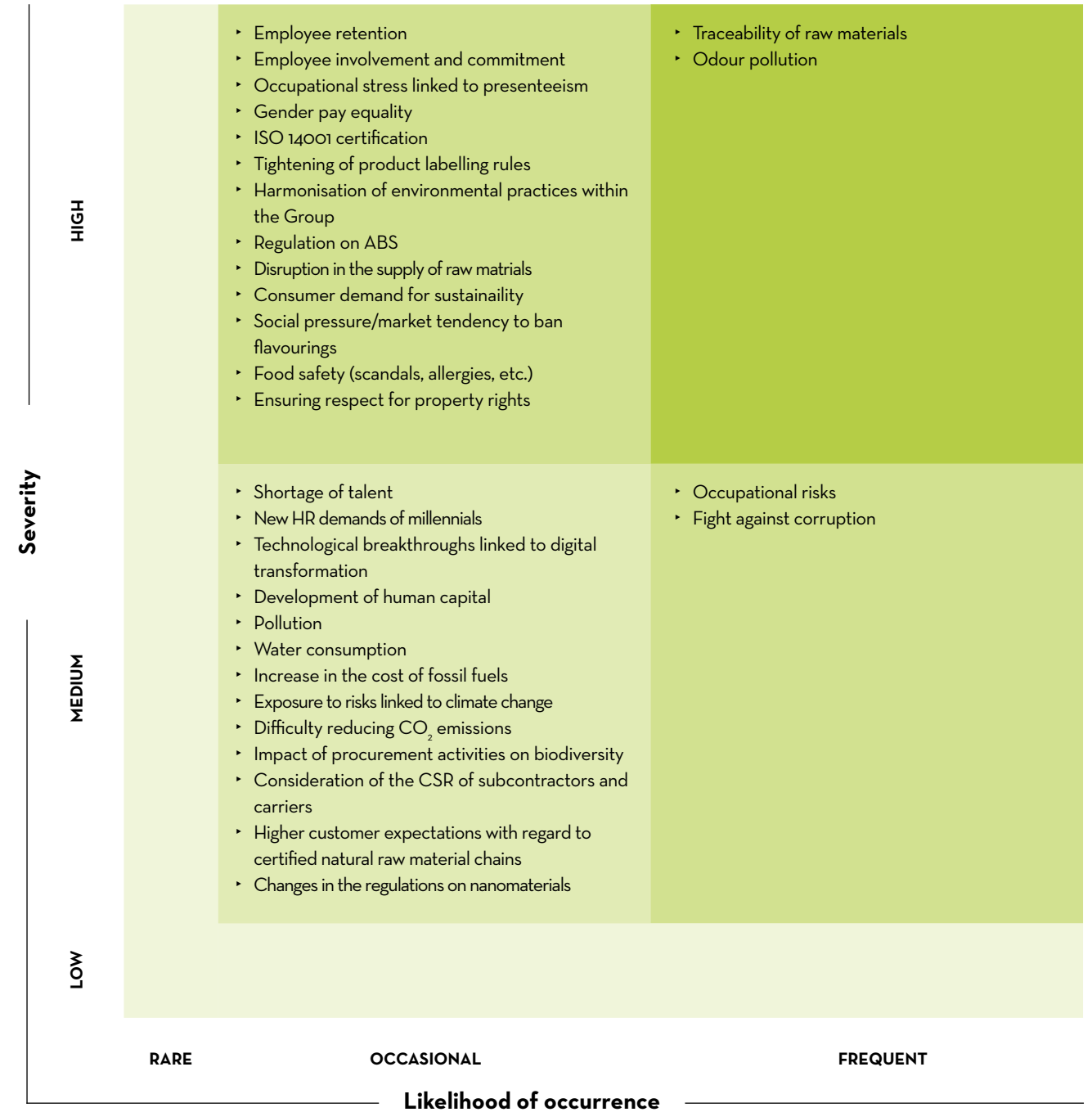
OUR MAIN NON-FINANCIAL RISKS

The Group operates in a competitive and constantly changing economic and technological environment. MANE's global presence, and the diversity of its activities, exposes the Group to social, environmental and societal risks, both internally and in connection with its business relationships and products. For the Group, a risk is the possibility of an event occurring that could affect the company's objectives, particularly those concerning its financial situation and reputation.

With this in mind, the CSR risks that could impact MANE are clearly identified by the Group and dealt with so as to reduce their scope and occurrence as much as possible. To that end, the departments concerned have been involved in considering and shaping these risks (Human Resources, Environment, Purchasing, Regulatory Affairs & Product Safety, Internal Audit & Risks, IT). MANE has also built on its materiality analysis and risk assessments in connection with the various processes followed during the transition to ISO 9001 and ISO 14001: 2015.

In order to focus on significant non-financial risks for the Group, we have ranked them according to two factors: their likelihood of occurrence and their severity. The following map therefore shows only the main non-financial risks that could impact the MANE Group in line with our material issues.

MAP OF NON-FINANCIAL RISKS



The following table describes each of the risks identified and the policies applied by the company to prevent and mitigate their occurrence. The descriptions and results of these policies, including the associated key performance indicators, are disclosed throughout this report.

OUR MAIN NON-FINANCIAL RISKS

NON-FINANCIAL RISK CATEGORIES	EMPLOYMENT	OCCUPATIONAL HEALTH AND SAFETY	DEVELOPMENT OF HUMAN CAPITAL	EQUAL TREATMENT	ENVIRONMENTAL MANAGEMENT	POLLUTION
DESCRIPTION OF THE RISKS	<ul style="list-style-type: none"> High turnover at some Group sites (in China and the United States) Talent shortage/Recruitment problems New demands of millennials in terms of management practices and work-life balance Technological breakthroughs linked to digital transformation (reduction in human involvement, disappearance of some jobs) No measure of the level of employee engagement (risk of demotivation, absenteeism, resignations, poaching by competitors, etc.) 	<ul style="list-style-type: none"> Occupational risks related to the general working Environment (musculoskeletal disorders, workplace accidents, occupational diseases) Health and toxicological risks related to employees' exposure to nanomaterials Occupational stress linked to presenteeism 	<ul style="list-style-type: none"> Employee training and yearly appraisal rate below 80% at some Group sites (risk of unsuitability for the job/inadequate skills, obsolescence of knowledge, demotivation) 	<ul style="list-style-type: none"> Equal pay for men and women 	<ul style="list-style-type: none"> Non-harmonisation of environmental practices within the Group 59% of product tonnage shipped by ISO 14001-certified production sites at the end of 2018 compared to a target of 90% by 2021 Increasingly strict labelling rules affecting the ICPE (registered environmental facility) and Seveso rankings of French sites 	<ul style="list-style-type: none"> Odour complaints from local residents Accidental spreading of chemicals
POLICIES AND AREAS FOR IMPROVEMENT BEING CONSIDERED IN ORDER TO PREVENT, IDENTIFY AND MITIGATE THE OCCURRENCE OF THESE RISKS	<ul style="list-style-type: none"> Formalise a more relevant talent management policy to create loyalty and, above all, motivate current and future talent Take action to develop our employer brand and carry out communication campaigns aimed at target schools Draw inspiration from the demands of millennials to rethink the management approach Strategic Planning for Employment and Skills Establish a social barometer to measure employee engagement and the relevance of our social and management practices (in the EMEA region in 2019) 	<ul style="list-style-type: none"> Set up occupational Health and Safety management systems at the Group's main production sites (prevention and risk control) Develop an audit methodology on exposure at workstations Identify nanomaterials Individual and collective protection Removal of silica Set up a presenteeism monitoring tool in the EMEA region 	<ul style="list-style-type: none"> Take corrective action at the subsidiaries concerned 	<ul style="list-style-type: none"> Agreement relating to gender equality in the workplace and work-life balance signed in 2017 Set up an equal pay index to assess pay differentials in each company 	<ul style="list-style-type: none"> Draw up a CSR good practice guide for distribution within the Group ISO 14001 certification of MANE production sites in Indonesia and Colombia in 2018 + ongoing ISO 14001 certification projects for MANE Inc. production sites in the United States and MANE Iberica production sites (scheduled for completion in 2019/2020) 	<ul style="list-style-type: none"> Measures taken to limit the odour impact of manufacturing processes and effluent treatment Role-play exercises on accidental spreading
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OUR MAIN NON-FINANCIAL RISKS

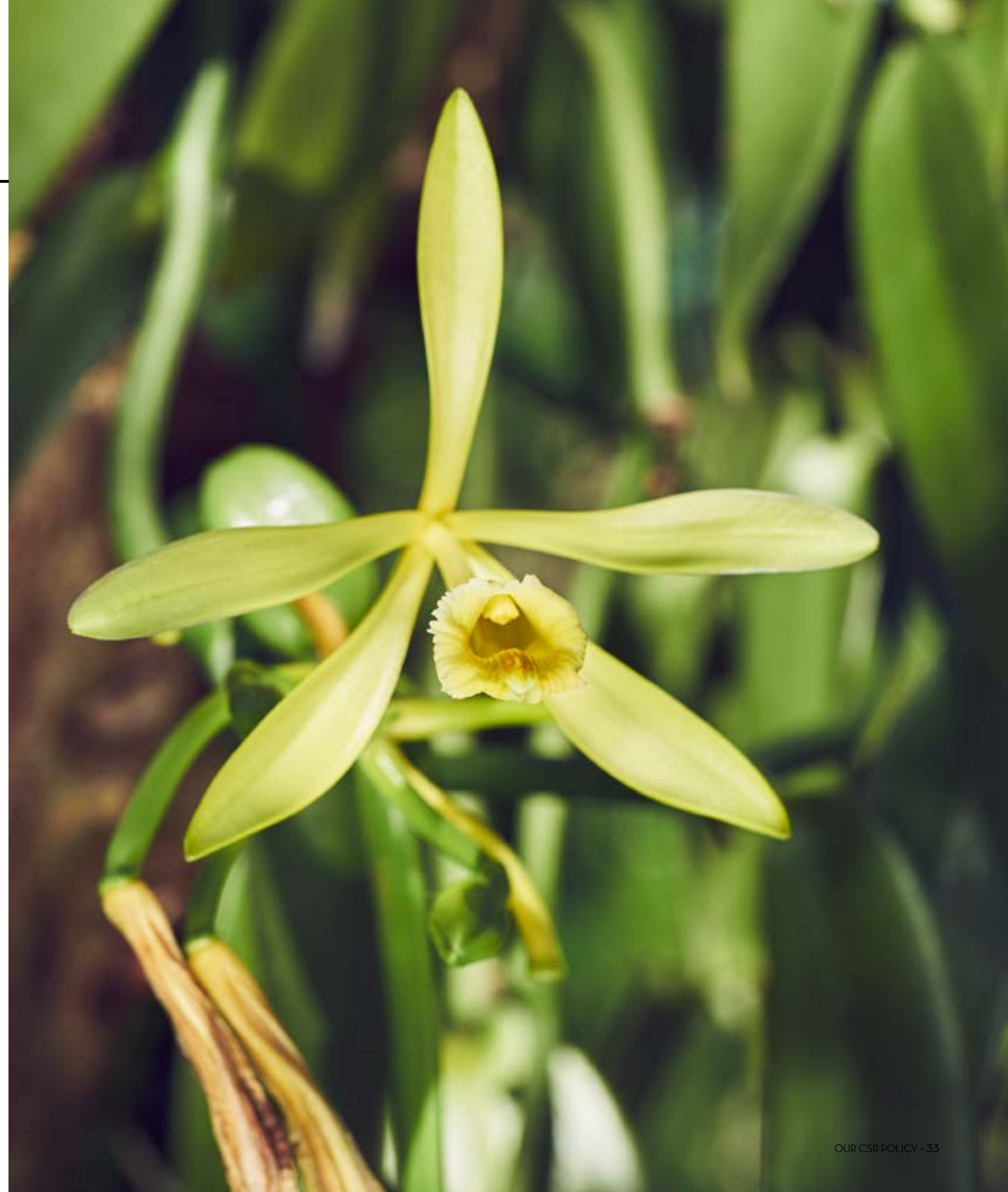
NON-FINANCIAL RISK CATEGORIES	SUSTAINABLE USE OF RESOURCES	CLIMATE CHANGE	BIODIVERSITY	SUPPLIERS AND SUBCONTRACTORS	PROTECTING CONSUMER HEALTH AND SAFETY	SUSTAINABLE CONSUMPTION	FAIR PRACTICES
DESCRIPTION OF THE RISKS	<ul style="list-style-type: none"> High water consumption at some Group production sites Increase in the cost of fossil fuels 	<ul style="list-style-type: none"> Exposure of some Group sites to the consequences of climate change (extreme weather events, earthquakes, tsunamis, floods, droughts, landslides, etc.) Problems reducing CO₂ emissions linked directly to the Group's activities 	<ul style="list-style-type: none"> Impact of the activities of our suppliers on biodiversity (deforestation, pollution, depletion of resources) Changing demands of society Consumer preference is moving towards products with a low impact on biodiversity (e.g. Sustainable palm oil, organic products, etc.) Complexity of regulations relating to access to genetic resources and the fair and equitable sharing of the benefits arising from their use (ABS) 	<ul style="list-style-type: none"> Higher customer expectations regarding the traceability of the geographical origin of natural raw materials (context: Nagoya Protocol, blockchain) Disruptions in the supply of strategic raw materials (e.g. supply failures, single supplier situations, natural disasters, etc.) Higher customer expectations regarding the chains of certified natural raw materials (e.g. RSPO, Rainforest Alliance, UEBT, organic) Take CSR into account in relationships with subcontractors and carriers 	<ul style="list-style-type: none"> Social pressure/market tendency to ban flavourings (context: lobbying of consumer associations, Yuka app, etc.) Changes in the regulations on nanomaterials in food and cosmetics Food safety (scandals, allergens, etc.) 	<ul style="list-style-type: none"> Higher consumer demand for products that are environmentally friendly, organic, natural, vegan, more respectful of animal welfare and of a higher nutritional quality 	<ul style="list-style-type: none"> Some Group sites are located in countries at high risk of corruption according to the CPI index of the NGO Transparency International Breach of a patent filed by MANE by a competitor or customer
POLICIES AND AREAS FOR IMPROVEMENT BEING CONSIDERED IN ORDER TO PREVENT, IDENTIFY AND MITIGATE THE OCCURRENCE OF THESE RISKS	<ul style="list-style-type: none"> Targeted action to reduce consumption at the subsidiaries concerned Set up an energy management system at the Bar-sur-Loup site, in Quéven, and the KANCOR-MANE site, in Angamaly 	<ul style="list-style-type: none"> Targeted action ongoing Set up an energy management system at the Bar-sur-Loup site, in Quéven, and the KANCOR-MANE site, in Angamaly Contract signed for the supply of electricity from renewable sources Voluntary offsetting 	<ul style="list-style-type: none"> Biodiversity is incorporated into our responsible purchasing policy Policy for the purchasing of sustainable palm oil drawn up in June 2017 Ongoing monitoring of regulations on ABS with the involvement of the Purchasing, Regulatory Affairs, Environment/CSR and Sales departments 	<ul style="list-style-type: none"> Develop IT systems to incorporate the geographical origin of natural raw materials purchased Reduction in the use of distributors Develop long-term partnerships with strategic suppliers Develop partnerships and joint ventures to incorporate MANE at an earlier point in the raw materials supply chain Draw up a plan to secure ingredients (risk mitigation plan) Contract with TK'Blue Agency, a labelling and non-financial ratings agency for carriers 	<ul style="list-style-type: none"> Organise EFFA "Flavour Days" with the involvement of MANE Substitute nanomaterials where possible (e.g. silica) + risk assessment Set up quality and food safety management systems at the main Group sites (IFS/BRC, ISO 22000 certifications) to prevent, identify and mitigate the occurrence of health risks 	<ul style="list-style-type: none"> Develop a specific range of products to meet this demand (e.g. products offered as animal protein substitutes, products in the Sense Capture range with lower sugar and salt content, etc.) 	<ul style="list-style-type: none"> Draw up an anti-corruption framework (Code of Ethics, Ethics Committee, whistleblowing hotline, anti-corruption training) Oversight of the Legal and Intellectual Property department
IN THIS REPORT	<ul style="list-style-type: none"> Pages 55 to 59 	<ul style="list-style-type: none"> Pages 59 to 64 	<ul style="list-style-type: none"> Pages 64 to 66 	<ul style="list-style-type: none"> Pages 70 to 75 	<ul style="list-style-type: none"> Page 76 	<ul style="list-style-type: none"> Page 77 	<ul style="list-style-type: none"> Pages 26 to 28

OUR COMMITMENTS

On the basis of the significant challenges and risks emerging from our materiality analysis and non-financial risk assessments, we have defined the key CSR commitments for MANE, formalised through our Group Sustainable Development Policy.

OUR SUSTAINABLE DEVELOPMENT POLICY









- ▶ Answer for the impact that our company has on society and the Environment in a transparent manner.
- ▶ Always behave in an ethical manner in areas concerning good business practices, particularly in the fight against corruption.
- ▶ Take into consideration the interests of stakeholders and work to respect them.
- ▶ Comply with all local laws and regulations in effect as well as international behavioural standards by respecting the principle of legality.
- ▶ Promote and respect the protection of rights set out in the Universal Declaration of Human Rights within the company's sphere of influence.
- ▶ Incorporate CSR into the management system.
- ▶ Develop products and processes that are more respectful of the Environment and Humankind.
- ▶ Conserve and ensure the sustainable and equitable use of biodiversity.
- ▶ Reduce Greenhouse Gas emissions and improve the energy efficiency of processes.
- ▶ Continue to improve product quality and safety.
- ▶ Ensure the health, safety and well-being of employees in the workplace.
- ▶ Promote and respect diversity in the workplace and fight against all forms of discrimination.
- ▶ Develop human capital by favouring the employability of employees through training and strategic workforce planning.
- ▶ Apply a sustainable purchasing policy that aims to make suppliers aware of CSR and to evaluate their environmental and social performance.



2021 TARGETS AND 2018 RESULTS

In order to provide an overview of the Group's progress in each of its Sustainable Development undertakings, we set ourselves quantified targets for 2021, when the Group will celebrate its 150th anniversary. Target achievement is measured using specific performance indicators compared to a 2009 baseline.

ENVIRONMENT

								
TARGETS 2021	Increase to over 80% the quantities produced of natural extracts and synthetic molecules with a GREEN MOTION™ score of 50/100 or more	Increase to 90% the percentage of product tonnage shipped by ISO 14001 certified sites by 2021	Reduce energy consumption per tonne of product by 20% compared to 2009	Reduce CO ₂ emissions (Scopes 1 and 2) per tonne of product by 15% compared to 2009	Increase the proportion of total energy consumption from renewable sources to more than 10%	Reduce water consumption per tonne of product by 15% compared to 2009	Reduce hazardous waste produced per tonne of product by 33% compared to 2009	Increase the total proportion of recycled waste (hazardous and non-hazardous) to more than 80%
RESULTS 2018	70% of quantities produced of natural extracts and synthetic molecules with a score of 50/100 or more at the end of 2018	59% of product tonnage shipped by ISO 14001 certified sites at the end of 2018	24% decrease in energy consumption compared to 2009	1% decrease in CO ₂ emissions compared to 2009	14% of energy consumption from renewable sources at the end of 2018	19% decrease in water consumption compared to 2009	29% decrease in waste production compared to 2009	79% of waste recycled at the end of 2018
	TARGET ON TRACK TO BE ACHIEVED	TARGET ON TRACK TO BE ACHIEVED	TARGET ACHIEVED AND EXCEEDED	TARGET NOT ACHIEVED	TARGET ACHIEVED AND EXCEEDED	TARGET ACHIEVED AND EXCEEDED	TARGET ON TRACK TO BE ACHIEVED	TARGET ON TRACK TO BE ACHIEVED

SOCIAL



TARGETS
2021

Maintain absenteeism at less than 4%

Reduce the frequency rate for workplace accidents with leave by 33% compared to 2009

Increase the proportion of employees taking at least one training programme over the course of the year to more than 80%

Increase the proportion of employees participating in an interview or assessment over the course of the year to more than 80%

RESULTS
2018

2.2% absenteeism rate in 2018

47% decrease in frequency rate for accidents compared to 2009

88% of employees received training in 2018

83% of employees were interviewed or assessed in 2018

TARGET ACHIEVED AND EXCEEDED

TARGET ACHIEVED AND EXCEEDED

TARGET ACHIEVED AND EXCEEDED

TARGET ACHIEVED AND EXCEEDED

RESPONSIBLE PURCHASING



TARGETS
2021

Increase our purchasing volume from suppliers committed to a CSR policy to more than 90%

Ensure 50% of key suppliers undergo a CSR assessment (on-site audit by MANE, ECOVADIS assessment or SMETA audit)

RESULTS
2018

90% of our purchasing volume was from suppliers committed to a CSR policy at the end of 2018

38% of key suppliers underwent a CSR assessment at the end of 2018

TARGET ACHIEVED

TARGET ON TRACK TO BE ACHIEVED



ASSESSMENTS AND EXTERNAL RECOGNITION

Assessments and recognition from experts in Sustainable Development improve the credibility and transparency of the group's CSR strategy for its stakeholders. Our commitment and success in this field have been recognised by independent organisations.

ECOVADIS



EcoVadis provides a platform for companies to evaluate the CSR practices of their suppliers. MANE completes this questionnaire every year at the behest of several key customers. The assessment score is calculated based on 21 indicators across 4 areas: environment, social, business ethics and responsible purchasing. In 2018, MANE achieved an overall score of 70/100, placing the Group once again in the "Advanced" CSR performance category, with a "Gold" commitment level. This score places us in the top 1% of companies assessed by EcoVadis in our sector.

CAP 26000



Since 2014, we have voluntarily had our CSR policy assessed by an independent third-party organisation. The CAP 26000 assessment by Bureau Veritas Certification assesses the 4 key elements of CSR: Incorporation of social responsibility, stakeholder involvement, communication and transparency, results and progress. MANE was awarded an overall score of 71/100 as a result of "a complete and structured CSR policy with a solid foundation built over several years of effort, strategic aims and an action plan". MANE has incorporated the results of this external assessment as part of its process of continuous improvement.

CDP



Each year, MANE completes the CDP (known as the Carbon Disclosure Project until the end of 2012) questionnaire which questions and ranks companies on their understanding of the issues and their performance in terms of the fight against climate change (CDP Climate Change) and water resource management (CDP Water). In 2018, the Group once again achieved a B grade for the CDP Climate Change and CDP Water Supply Chain questionnaires (scale from A to E, with A being the best).

SMETA



SMETA is an ethical audit process carried out by an independent third-party organisation which the MANE Group applies to its key sites. The audit programme using the 4 pillars of the SMETA benchmark, developed by SEDEX, includes the following areas: health and safety, labour standards, Environment and business ethics. All our manufacturing sites have been subject to at least one SMETA audit, and each site has shared its audit report and any corrective measures with customers who express an interest, through the SEDEX platform.

AWARDS RECEIVED

Top Sustainable Family Business Award 2018

Family businesses are vital to the health of the European economy. They are responsible for over 50% of private sector activity in the eurozone and play a key role in the economic recovery of many economies in the region. That's why each year, CampdenFB, in partnership with Société Générale Private Banking, recognises this vital and dynamic sector through the "European Families in Business Awards 2018", marked the seventh year of the ceremony.

In 2018, the awards ceremony took place in Madrid on 12 June. On this occasion, around a hundred members of business-owning families, their directors and advisers came together for a prestigious gala and awards dinner. Our President, Jean Mane, accompanied by his nephew, Victor Mane, a member of the fifth generation, received the "Sustainable Family Business" award in recognition of the Group's efforts in terms of Sustainable Development and Ethics, particularly the establishment of a whistleblowing hotline in 2016 and the creation of the Group Ethics Committee, which reports directly to the President.

Trophée Défis RSE 2017

Created in 2012, the Trophées Défis RSE (CSR Challenge Awards) aim to add value to the commitments, results and sustainability of a company's CSR approach. The awards are sponsored by BNP Paribas, Ethifinance, Harmonie Mutuelle and Suez, all recognized for their CSR policies, and the judging panel includes professional network experts in their fields. In 2017, 52 companies were nominated for the 5th edition of the ceremony. MANE was awarded the Trophée Défis RSE 2017 for the Environment category.



Trophée de l'Innovation RH 2017

Two years after being awarded the Contrat de Génération (intergenerational contract), MANE received the Trophée de l'Innovation RH (HR Innovation Award) in 2017 for its "Manager First" project.

The management guide developed by MANE, and the cornerstone of this approach, is a powerful and recognised social innovation because it lets each manager know exactly what the company expects of them, gives them ways to achieve the targets set for them and focuses cooperation between managers and their employees on continuous progress and positive reinforcement.

As such, this approach, recognised by the Trophée de l'Innovation RH 2017, stands out from the benchmarks normally used in companies.

2016 Global Compact Best Communication on Progress award

The French network of the United Nations Global Compact presents an award each year for the Best Communication on Progress. This competition rewards businesses and non-profit organisations that produced an exemplary Communication on Progress (CoP) the previous year. In 2016, the MANE Group won the Best Communication on Progress Award in the "ETI" (medium-sized enterprises) category for the relevance and quality of its reporting.





5. OUR ETHICS POLICY

For MANE, being a responsible company is about ethical conduct and practices. In all countries where MANE has a presence, our aim is to carry out our activities with honesty, fairness and integrity.

GROUP CODE OF ETHICS

The MANE Code of Ethics is the Group's benchmark document setting out the values and principles that govern the Group's activities and those of its partners. The Code of Ethics helps MANE employees adopt, support and apply, while carrying out their duties, a set of fundamental values in the fields of human rights, work and environmental standards and the fight against corruption. It is available in 24 languages. In France, each employee personally receives a copy of the code when they are hired.

Published for the first time in 2013, the Code of Ethics was reviewed in 2017, following consultation and approval by the MANE FRANCE Works Council (WC) and Occupational Health and Safety Committee (OHSC). This latest version introduces the idea of conflicts of interest and a whistleblowing hotline allowing any employee faced with a difficult situation or infraction to notify the Group's Ethics Committee and receive advice and support on how best to proceed.

There are also variations of the Group Code of Ethics specific to employees involved in purchasing (Purchasing Department, Technical Department, IT Department, Design Office, Travel Assistants, etc.) as well as for subsidiary directors and Group financial directors who are particularly exposed to the risk of corruption. These Codes of Ethics have been signed by the relevant employees. Internal training and a quiz have been made available to these employees to raise awareness and train them in preventing and managing corruption risks.

ETHICS COMMITTEE

Ethics within the Group are managed by the Ethics Committee. Set up in 2017 by the Group's Executive Committee, its members report directly to the Chairman of the Board of Directors. The aim of the Ethics Committee is to examine any issue relating to ethics: preventive analysis of ethical risks, recommendations, investigations and disciplinary measures linked to alerts received through the ethics

hotline. Group employees can contact the Committee directly using the following email address: ethics@mane.com to notify them of any known or suspected violation of the Code of Ethics. The Group undertakes to guarantee the anonymity of the whistleblower* and shall ensure that anyone who reports, in good faith, a known or suspected violation of the Code of Ethics does not suffer reprisals,

harassment or discrimination in the workplace as a result of reporting a violation.



ANTI-CORRUPTION SCHEME

With the "Sapin II" law relating to transparency, anti-corruption and economic modernisation of 9 December 2016, France introduced into its anti-corruption legislation the requirement to implement measures to prevent and detect corruption in companies with more than 500 employees and a turnover of more than 100 million euros.

In order to comply with this legal requirement, MANE strengthened its ethics framework in 2017. Thus, the Group implemented an anti-corruption process that uses policies and procedures to formalise MANE's commitment to fighting corruption. It focuses on the following measures:



- The Group Code of Ethics and its variations that define and illustrate the various types of behaviour to be banned as likely to characterise corruption. The Group Code of Ethics is incorporated into the existing regulatory framework;
- An internal ethics alert mechanism designed to allow the collection of alerts from employees relating to conduct or situations that violate the Group Code of Ethics;
- A map of corruption risks designed to identify and prioritise the Group's risk of exposure to corruption, particularly in relation to the geographical areas in which the Group operates (taking into account the corruption perception index from Transparency International);
- Procedures to assess the situation of business partners in relation to the risk map (e.g. suppliers);
- Accounting control procedures;
- An internal training programme and quiz for executives and employees most exposed to the risks of corruption;
- A disciplinary system allowing Group employees to be sanctioned if they violate the Group Code of Ethics;
- An internal monitoring and evaluation system for the measures implemented.

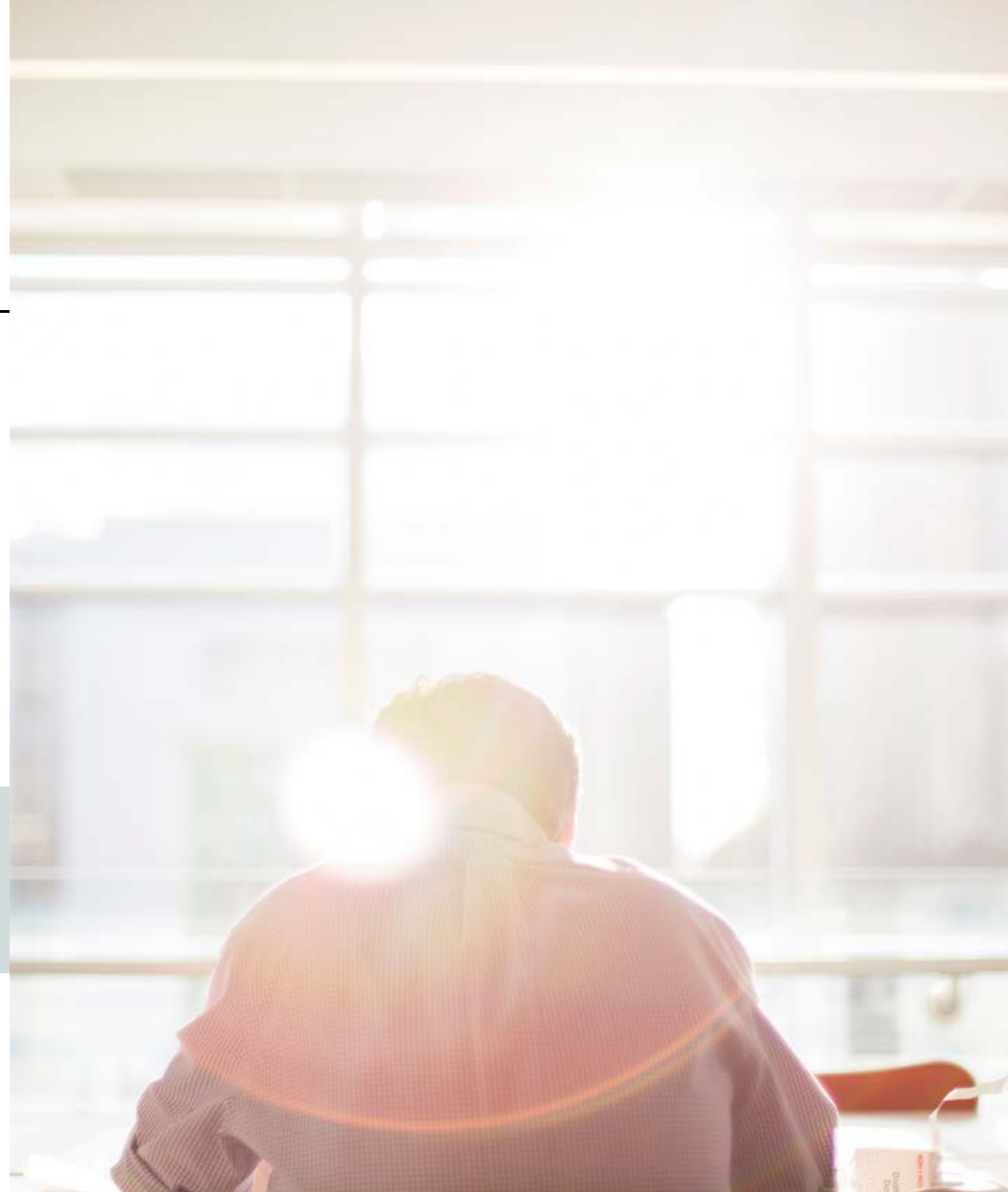
All Group employees involved in the management of its subsidiaries, foreign finance and purchasing departments have signed their specific Codes of Ethics. 130 employees whom we have identified as most exposed to the risk of corruption as a result of their positions have undergone online awareness training on the risk of corruption and preventing and detecting acts of corruption, and completed a quiz to test their knowledge.

RESPECTING HUMAN RIGHTS AND LABOUR STANDARDS

MANE is committed to supporting and respecting the protection of internationally proclaimed human rights and the fundamental conventions of the International Labour Organisation (ILO) both internally and in its sphere of influence. This means that the Group respects freedom of association, recognises the right to collective bargaining, will contribute to eliminating all forced or compulsory work and child labour, and will fight against any type of employment or professional discrimination.

For many years, this commitment has been taken as far as possible by the Group's Senior Management, through MANE's commitment to the United Nations Global Compact (in 2003), signature to the Corporate Diversity Charter (in 2008), and the development of a Sustainable Development Policy (2008), Purchasing and Sustainable Development Charter for suppliers (2009) and the Group Code of Ethics (2013).

For an international group like MANE, this requires constant vigilance over both partner and supplier relationships. The Group uses Human Resources policies and procedures as well as internal audits and internal monitoring to ensure that these rights are respected internally, and in all its subsidiaries. In terms of purchasing, these issues are monitored as part of our responsible purchasing policies (asking suppliers to sign up to the MANE's Purchasing and Sustainable Development Charter, a CSR self-assessment questionnaire, on-site audits).



COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT



In 2003, MANE was the first company in the fragrance and flavour industry to sign up to the United Nations Global Compact. By subscribing, MANE voluntarily committed to incorporating the following 10 principles into its policy:

THE 10 PRINCIPLES

HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights, within the scope of their influence
2. Businesses should make sure that they are not complicit in human rights abuses

INTERNATIONAL LABOUR STANDARDS

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. Businesses should uphold the elimination of all forms of forced and compulsory labour
5. Businesses should uphold the abolition of child labour
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation

ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges
8. Businesses should undertake initiatives to promote greater environmental responsibility
9. Businesses should encourage the development and diffusion of environmentally friendly technologies

FIGHT AGAINST CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery



"For the sixteenth consecutive year, MANE is supporting the Global Compact and renewing its commitment to implementing and promoting the 10 universally recognised principles into its strategy, organisational culture and operations, within a framework of continuous improvement."

Jean M. Mane

In order to demonstrate our commitment clearly, we publish a yearly Communication of Progress (CoP). All our CoP reports are available on the Global Compact website through the following link:

<https://www.unglobalcompact.org/what-is-gc/participants/6328-Mane>

This year, our CSR report is also our CoP for 2019.

A group of business professionals in an office setting, focused on reviewing documents and charts on a table. The scene is brightly lit, with a warm, professional atmosphere. In the foreground, a man in a light blue shirt and a woman in a light blue blouse are leaning over a table, examining a document. The man is pointing at a chart on the document. In the background, other professionals are visible, including a woman in a white blouse and a man in a brown suit. The overall image conveys a sense of collaboration and professional expertise.

6. SOCIAL INFORMATION

We believe the success of the MANE Group is built above all on the expertise of its employees. Employees are the Group's main source of wealth and enable it to be a major participant in the fragrance and flavour industry. Our aim is to encourage them to thrive in the workplace whilst offering them a safe and healthy working environment.

HUMAN RESOURCES POLICY

The MANE Human Resources Policy is based on the following four guidelines that are applied from recruitment and for the duration of each employee's stay within the company.

GUARANTEE AND ENCOURAGE A CULTURE OF PROFESSIONAL EXCELLENCE

The expertise of its employees is the main source of wealth in a creative and manufacturing company such as ours. MANE aims to recognise their commitment and worth by helping them grow through their work. We support internal professional and geographical mobility, personalised development plans and a fair wage policy in order to provide motivation for personal and professional development.

ASSERTING OUR ROLE AS A COMPANY THAT CARES ABOUT ITS ENVIRONMENT AND ITS PEOPLE

As a diverse and outward looking company, MANE ensures that close local ties are a key part of its Human Resources policy. As part of this important commitment, we respect diversity, support our most vulnerable employees and encourage social dialogue. The dissemination of social standards supports equality of opportunity for all our employees, wherever the company is located, by ensuring they have access to adequate living and working conditions and access to basic knowledge.

DEVELOPING OUR EMPLOYEES' PROFESSIONAL SKILLS

Due to the initial and continuous training policy we have for our employees and our customers, we can anticipate and support developments in our professions and the specific needs of our community. The MANE Academy Campus will soon offer motivating professional training courses. From the moment they are hired, our employees are provided with a personalised induction programme, adapted to their profile, the diversity of their roles and organisations and the specific nature of the tasks they need to perform. This programme can take several forms.

PROVIDING LIVING CONDITIONS THAT SUPPORT QUALITY WORK

It is in the field, by continuously imagining new solutions to improve working conditions for our employees, that we demonstrate our excellence. By creating a good working Environment for our employees, preventing workplace accidents and occupational diseases, empowering our employees and their managers in occupational health and safety, and balancing home and work life, we ensure they are able to commit efficiently to serving our industrial customers as well as the millions of consumers we serve indirectly every day across the world.



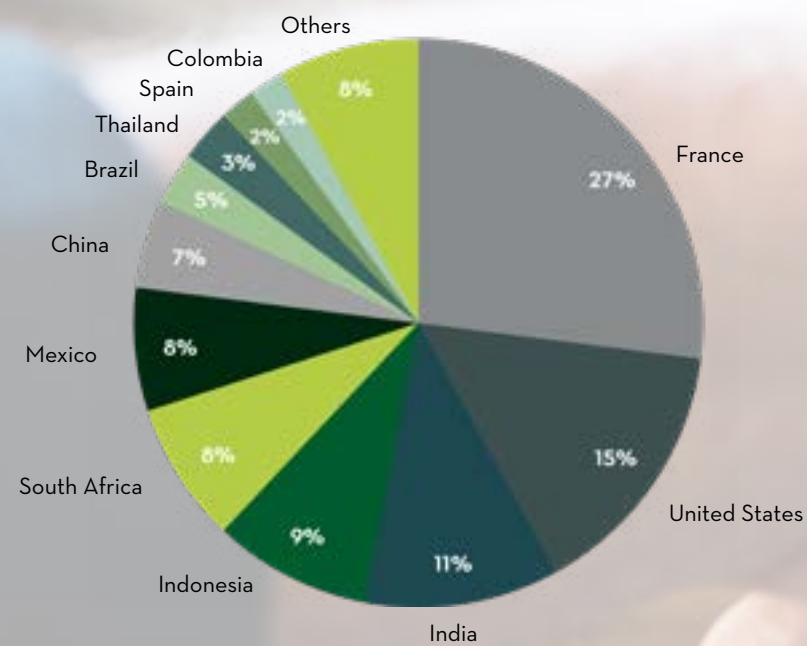
EMPLOYMENT

TOTAL WORKFORCE

As of 31 December 2018, the Group's total workforce (permanent and fixed-term contracts) consisted of 6,304 employees, compared to 5,992 on 31 December 2017, an increase of 5% between 2017 and 2018.



EMPLOYEES BY COUNTRY



Geographically, the three countries with the largest number of employees are France with 1,710 employees, the United States (920 employees) and India (689). Together, these three countries account for 53% of the Group's total workforce. MANE continues to increase its presence in the rest of the world and specifically in Indonesia, South Africa, Mexico and China, which represented 29% of the total workforce at the end of 2018.





SCOPE

The scope of consolidation for the social data set out below relates to employees as of 31 December 2018 across all MANE Group sites in the following countries. This sample represents 93% of the Group's total workforce.

DISTRIBUTION OF GEOGRAPHICAL AREAS

EMEA	ASIA	AMERICAS
South Africa	China	United States
Spain	India	Brazil
France	Indonesia	Colombia
Switzerland	Japan	Mexico
	Thailand	

EMPLOYEES BY GEOGRAPHICAL AREA

	EMEA	ASIA	AMERICAS
2018	43 %	29 %	28 %

DISTRIBUTION BY GENDER AND GEOGRAPHICAL AREA

	EMEA	ASIA	AMERICAS	WORLD
♂	59 %	65 %	58 %	61 %
♀	41 %	35 %	42 %	39 %

DISTRIBUTION BY AGE AND GEOGRAPHICAL AREA

	EMEA	ASIA	AMERICAS	WORLD
<30	28 %	33 %	22 %	27 %
30-50	51 %	62 %	58 %	57 %
>50	21 %	5 %	20 %	16 %

DISTRIBUTION BY TYPE OF CONTRACT AND GEOGRAPHICAL AREA

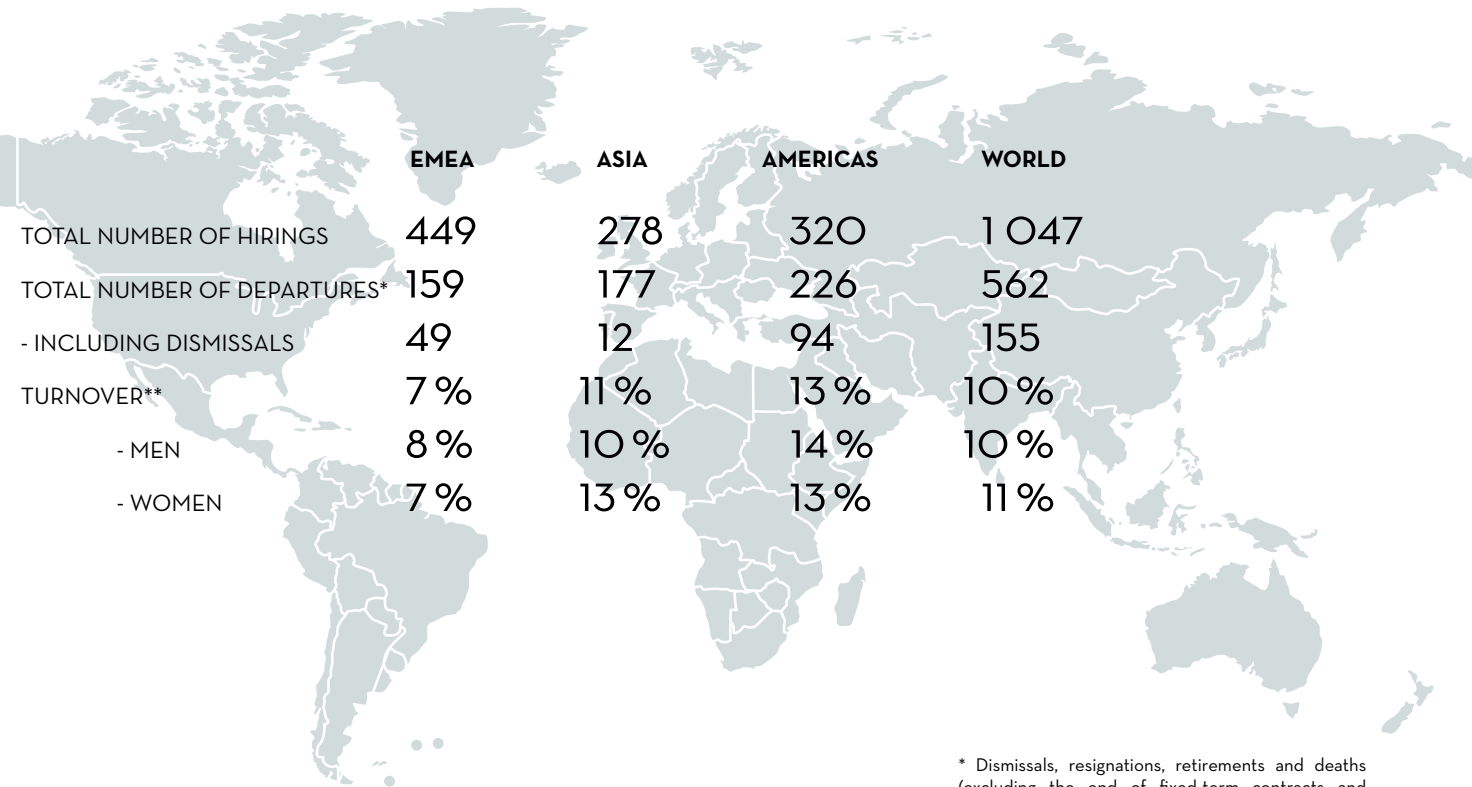
	EMEA	ASIA	AMERICAS	WORLD
Permanent contracts	91 %	80 %	100 %	91 %
Fixed-term contracts	9 %	20 %	0 %	9 %

91% of Group employees have permanent contracts, which is a 2 percent increase on last year.

The high level (20%) of fixed-term contracts in the Asia region reflects the practices of the Chinese market where contracts cannot exceed 3 years.

However, it should be noted that in China, employees who have been with the company for more than 10 years will be able to benefit from a permanent contract, as will employees who have completed more than two temporary contracts.

RECRUITMENT AND DEPARTURES



* Dismissals, resignations, retirements and deaths (excluding the end of fixed-term contracts and probationary periods at the request of the employer)
 ** Total number of departures during the year divided by the total number of employees at the end of the year and multiplied by 100.

The MANE Group hired 1047 employees in 2018 (4% more than in 2017) The EMEA region is the Group's main recruiter with 43% of hires. This is followed by the Americas (30%) and Asia (27%).

There were 562 departures in 2018, 2% less than at the end of 2017.

At Group level, the average staff turnover was 10%. However, this average masks large disparities between countries with, for example, low rates of 4% in France (74 departures, including 19 dismissals) and 8% at KANCOR-MANE in India, compared to high rates of 15% in the United States and 24% in China. In China, the war for talent and constant wage inflation are problems that our local recruitment teams must now deal with. In the United States, where there is a very low unemployment rate

(below 4%), the context of full employment makes it difficult to create loyalty among employees.

Market, MANE is considering implementing a more relevant talent management policy in order to create loyalty and, above all, encourage engagement and motivation among current and future talent. The Group is also working to adopt measures to develop its employer brand and carry out communication campaigns aimed at target schools. Particular attention is also being paid to the new demands of millennials, particularly by considering changes in management practices and the organisation of work (work-life balance).

WAGES

MANE believes that the Group's future depends on its ability to attract and retain talent. A fair, motivating and equitable wage system is one way of achieving this. Our wage policy has two aims:

- Offer an appealing, stimulating and competitive wage system and working conditions that are in line with market practices;
- Ensure internal fairness to motivate and involve employees.

We do not discuss wage amounts or increases as we believe this information should remain confidential. However, in all the countries in which the Group is present, we respect the minimum wage set by local legislation. For example, in 2016 in France, the Group's management signed a collective agreement with employee representative bodies to ensure a minimum general increase in wages that is significantly higher than inflation, in order to strengthen purchasing power and provide a rewarding wage policy for all employees.

In France, MANE also links its employees to the company's results through a Company Savings Scheme (profit-sharing, incentives). The company then returns a share of any profit to its employees as a yearly bonus. The amount of the bonus and its distribution are decided by an internal agreement between managers and employee representative bodies. A Company Savings Scheme (CSS) has also been set up in France. This is a collective savings scheme, allowing employees to build a securities portfolio within the company. Voluntary employee contributions are topped up by company contributions (subscriptions).

ORGANISATION OF WORK

QUALITY OF LIFE AT WORK

Ensuring quality of life at work is a challenge that not only involves preventing occupational stress and decreasing absenteeism but also developing the appeal of the company and improving creativity, commitment, motivation and employee loyalty. The Group undertakes many activities to improve working Environment and conditions. MANE's quality of life at work policy aims to help every employee balance their work and home lives and is built on the following principles:

- Develop support for employee organisations by implementing remote working and reinforcing the right to disconnect;
- Start a new phase of occupational risk prevention;
- Increase management capacity so that managers can be even more involved in managing their teams (ensuring appropriate training and support methods and tools are available);
- Support employees in managing illness: extend the transfer of leave days for child illness provided by the company, implement a family carer policy and create part-time jobs for family carers;
- Make daily life easier for employees by implementing ma.conciergerie. MANE (overall management by a partner/provider offering high added value services to improve daily life) as well as optimising meeting times and improving social spaces.

ABSENTEEISM

ABSENTEEISM RATE*	EMEA	ASIA	AMERICAS	WORLD
2018	3,8 %	0,9 %	3,0 %	2,2 %

* Number of days absent over a 12-month period, compared to the number of working days expected for the employee over the same period.

In 2018, the Group absenteeism rate was 2.2% compared to 2.6% in 2017, a low rate that generally reflects the high workplace morale of our employees. Our aim for 2021 is to maintain the rate at less than 4%. We have achieved and exceeded this for several years running. The overall absenteeism rate in France dropped from 7.2% in 2009 to 3.6% in 2018.

OCCUPATIONAL HEALTH AND SAFETY



PREVENTION POLICY

In order to prevent occupational hazards in the workplace, including those linked to stress, MANE is prepared to work with all relevant stakeholders. Managers and supervisors drive the policy and any resulting actions. The OHSC, employee representative bodies and the occupational health department are also stakeholders in the process, along with all our employees, whose role is to identify any risks and develop and implement the preventive action plan.

MANE's management of health and safety is based on risk assessment in the following areas:

- Occupational risk assessment to identify, assess and classify risks in order to implement relevant preventive measures. The results of this occupational risk assessment are recorded in a "single document" made available to members of the OHSC, employee representatives and the occupational physician;
- Analysis and handling of accidents and near-accidents to identify the various contributing elements and implementation of appropriate corrective and preventive measures;
- Safety behaviour visits.

Noise, manual handling of loads and alternating shifts have been identified as being the main causes of stress in our company. MANE therefore takes all appropriate measures to prevent stress, such as, for example, adapting relevant workstations or reducing the noise level of machines.

Our manufacturing sites in Mexico, China and India (KANCOR-MANE), representing 22% of the Group's employees, are OHSAS 18001 certified (Occupational Health and Safety Management Standard).

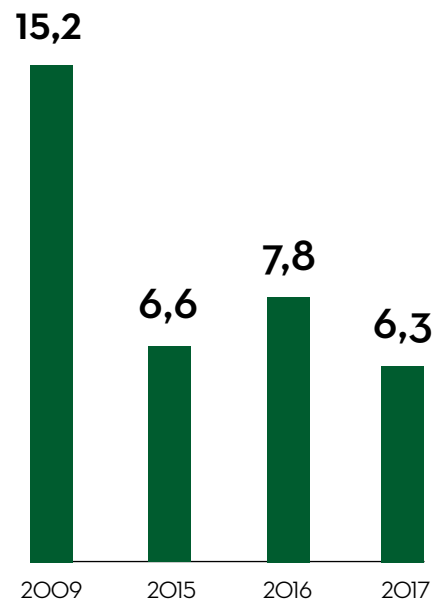
OUR RESULTS	2009	2016	2017	2018
NUMBER OF ACCIDENTS IN THE WORKPLACE	69	54	76	67
NUMBER OF OCCUPATIONAL DISEASES	0	0	0	2
NUMBER OF DAYS LOST	/	1205	1370	1078
NUMBER OF HOURS WORKED	4 536 499	8 216 045	9 723 304	10 649 584
INCIDENCE*	15,2	6,6	7,8	6,3
LEVEL OF SEVERITY**	/	0,15	0,14	0,10

2009 - 2018 EVOLUTION: ↓ - 59 %

* Number of workplace accidents leading to more than one day of lost time, occurring during a 12-month period, compared to a million hours worked.
 ** Number of days lost per 1000 hours worked.



**Frequency rate for accidents
(number of accidents per million
hours worked)**



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Reduce by 33% the frequency rate for accidents at work with leave compared to 2009

2021 objective achieved and exceeded in 2018



FOCUS ON FRANCE

Thanks to a collaborative effort, the Group has recorded a considerable drop in the incidence of workplace accidents since 2009. At the end of 2018, a total of 67 accidents with leave were recorded, which is 9 fewer than in 2017. In 2018, the incidence of workplace accidents for Group employees was 6.3 accidents per million hours worked, which is a decrease of 59% compared to 2009. For the third year in a row, we have achieved and exceeded our 2021 target to reduce incidence rates by 33%.

In 2018, the incidence rate of workplace accidents at MANE sites in France was 8.5, significantly below the French national average of 14.4 in the chemical, rubber and plastic industries (source: national statistics on accident rates in 2017 from the workplace accidents and occupational diseases branch of the French health insurance system). It should be added that the level of severity of 0.12 is also well below the French national average of 0.9 in the chemical, rubber and plastic industries.



MANAGING INDUSTRIAL HAZARDS

Activities carried out at our manufacturing units generate industrial hazards that can have an impact on employees, the external Environment and neighbouring communities. Our French sites located in Bar-sur-Loup (Notre-Dame and La Sarrée) are registered environmental facilities (ICPE) and are subject to the European Seveso directive. This is the context in which we developed our Major Accident Prevention Policy, defining our industrial risk management roadmap. We make particular use of training, awareness and employee accountability as well as incorporating industrial safety at the earliest stage of site design, planning regular exercises to understand emergency situations and carrying out regular internal audits. Finally, and most importantly, we strive to communicate as transparently as possible in matters of industrial safety, both internally and externally, in order to maintain trust with employees, local residents and local authorities.

OCCUPATIONAL STRESS

Occupational stress is also incorporated into our prevention policy in the same way as other occupational hazards. Occupational stress can be caused by activities themselves or triggered by the organisation of work and working relationships (excessive workload, confrontational relationships, management styles, intensity and complexity of work, etc.) As exposure to these work situations can affect the health of our employees (depression, anxiety, burnout), occupational stress must be taken into account. It is therefore necessary to assess it, plan suitable preventive measures and prioritise collective measures to avoid these risks as early as possible.

In 2011, in partnership with the occupational health department, MANE hired an independent consulting firm for help in measuring employee stress levels in order to rank the main causes of stress and draw up a corrective or preventive action plan, as appropriate. In line with this approach, which has already been in place for many years, MANE continues to raise awareness and provide training on stress prevention for our managers and executives. We also provide training for medical staff on how to support people who may be experiencing difficulties. A survey aimed at preventing occupational stress is carried out every 5 years in France (it has already been carried out twice).

SOCIAL RELATIONSHIPS

ORGANISING SOCIAL DIALOGUE

The Group is committed to encouraging social dialogue in all countries where it does business. Freedom of assembly and the right to collective bargaining are key principles in our Group Code of Ethics. We believe that social dialogue can play a productive part in negotiations, consultations or simply information exchange between the company and employee representatives to encourage cooperation to increase the positive social impact of the company.

Across the Group's sites in France, social dialogue occurs with the following employee representative bodies:

- Employee representatives authorised to represent employees to the employer to manage individual requests;
- Works Council (WC) authorised to consult employees on the organisation and operation of the company as well as projects suggested by the employer;
- Occupational Health and Safety Committee (OHSC) authorised to deal with issues relating to health, safety, hygiene and working conditions.



SUMMARY OF COLLECTIVE AGREEMENTS

All MANE employees in France are covered by the National Collective Agreement for Chemical and related Industries dated 30 December 1952. In 2018, nine collective agreements were signed:

- Agreement on quality of life in the workplace, dated 9 March 2018
- Fifth amendment to the agreement establishing the Company Savings Scheme, dated 22 March 2018
- Agreement on the required yearly negotiation of "wages, working time and value sharing", dated 26 March 2018
- Agreement on electronic voting, dated 8 June 2018
- Agreement supporting people with disabilities, dated 12 June 2018
- Incentive agreement for the years 2018, 2019 and 2020, dated 12 June 2018
- Sixth amendment to the agreement establishing the Company Savings Scheme, dated 12 June 2018
- Agreement on the establishment of the Economic and Social Committee, community representatives and OHSC, dated 29 June 2018
- Pre-election agreement protocol, dated 6 September 2018

TRAINING

TRAINING POLICY

Given the highly competitive Environment in which it finds itself, MANE believes that developing its workforce is essential in order to strengthen the employability of its employees as well as its competitiveness and appeal as a company. A successful company is one that knows how to maintain and enrich its knowledge and expertise.

In order to identify the continuous needs of each of our employees and the expectations of the Group, procedures have been defined to:

- Identify the knowledge our employees already have and the gaps between this and the knowledge required by their role;
- Establish specifications for future training;
- Assess the professional skills of our employees.



In-house training is also encouraged to support teaching and activities that use information specific to the company to address relevant issues.

In France, we always offer all our new recruits - regardless of their employment contract (intern, apprentice, temp, permanent or fixed-term) - induction training for at least one day to introduce any key regulations that need to be followed for safety or quality, environmental, energy and occupational chemical risk management.

The Human Resources Department at MANE France has also implemented a strategic plan for employment and skills in order to anticipate short- and medium-term

human resource needs. The aim is to better anticipate the effects on employment of economic, technological, social and demographic changes. The strategic plan for employment and skills will offer employees the opportunity to acquire new skills and adapt to changes in job requirements and expectations, often due to changes and developments in the job market and strategic corporate decisions.

TOTAL TRAINING HOURS

The Group spends an average of 1.8% of its payroll on training (and in France: 2.9% compared to the 1% minimum legal requirement). 2018 was a special year for MANE with most training related to the establishment of a new production management and planning system (more than 12,000 hours of training related to the SAP project). We have also emphasised training for trainers. Training programmes covered, among others, the following topics: English language courses, movement and posture, managerial development of supervisory teams, ATPmetry (molecular biology technique), well-being, forklift handling, ISO 14001, etc.

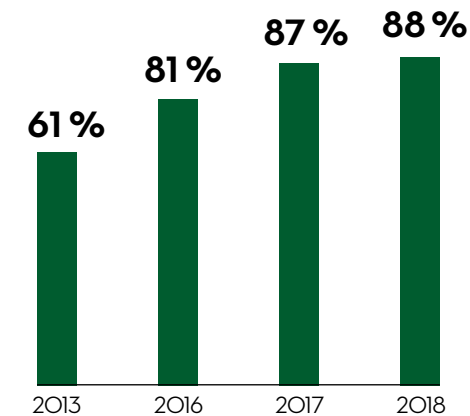
OUR RESULTS

	2016	2017	2018
TOTAL TRAINING HOURS	68 603	87 784	107 024
- PER EMPLOYEE	15	17	20

2016 - 2018 EVOLUTION: **↑ +33%**

Our methodology: Recognised training includes internal and external training.

Proportion of employees who have received training



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Increase to 80% the proportion of collaborators benefiting from training over the course of the year

2021 objective achieved and exceeded in 2018



At Group level, the total average number of training hours is 20 hours per employee, an increase of 3 hours compared to 2017.

4,783 employees participated in at least one internal or external training course in 2018, representing 88% of the total workforce and an increase of 1% compared to 2017. Therefore, we have already achieved and far exceeded our 2021 target.

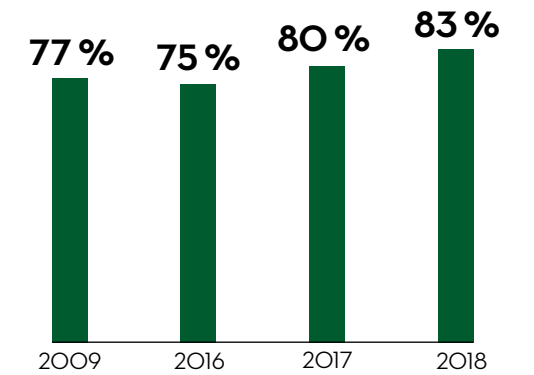
It should be noted, however, that the percentage of employees who participated in training over the course of the year varies from one site to another. For example, in 2017, we reported that at DELI SPICES in South Africa and Rubí in Spain, the rates were 51% and 69% respectively, which is below our target of 80%. Lack of training may lead to the risk of obsolescence of knowledge, unsuitability for the position/role or even demotivation of employees. To rectify this, these two sites have therefore successfully taken action to increase the proportion of trained employees, which rose from 69% in 2017 to 93% in 2018 for DELI SPICES and from 69% to 78% for MANE Iberica in Rubí.

YEARLY APPRAISALS

A yearly review of progress and targets allows employees to review the year and discuss their training needs with their line managers. This interview is a valuable discussion between managers and their employees, an exchange which aims to see lasting improvement in professional practices, results and behaviour.

OUR RESULTS:

Proportion of employees who had an interview or assessment



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Increase to 80% the proportion of collaborators benefiting from an interview or assessment over the course of the year

2021 objective and exceeded in 2018



In 2018, 83% of Group employees were interviewed or assessed during the year, an increase of 4% on the previous year. We have therefore already met and even exceeded our target set for the end of 2021, three years before the deadline.

EQUAL TREATMENT

GENDER EQUALITY

The Group is careful to ensure men and women are treated equally. In 2017, the Board of Directors signed an agreement relating to equal opportunity and work-life balance with the following aims:

- ▶ Take action to encourage gender equality in recruitment and to address any workplace bias by encouraging both gender and disability diversity;
- ▶ Encourage a better work-life balance;
- ▶ Ensure both women and men can access professional training;
- ▶ Promote and encourage women's access to management positions;
- ▶ Pursue an equal pay policy.

OUR RESULTS:

While the latest Global Wage Report 2018/2019 by the International Labour Organization (ILO) reports a global gender pay gap of around 20%, the gender pay gap for wages in the Group is, on average, 7% in favour of men.

FOCUS ON FRANCE:

In France, the overall gender equality index score calculated by V. MANE FILS based on the following five indicators:

- ▶ The gender pay gap;
- ▶ The gap in the distribution of individual pay increases;
- ▶ The gap in the distribution of promotions;
- ▶ The number of employees who received a pay increase on their return from maternity leave;
- ▶ The number of people of the under-represented sex among the 10 highest earners;

is 91/100, a score of which we are proud and the tangible result of actions already taken over many years to promote gender equality.



EMPLOYMENT AND INTEGRATION OF PEOPLE WITH DISABILITIES

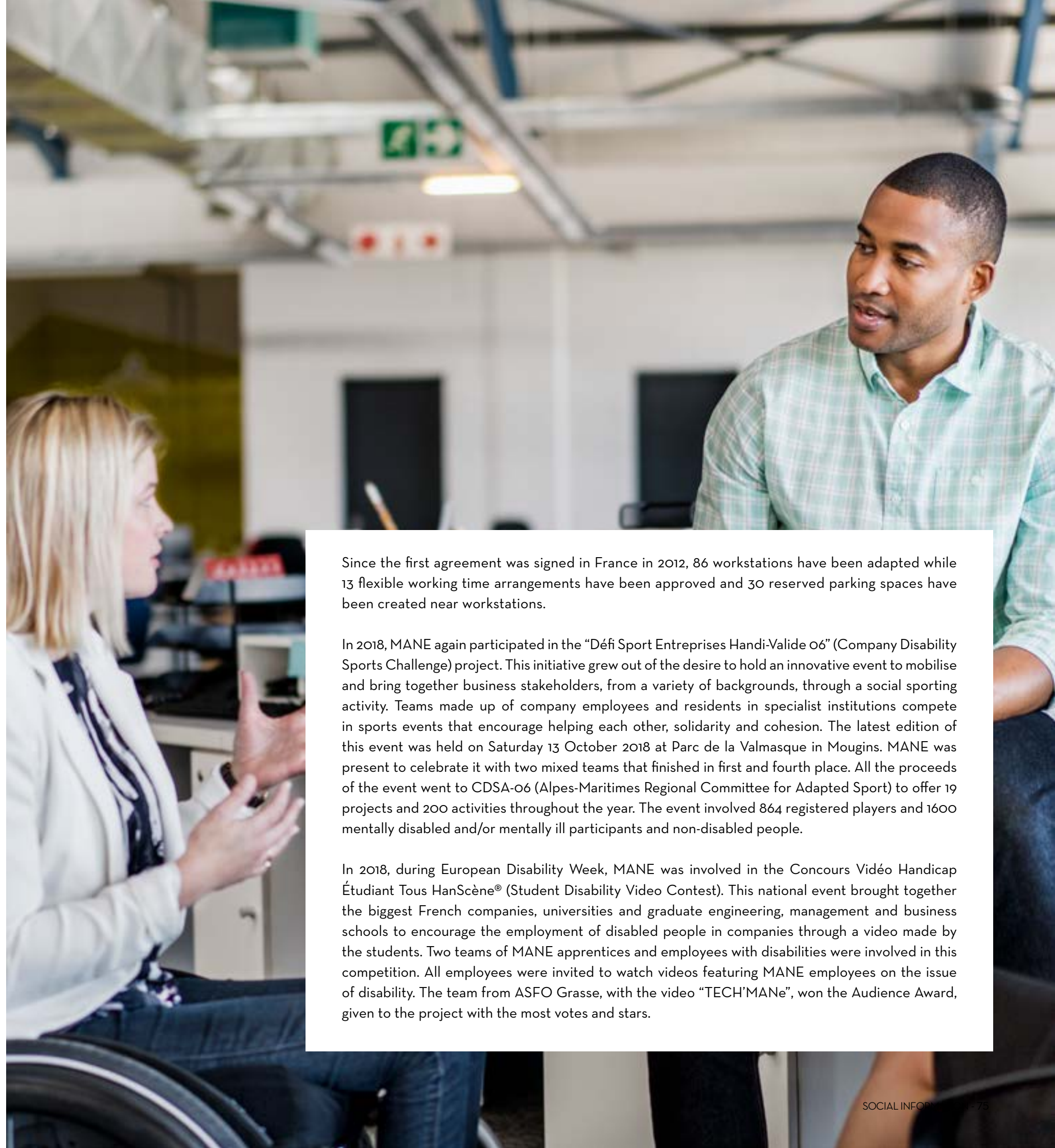
The Board of Directors of MANE France has committed to a policy to support people with disabilities through employment. One of the major aspects of this commitment is to implement actions necessary for integration by, where necessary, adapting workstations in the company in order to create conditions that enable people with disabilities to remain in employment.

Our company is also committed, as far as possible, to commissioning services from ESATs (French organisations that help disabled people into work), examples of which include: maintenance of green spaces, bottling of perfume, removal, dismantling, processing and recycling of Waste Electrical and Electronic Equipment (WEEE), packing boxes, etc.

On 12 June 2018, the management and employee representatives of V. MANE FILS signed, for the third time, an agreement benefiting people with disabilities. The agreement has, once again, been approved by the Regional Department of Business, Competition, Consumption, Labour and Employment (DIRECCTE).

The key objectives of the 2018-2021 agreement are as follows:

1. Continue improving the employment rate of employees with disabilities and bring the employment rate up to 4%;
2. Strengthen our cooperation with companies in the sheltered employment sector by assigning duties to them;
3. Retain disabled employees;
4. Continue involvement with other sites outside Bar-sur-Loup;
5. Explore the possibility of accommodating various types of disabilities, subject to adaptation to the skills needs and requirements of the company;
6. Promote solidarity within MANE for parents whose children are severely disabled.



Since the first agreement was signed in France in 2012, 86 workstations have been adapted while 13 flexible working time arrangements have been approved and 30 reserved parking spaces have been created near workstations.

In 2018, MANE again participated in the “Défi Sport Entreprises Handi-Valide 06” (Company Disability Sports Challenge) project. This initiative grew out of the desire to hold an innovative event to mobilise and bring together business stakeholders, from a variety of backgrounds, through a social sporting activity. Teams made up of company employees and residents in specialist institutions compete in sports events that encourage helping each other, solidarity and cohesion. The latest edition of this event was held on Saturday 13 October 2018 at Parc de la Valmasque in Mougins. MANE was present to celebrate it with two mixed teams that finished in first and fourth place. All the proceeds of the event went to CDSA-06 (Alpes-Maritimes Regional Committee for Adapted Sport) to offer 19 projects and 200 activities throughout the year. The event involved 864 registered players and 1600 mentally disabled and/or mentally ill participants and non-disabled people.

In 2018, during European Disability Week, MANE was involved in the Concours Vidéo Handicap Étudiant Tous HanScène® (Student Disability Video Contest). This national event brought together the biggest French companies, universities and graduate engineering, management and business schools to encourage the employment of disabled people in companies through a video made by the students. Two teams of MANE apprentices and employees with disabilities were involved in this competition. All employees were invited to watch videos featuring MANE employees on the issue of disability. The team from ASFO Grasse, with the video “TECH'MANE”, won the Audience Award, given to the project with the most votes and stars.

ANTI-DISCRIMINATION POLICY

To formalise its commitment to fighting discrimination, the Human Resources Department of MANE France signed the Corporate Diversity Charter in 2008. Since its launch in 2004, this Charter has encouraged companies to guarantee the promotion of and respect for diversity among employees. In this way, MANE undertakes to fight against any form of discrimination and to implement measures to promote diversity.

In accordance with this Charter, we undertake to:

- Raise awareness among and train managers and employees involved in recruitment, training and career management in issues of non-discrimination and diversity.
- Respect and apply the principle of non-discrimination in any form and at all stages of human resource management, specifically recruitment, training, professional advancement or job promotions for employees.
- Attempt to reflect the diversity of French society and particularly its cultural and ethnic diversity within the workforce, across all qualification levels.
- Keep all our employees informed of our commitment to promote non-discrimination and diversity and ensure they are up to date on the practical results of this commitment.
- Ensure the development and implementation of the diversity policy is a topic for debate with staff representatives.
- Include a chapter describing the company's commitment to non-discrimination and diversity in the annual report: actions taken, practices and results.

In 2017, MANE went even further by updating its Human Resources Policy to allow employees to inform the Ethics Committee of any failings in terms of diversity, discrimination or equality of opportunity.

INTERGENERATIONAL CONTRACT

Since 2013, MANE has been committed to the sustainable integration of young people and the transfer of knowledge between generations, with the aim of transferring the key skills required by the company. In September 2015, we received the 2015 intergenerational contract award from the then French President François Hollande. The MANE Group won in the category for companies with 300 or more employees. The main elements that caught the attention of the judging panel were the clear voluntary commitments in the area of recruitment and retention, the pragmatic nature of initiatives - particularly in terms of occupational risk prevention - and the willingness to transfer the key skills required by the company.

In 2017, MANE renewed its collective agreement for France for a further 3 years.

The agreement includes measures promoting:

- Sustainable integration of young people into employment;
- Employment of experienced workers;
- Transfer of knowledge and skills.

V. MANE FILS set itself a target of awarding 40 permanent contracts under this agreement. At the end of 2018, 98 young people under the age of 26 (or disabled young people under the age of 30) were recruited on permanent contracts, more than double the number we expected.





7. ENVIRONMENTAL INFORMATION

At MANE, we believe reducing the environmental impact of our activities and protecting the communities in which we do business are integral parts of our company's performance and social acceptability.

ENVIRONMENTAL POLICY

MANE is working to reduce its environmental impact across all its sites, through the following specific actions:

- Develop products and processes that are more respectful of the Environment and humankind;
- Design and distribute environmentally friendly technologies;
- Improve energy efficiency and the use of renewable energies;
- Prevent and reduce air emissions and effluents;
- Prevent, reduce and recycle waste;
- Optimise consumption of water and raw materials;
- Conserve and ensure the Sustainable and equitable use of biodiversity.



MANAGEMENT APPROACH

GREEN MOTION™ BY MANE

Research and Development (R&D) has always been at the heart of MANE's innovation strategy. Currently, the Group invests 8.3% of its yearly turnover in R&D activities. MANE's commitment to sustainable innovation involves designing environmentally friendly products and chemical processes in order to reduce or eliminate the use of hazardous substances.

To achieve this, in 2011 MANE designed its own assessment tool, GREEN MOTION™, based on the 12 principles of green chemistry introduced by P. Anastas and J. Warner. The tool is based on a global and multi-criteria approach that calculates the overall impact of manufactured ingredients on the Environment on a scale of 0 to 100. This simple yet relevant method uses a range of criteria grouped into seven basic concepts, such as E factor, atom economy, mass of chemical reactions, source of raw materials, risks and toxicity of reagents, and type of solvents and manufactured products.

>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Over 80% quantities of natural extracts and synthetic molecules produced with a GREEN MOTION™ score of more than 50/100.



In 2013, we extended the methodology to fragrance and flavour formulas using an internal software program that encourages and supports perfumers and flavourists to develop "greener" products.

The tool is available at the following link: <https://greenmotion.mane.com/login> following registration.

To receive the GREEN MOTION™ assessment results published in the Journal of Green Chemistry, send a request to tony.phan@mane.com.

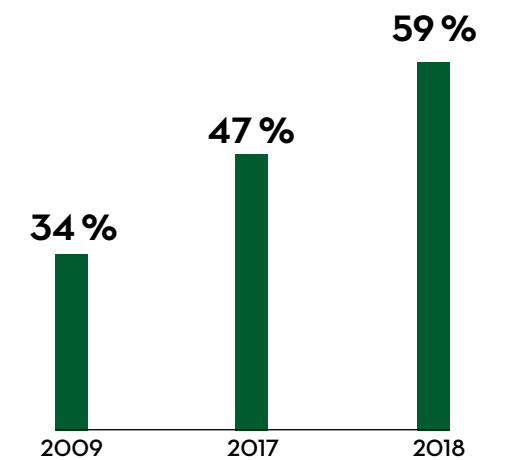
Study reference: T.V.T Phan, C. Gallardo, J.M. Mane, Green Chem., 2015, 17, 2846-2852

ISO 14001 CERTIFICATION

In order to reduce the environmental footprint of its business as far as possible, the Group is working to implement an ISO 14001-certified Environmental Management System (EMS) for its main production sites. Our target is to ensure that more than 90% of our total product tonnage is shipped by ISO 14001-certified sites by 2021.

OUR RESULTS

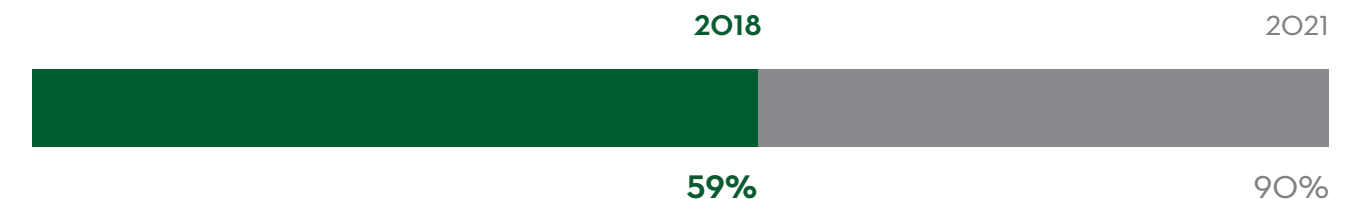
Proportion of shipped tonnage from ISO 14001 certified sites



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Over 90% of shipped product tonnage from ISO 14001 certified sites



In 2018, MANE production sites located in Indonesia and Colombia obtained ISO 14001 certification, which increased the product tonnage shipped by certified sites by 12 percent compared to 2017. With four years until our target date of 2021, we are putting all our effort into achieving our 90% target. The next certifications, planned for 2019 and 2020, cover MANE's activities in the United States (MANE Inc. sites) and Spain.

METHODS USED TO PREVENT ENVIRONMENTAL HAZARDS AND POLLUTION

The budget allocated to preventing environmental hazards has been incorporated into the investment and operational expenses used to implement the Group's environmental policy. It is therefore detailed in the environmental management programmes that list significant environmental impacts, targets and associated methods.

Investment and operational expenses for preventing environmental hazards and pollution are linked to the following priorities:

- Waste treatment and disposal;
- External certification of management systems;
- Education and training on the Environment;
- Decreasing water consumption (implementing closed systems, automatic Cleaning In Place (CIP) systems, etc.);
- Ensuring continuous, effective operation of internal effluent treatment systems (replacing membranes, preventive maintenance, repairs, etc.);
- Decreasing air emissions (installing or replacing VOC traps, vent condensers, smoothing filters, dust extractors, etc.);
- Improving understanding and monitoring of energy consumption (information tools, meters, energy diagnostics, installing detection/timer systems, etc.);
- Improving energy performance (renovating or replacing production equipment, refrigeration units, heating rooms, lighting, energy recovery, etc.);
- Decreasing noise pollution (installing silencers on air extractors, soundproofing, etc.);
- Ensuring industrial safety of sites (using specialised external companies, CCTV monitoring, fire detection systems, storage for certain agents next to sites, etc.).

Studies and inspection services performed by independent organisations have also been funded to ensure sites comply with standards and regulations and to identify areas for improvement.

In 2018, the Group spent over 11.3 million euros on investment and management expenses to protect the Environment.

ENVIRONMENTAL PROTECTION TRAINING

MANE has invested in training programmes designed to incorporate environmental protection into all its activities. These training policies are an integral part of the environmental and energy management systems being implemented.

For example, in France, all new employees participate in a two-day training session covering safety, environment, energy and occupational risk prevention, as soon as they start working for the company. Employees are then encouraged to follow training modules chosen according to their responsibilities and the risks linked to their roles, throughout their professional career.

Moreover, as regulatory pressure on environmental issues intensifies, especially in terms of nomenclature for registered environmental facilities (ICPE) and the Seveso 3 directive, the Group has initiated training and information sharing activities for employees affected by regulations on the classification, labelling and packaging of substances and mixtures.

Dedicated poster, communication and IT system campaigns are also being developed internally in order to ensure employees are aware of efficient actions, labelling regulations, chemical hazards, policies, indicators etc.

PREVENTING POLLUTION

VOC EMISSIONS

Controlling Volatile Organic Compound (VOC) emissions resulting from the use of organic solvents is a priority of the Group's environmental policy. MANE is focusing its efforts specifically on its manufacturing sites in France, where VOC emissions are highest due to the synthesis and extraction activities performed there. We are taking action at several levels to reduce our VOC emissions effectively.

A STRUCTURED APPROACH

Our manufacturing sites in France have set out a Solvent Management Plan to identify VOC emission sources and quantify the atmospheric output in order to find solutions for improvement tailored to the emission sources involved.

REDUCTION AT SOURCE

Incorporating one or more of the twelve principles of green chemistry when setting up a chemical process or synthesis makes it possible to reduce VOC emissions at their source. For example, supercritical CO₂ is an alternative to organic solvents. This is a clean technology which can be used for extractions without the need for organic solvents and without generating effluent.

TREATING EMISSIONS

Where substituting VOC emissions is technically or economically impossible, we are capturing and treating the emissions to reduce the various pollutants contained within. Our processes include biofilters, gas scrubbers, condensers and cold traps.

▶ OUR RESULTS:

The two sites in Bar-sur-Loup are subject to local authority decrees fixing their annual emissions targets at **8%** of the quantity of solvents used during the year for the Notre-Dame site, and **5%** and **10%** for new and old facilities respectively at the La Sarrée site.

In 2018, we were significantly below these regulatory limits with an average of **4.5%** at Notre-Dame and **4.4%** at La Sarrée.

ASSESSING THE RISK OF CHEMICAL EXPOSURE

MANE has developed a method for modelling the risk of employee chemical exposure that is more relevant than the ECETOC (TRA) tool commonly used in the fragrance and flavour industry. The method proposed by MANE is a preventive tool that supports the decision-making process in order to reduce the risk of dangerous exposure, install appropriate individual and/or collective protective equipment and provide targeted training for employees. This model can also help to design exposure control measures for the following areas: facility structure, work organisation, material storage, individual respiratory protection, ventilation, packaging choices, process automation, etc.

Measurements taken at MANE have already led to specific and positive changes in the workshops. One example is the use of smaller containers in order to minimise volatilisation during transfer operations, as well as reducing handling for the most hazardous substances at the end of the weighing and mixing stages.

This assessment tool was discussed in the PLOS ONE journal.

Study reference: Angelini E, Camerini G, Diop M, Roche P, Rodi T, Schippa C, et al. (2016) Respiratory Health - Exposure Measurements and Modelling in the Fragrance and Flavour Industry. PloS One, 11(2): e84138.

<http://dx.doi.org/10.1371/journal.pone.0148769>.



EFFLUENT

Industrial effluents generated by activity at our manufacturing sites may contain pollutants. For this reason, all our effluents are routinely treated or pre-treated before being released into local sewage systems or the environment, in accordance with current regulatory requirements. Each site is responsible for defining its own effluent management programme depending on its activity levels, materials produced and products used.

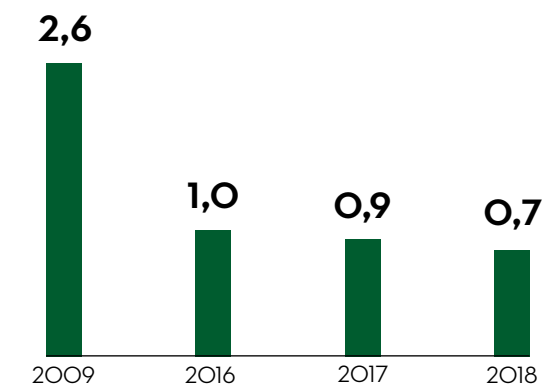
The Group has two objectives with regard to effluent management:

- Improving purification yields for our treatment plants;
- Reducing as much as possible the volume and pollutant load of released effluent.

In Bar-sur-Loup, effluent from our production sites at Notre-Dame and La Sarrée is released into the Environment following purification at our internal waste water treatment plant. This is the Group's only site that releases its purified effluents into the environment. To this end, we have put in place a system to monitor and control the quality of the effluent before it is released. Chemical Oxygen Demand (COD) is the main indicator of effluent quality.

OUR RESULTS

Quality of effluents discharged by the two MANE sites in Bar-sur-Loup after internal treatment (in kg of COD per tonne)



Over the last few years, we have invested significantly to improve the purification yield of our wastewater treatment plant at Bar-sur-Loup. As a result, we reduced the pollutant load of our effluent by 71% between 2009 and 2018. This result also reflects strict ongoing upstream checks on our releases, particularly around our encapsulation plants, with, for example, better separation and recovery of edible

oils. In 2018, the pollution reduction rate was 98.8% for COD, 99.4% for Biochemical Oxygen Demand (BOD5) and 99.8% for Suspended Matter (SM). We have therefore increased pollution reduction rates for COD and BOD5 by 0.2% compared to 2017.

Elsewhere, our sites in Indonesia (Cibitung) and India (Byadgi) have also built on-site wastewater treatment plants to treat their effluent before it is released into local sewage systems. The plant in Byadgi can even be used to treat effluent to a level of quality acceptable for the internal reuse of treated water, leading to water savings. In India, after a number of internal treatments, water is reused on site for gardening and plantations.

In 2018, at Group level, 476,500 m³ of effluent was released either into the Environment after internal treatment (for the two sites in Bar-sur-Loup) or into local sewage systems. The quality of these releases is estimated at 71 kg of COD per tonne of product.



In France, vegetable waste from extraction activities and sludge from the wastewater treatment plant are sent to an external partner to be converted into compost. All our paper and cardboard waste is sorted and recycled as are our metal drums and non-soiled plastic packaging. As long as they are in good condition, our wood pallets are reused before being recycled.

In Mexico, improvements in waste sorting in recent years led to an increase in the proportion of waste recovered from 63% to 98% between 2009 and 2018.

In the United States, our manufacturing site in Lebanon, Ohio, increased its waste recovery rate from 45% to 66% between 2016 and 2018 by directing part of its waste to a local incineration plant with energy recovery.

MANE has also set up a centralised Intranet site so that all used industrial and laboratory equipment that is still in good condition and not being used, can be made available to technical departments, R&D and production teams from across the Group. In this way, the equipment can be reused internally, wherever it is needed, giving the used equipment a second life.

WASTE

The Group generates various types of waste while manufacturing its products: paste-like residue, organic waste, sludge from the internal treatment of effluent, used edible oils, packaging waste (paper, cardboard, metal, plastic), glass, solvents, etc.

The Group's waste management policy aims to:

- Reduce the volume of hazardous waste generated;
- Recover an increasing proportion of generated waste;
- Ensure employees are aware of selective waste sorting.

Our Indian manufacturing sites (Angamaly and Byadgi) extract spices and condiments. The resulting plant waste is locally treated and thermally recovered before being used as fuel for on-site boilers.

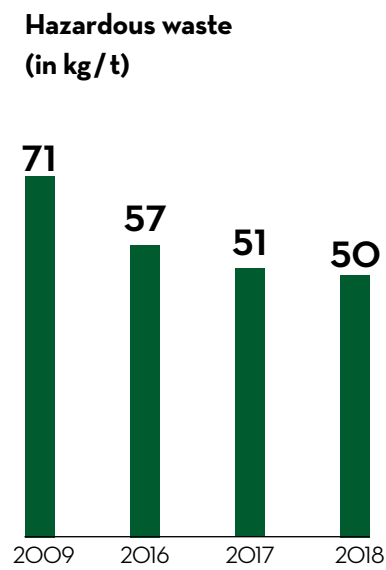
With help from our suppliers in Indonesia, we have changed the packaging and delivery methods for some large volume products to reduce the quantity of metal waste (for example, by asking for deliveries in 20-tonne ISO tank containers rather than 200-litre metal drums).

REDUCTION AT SOURCE

OUR RESULTS

WASTE	2009	2016	2017	2018
IN TONNES				
- HAZARDOUS WASTE (HW)	2228	3986	4059	4314
- NON-HAZARDOUS WASTE (NHW)	3477	12565	14909	16632
TOTAL	5705	16550	18968	20946
IN KG PER TONNE OF PRODUCT (HW)				
	71	57	51	50

2009 - 2018 EVOLUTION: ↓ -29%



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Reduce by 33% the quantity of hazardous waste per tonne of product compared to 2009

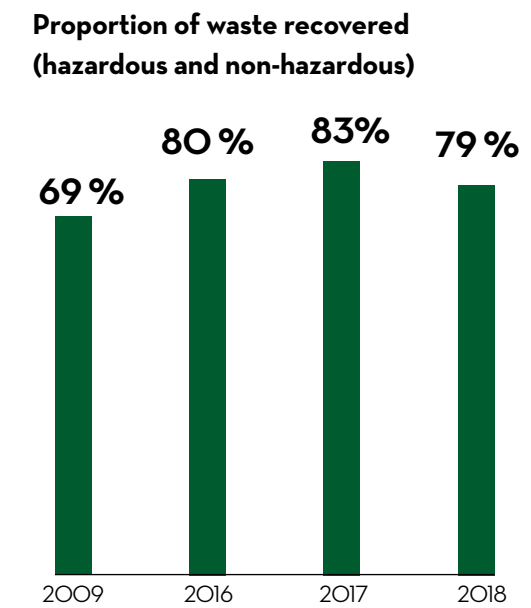


Our 2021 target is to reduce hazardous waste produced per tonne of product by 33% compared to 2009. In 2018, we achieved a 29% reduction. We are therefore on track to achieving our current target over the next three years.

WASTE TREATMENT

OUR RESULTS

WASTE BY TREATMENT METHOD	2017	2018
RECYCLED WASTE	8519	9230
INCINERATED WASTE WITH ENERGY RECOVERY	7205	7374
INCINERATED WASTE WITHOUT ENERGY RECOVERY	457	475
LANDFILLED WASTE	2340	2315
OTHER	442	1540
TOTAL	18 968	20 946



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Over 80% of waste (hazardous and non-hazardous) recovered*



The Group generated **20,946 tonnes** of waste in 2018. The 2021 target is to recycle over **80%** of waste. In 2018, we achieved a **79%** recovery rate, an increase of 10% compared to 2009.

ACTION TO FIGHT AGAINST FOOD WASTE

Although it does not involve our primary industries, several measures have been implemented at the staff canteen in Bar-sur-Loup. Examples include offering “standard” plates with average portions to limit the amount of food that is not eaten and wasted; using a computer tool to calculate the daily take-up rate; re-offering meals that are not been eaten the first time, subject to compliance with health and safety requirements (this amount is then deducted from the number of meals calculated for the next day); implementing partial self-service, allowing each employee to create their own meal by choosing what they want (for salads and fruit); automatic refiltering of frying oil in the kitchens after each use, thus reducing consumption; sorting and promoting foods with short use-by dates (cheese, for example) to encourage consumption of these products and reduce waste.

ODOUR POLLUTION

MANE manufactures aromatic products that can occasionally result in odour pollution for its local residents. Sometimes, when manufacturing flavours using garlic, blackcurrant or durian (a tropical South-East Asian fruit known for its peculiar smell), strong odours can be produced that, if conditions are not appropriate, can be detected by local residents. Some chemical synthesis activities can also produce noticeable odours for local residents. MANE has therefore implemented a range of measures to limit the olfactory impact of its activities. These include using bleach and/or caustic soda traps that can capture certain smells. As a last resort, certain by-products are treated in specialised centres.

The Quéven site in France mainly manufactures savoury flavours. Several years ago, in response to complaints from its local residents, it carried out an odour dispersion study to improve its assessment of odour pollution. This targeted study helped us to focus our actions appropriately to reduce the odour impact of the site's activities. For example, a new treatment system for the drying unit was installed. Additionally, the site improved its treatment of waste gasses using a spray tower (air scrubber) by implementing an innovative process that destroys molecules before the air is released without the use of chemicals.

The problem of odour pollution can also be linked to our internal wastewater treatment plants. At Bar-sur-Loup, for example, we store treatment sludge for as short a time as possible as this can occasionally generate unpleasant odours. We have also installed an activated charcoal trap system to treat emissions from the belt press filter and the thickener.

At our new manufacturing site in Indonesia (Cibitung), odour emissions from the production unit are processed using a biofilter in which the filter material is made up of compost, peat and wood bark. This facility is the largest biofilter used by the Group and can treat all extracted air from weighing stations in the fragrance and flavour production unit to reduce odour pollution.

NOISE POLLUTION

MANE activities do not lead to any significant noise pollution. Nevertheless, certain activities can be the source of noise pollution, particularly for employees working close to our industrial machinery. This problem has therefore been taken into account in the context of stress at work. MANE works to identify the workstations and employees affected by noise exposure and implements appropriate preventive and protective measures, including personal protective equipment, installing silencers on air extractors, installing systems to absorb the noise of hammering on the ceilings of maintenance workshops, implementing noise protection around cooling towers, adding timers to air extractors so they do not run overnight when possible, improving the fittings for rain water gratings, etc.

We also measure noise levels on the edge of the property from time to time to control any noise pollution that local residents may experience. At each of its sites, the Group is committed to dealing promptly with any complaints that may be made by its immediate neighbours.

GROUND POLLUTION

Each of MANE's sites have implemented automatic retention methods and tailored maintenance programmes to ensure its effluent collection networks remain sealed and to collect any accidental spills in areas where potentially hazardous products are stored or handled, in order to avoid any ground contamination.

Spillage simulation exercises are organised throughout the year to ensure employees are adequately trained in case a major accident should occur and to highlight Developments and adaptations that need to be made to safety plans to reinforce their validity.



SUSTAINABLE USE OF RESOURCES

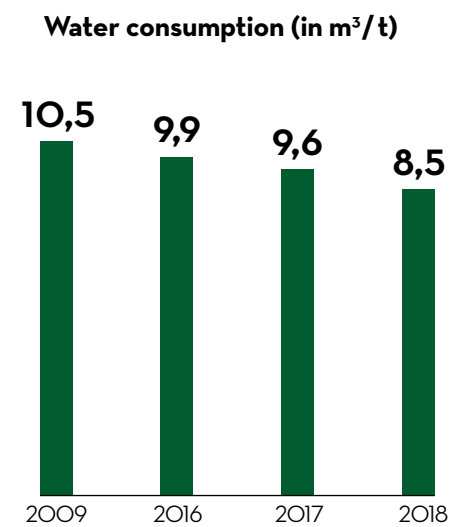
WATER

WATER CONSUMPTION

Water is a vital component of MANE's processes and is used in several production phases. We use it for natural raw material extraction processes (steam distillation and hydrodistillation), but it is also crucial to the operation and cleaning of production tools in order to comply with strict hygiene standards in the area of food safety in the manufacturing of flavours.

Water management is a key issue for MANE's manufacturing sites with a lot of effort undertaken each year to reduce and optimise their water consumption. Our target for 2021 is to reduce water consumption per tonne of product by 15% compared to 2009. To achieve this, our activities have been focused on the following measures:

- Implementing specific measures and awareness-raising among staff to reduce water consumption (restraint, recycling, closed circuits, automatic Clean-in-Place (CIP) systems, etc.);
- Monitoring the consumption of equipment with remote meter reading to detect leaks and abnormalities in real time;
- Improving the effectiveness of effluent treatment, so that treated water can be reused internally.



OUR RESULTS

Water consumption	2009	2016	2017	2018
IN M ³	329 068	694 152	764 255	730 605
IN M ³ PER TONNE OF PRODUCT	10,5	9,9	9,6	8,5

2009 - 2018 EVOLUTION: ↓ -19%

>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Reduce by 15% water consumption per tonne of product compared to 2009

2021 objective achieved and exceeded in 2018



In 2018, 730,605 m³ of water was consumed across all of the Group's manufacturing sites, which is a 5% reduction in absolute terms compared to 2017, while over the same period, we increased our total shipped product tonnage by 8%. This represents a saving of more than 1 m³ per tonne of product. This significant reduction means we have already met our 2021 target.

This overall performance is mainly due to significant reductions at three MANE Inc. sites in the United States (Woodlawn, Milford and Lebanon, which represent 31% of the Group's consumption in absolute terms), the MANE Notre-Dame and La Sarrée sites in France (30%) and the KANCOR-MANE Angamaly, Byadgi and Bareilly sites in India (14%). These sites decreased their water consumption per tonne of product by 18%, 10% and 28% respectively between 2017 and 2018.

WATER SUPPLY IN ACCORDANCE WITH LOCAL CONSTRAINTS

All our manufacturing sites get their water supply from local municipal networks. None of our sites take water directly from the natural environment. In order to take local water supply constraints into account, MANE undertakes and updates yearly water risk mapping to assess the water stress level of its reservoirs. To do this, we use the Aqueduct Water Risk Atlas tool from the World Resources Institute (WRI) which publishes a global water stress index (consumption vs. resource) for around one hundred river basins located in over 180 countries. The index ranges from 0 to 5 (with 5 being the highest level of risk).

One of our production sites in India is located in an area with extremely high water stress (category 5). This is the KANCOR-MANE site in Bareilly which consumed 8,428 m³ of water in 2018, representing 1% of the Group's total water consumption. We therefore do not believe this consumption has a significant impact on water resources in this river basin. However, we should point out that in 2018, this site reduced its water consumption in absolute terms by 26%.

Six production sites, which represent 17% of the Group's total consumption, are located in high water stress areas (category 4): MANE Indonesia (Cibitung and Cikarang: 69,591 m³ consumed in 2018); KANCOR-MANE in India (Byadgi: 23,752 m³); MANE China (Shanghai: 18,261 m³); DELI SPICES in South Africa (Cape Town: 5,583 m³); and MANE India (Hyderabad: 4,185 m³). As mentioned above, the KANCOR-MANE site in Byadgi has its own water treatment plant, allowing it to treat its effluent to a level of quality acceptable for the internal reuse of treated water. This new facility (dating back to 2016) helps to reduce consumption of drinking water from the local distribution network. In Hyderabad, India, after a number of internal treatments, water is reused on site for gardening and plantations. In Indonesia, several measures have been taken recently, such as installing a system to allow internal reuse of treated effluent (end of May 2018), and reducing water flow in some facilities.

RAW MATERIALS

The raw materials consumed by the Group are generally naturally sourced (essential oils, flowers, fruits, rubber and resin, cocoa, vanilla, sugar, seafood, etc.) or chemical synthesis products, including solvents primarily used to synthesise active products.

In 2018, the MANE Group consumed over 102,600 tonnes of raw materials, representing an increase of only 1% in absolute terms compared to 2017. We also improved efficiency in their use by 7% between 2017 and 2018.

OUR RESULTS

Consumption of raw materials	2017	2018
IN TONNES	101 945	102 633
IN TONNES PER TONNE OF PRODUCT	1,28	1,20

ENERGY

ENERGY CONSUMPTION

MANE's industrial activities use energy in different forms: natural gas (46% of total consumption), electricity (44%), energy produced internally from recycling plant waste (8%) and domestic heating oil (2%). Natural gas is used mainly for steam boilers that help with the heating and flow of reactors and fractionating columns, and for the burners of the spray towers.

Due to their energy intensive extraction and encapsulation activities, MANE's manufacturing sites in Bar-sur-Loup account for 36% of the Group's total energy consumption in absolute terms, despite accounting for only 19% of shipped tonnage. We have therefore naturally focused our energy management efforts on Bar-sur-Loup. To this end, we have implemented an energy management system, ISO 50001-certified in 2015, at both Bar-sur-Loup and Quéven. Our energy management process is based on the following measures:

- Develop a policy for more efficient energy use;
- Perform energy reviews to better understand energy use and consumption and to make relevant decisions;
- Monitor energy consumption closely and continuously.

The KANCOR-MANE plant in Angamaly is also ISO 50001-certified. It represents 7% of the Group's total energy consumption.

Elsewhere, yearly investments are made at our manufacturing sites to acquire more energy efficient equipment (replacing refrigerated units with newer models, lighting, automating heating systems, installing insulation blankets at critical points along the thermal fluid network, etc.), and to revamp our manufacturing equipment to decrease consumption.

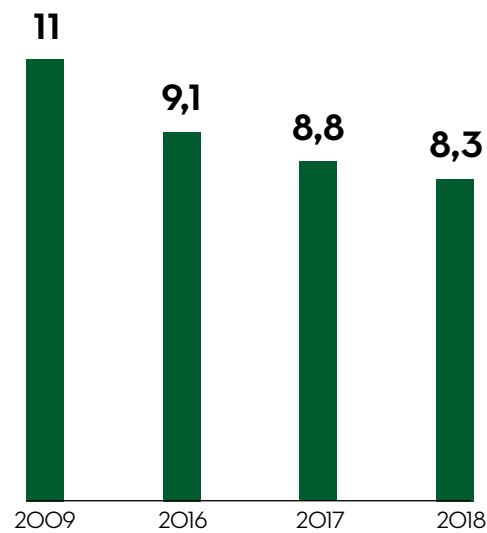
OUR RESULTS:

ENERGY CONSUMPTION	2009	2016	2017	2018
IN GIGAJOULES (GJ)				
- NATURAL GAS	196 989	298 765	321 329	327 341
- ELECTRICITY	135 371	262 589	307 086	318 804
- SELF-GENERATED ENERGY	0	62 687	58 579	55 783
- DOMESTIC HEATING OIL	10 708	17 677	13 209	13 059
TOTAL	343 068	641 717	700 202	714 986
IN GJ PER TONNE OF PRODUCT				
	11,0	9,1	8,8	8,3

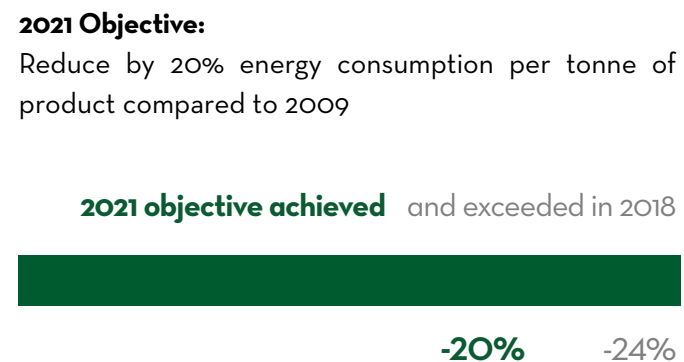
2009 - 2018 EVOLUTION: ↓ -24%

* Note: Consumption of natural gas and electricity in 2017 was revised upwards compared to information published last year, due to corrections made to electricity consumption at MANE in Indonesia and natural gas consumption at MANE Inc. in the United States.

Energy consumption (in GJ/t)



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:



The reduction measures we have implemented over several years have helped to significantly improve the energy efficiency of our manufacturing sites. In 2018, the Group reduced its total energy consumption by 24% (in GJ/tonne of product) compared to 2009, which represents a saving of 2.7 GJ per tonne of product. We have therefore already exceeded our target of a 20% reduction by 2021.

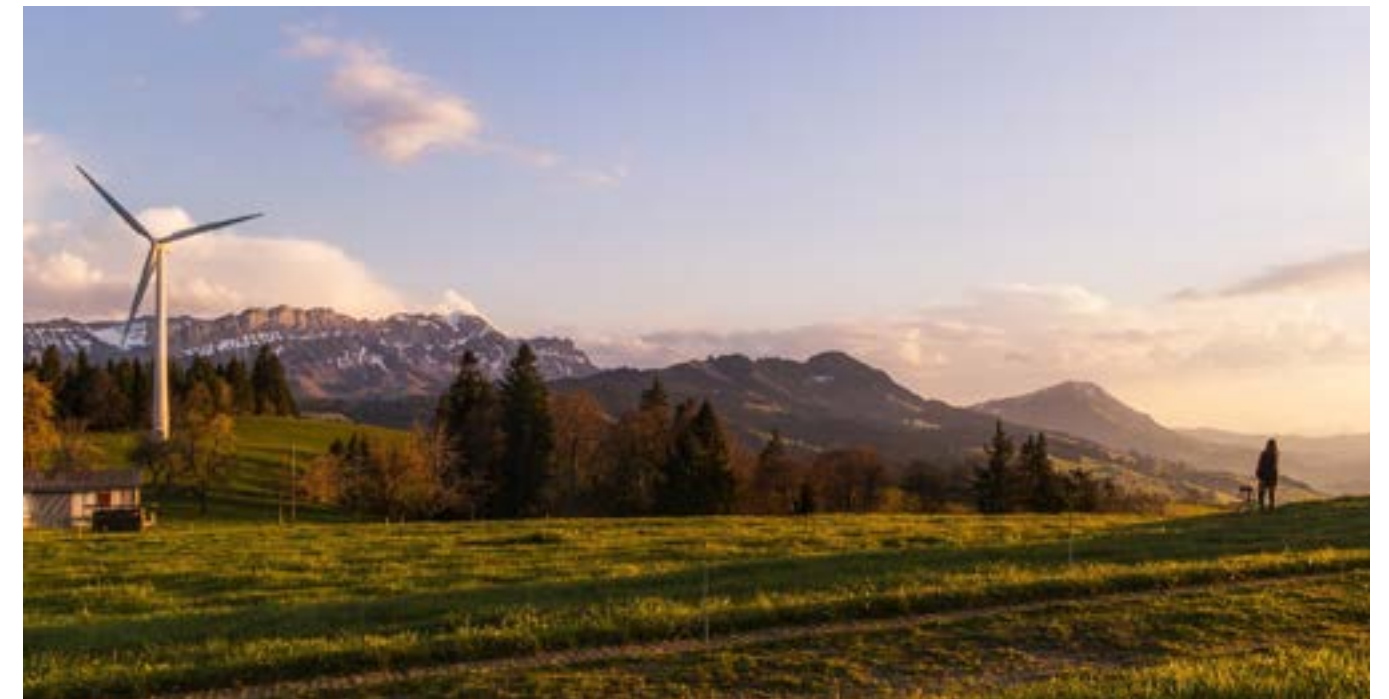
CLIMATE CHANGE

GREENHOUSE GAS EMISSIONS

Aware of the challenges linked to climate change and of its responsibility as a manufacturing company, MANE is working to reduce its greenhouse gas emissions (GHG). To reinforce its actions in the fight against climate change, MANE is involved in two major global initiatives:

- **Caring for Climate** : Launched in 2007, Caring for Climate was jointly convened by the United Nations Global Compact, the United Nations Environment Programme (UNEP) and the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) with the aim of promoting the role of companies in the fight against climate change. Chief executives who sign up to Caring for Climate commit to setting targets to reduce their GHG, develop strategies and practices, work with other companies and governments, publish a report on their performance with regard to climate change and disclose their emissions each year. MANE has taken part in the initiative since it was launched in 2007.
- **Paris Pledge for Action** : In 2015, the Group went further in its commitment by signing the Paris Pledge for Action. By signing the Pledge, MANE is committed to ensuring that the target level set out by the Paris Agreement on climate change is met or exceeded in order to limit the rise in temperature to less than 2° Celsius by the end of the 21st century.

To demonstrate its commitment, the Group has set itself a target to reduce its CO₂ emissions (Scopes 1 and 2) by 15% per tonne of product by 2021 compared to 2009. To achieve this, we are focusing on improving energy efficiency and researching alternatives to fossil fuels for our manufacturing sites.



OUR RESULTS

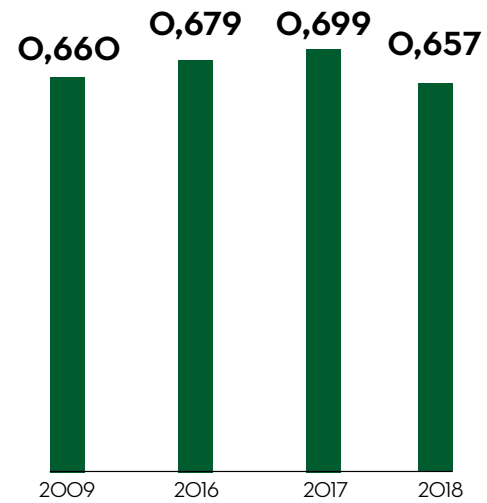
Greenhouse gas emissions (Scopes 1 and 2)	2009	2016	2017	2018
IN TONNES OF CO ₂ EQUIVALENT	20681	47658	55490	56337
IN TONNES OF CO ₂ EQUIVALENT PER TONNE OF PRODUCT	0,660	0,679	0,699	0,657

2009 - 2018 EVOLUTION: ↓ -0,5%

Our methodology: The emission factors used to estimate CO₂ emissions relating to electricity consumption and refrigerant leakage are taken from:

- (1) For electricity: the BaseCarbone® database of the ADEME (French Environment and Energy Management Agency)
- (2) For natural gas: the Base Carbone® database of the ADEME for France, the website of the Environmental Protection Agency (EPA) for the United States and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for other countries.
- (3) For domestic heating oil: the Base Carbone® of the ADEME for France and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for other countries.
- (4) For refrigerants: the Fifth Assessment Report of the IPCC

CO₂ emissions (Scopes 1 and 2) (in tCO₂e/t)



* Note: The 2017 figure has been revised upwards (from 0.66-0.70 tCO₂e/t) compared to information published last year, as a result of the inclusion of Scope 1 and 2 emissions relating to the use of supercritical CO₂ in our processes and corrections made to energy consumption at MANE in Indonesia and MANE Inc. in the United States.

As seen previously, from the point of view of our energy consumption, we have improved the energy efficiency of our manufacturing sites by 24%. However, MANE has seen no significant reduction in its GHG. In 2018, the Group emitted 0.657 tonnes of CO₂ equivalent per tonne of product, a 6% drop

compared to 2017, but this represents only a 1% reduction on 2009. It should be noted that in this area, the performance of different production sites varies significantly. Thus, the two MANE plants in Bar-sur-Loup reduced their Scope 1 and 2 GHG by 35% (per tonne of product) between 2009 and

2018. But this good performance is not enough for the Group to meet its overall reduction target. Indeed, MANE production sites in the state of Ohio in the United States and Indonesia are responsible for over half of the Group's GHG (32% and 21% of emissions in absolute terms respectively). In fact, in these two countries, not only have MANE's activities grown with the installation of new and less energy efficient manufacturing processes (construction of

new plants in Lebanon in the United States in 2010, and Cibitung in Indonesia in 2016), but electricity emission factors are also much higher there than in France (around 10 times higher, since production comes predominantly from fossil fuels).



RENEWABLE ENERGY

In addition to our actions to reduce emissions at source, we have also chosen to use energy from renewable sources at our main production sites.



GREEN ELECTRICITY

In recent years, MANE has signed several supply contracts for electricity from fully renewable sources (with Guarantee of Origin certificates). At the end of 2018, these contracts covered 35% of total electricity consumption at the two MANE sites in Bar-sur-Loup (Notre-Dame and La Sarrée), 21% of electricity consumption at MANE in Quéven and Sable-sur-Sarthe, 25% in Milford and Woodlawn (for MANE Inc.) and 18% in Wayne (for MANE USA), representing over 42,700 MWh of electricity from renewable sources.



SELF-GENERATION OF ENERGY

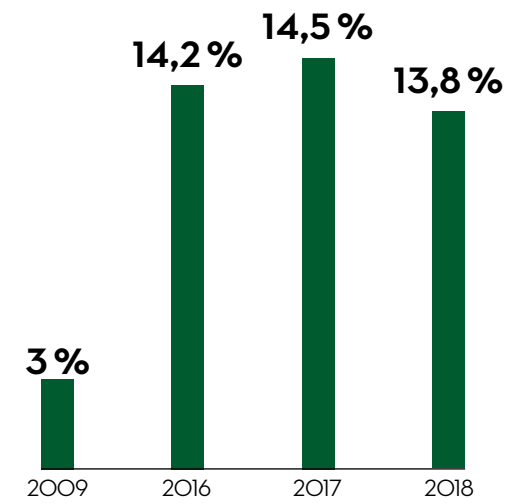
Our KANCOR-MANE plants in Angamaly and Byadgi recover the plant waste produced by their extraction processes thermally, allowing them to self-generate 82% and 69% respectively of the energy used in Angamaly and Byadgi.



LEED® CERTIFIED BUILDING

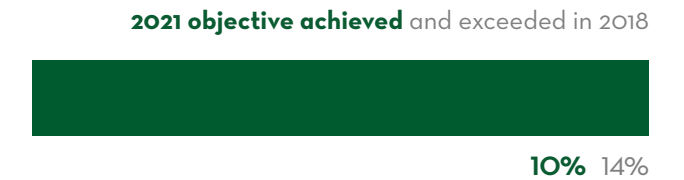
In April 2018, MANE was awarded LEED® Gold certification, in recognition of the Sustainable construction of its new Reception Facility in La Sarrée, Bar-sur-Loup, with a score of 62/110. The LEED® (Leadership in Energy and Environmental Design) assessment system promotes the design and construction of Environmentally friendly buildings through an overall approach to Sustainable Development. Six categories are up for assessment. By adding up the points acquired in each category, the following 4 levels of certification are possible: Certified (40-49 points), Silver (50-59 points), Gold (60-79 points) and Platinum (80 and over).

Proportion of energy consumption from renewable sources



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective :
Over 10% total energy consumption from renewable sources



In 2018, 14% of the Group's total energy consumption was from renewable sources, which represents an 11% increase on 2009 and 4% above our 2021 target.

MANE HAS SET NEW TARGETS FOR 2025:

As part of its commitment to the Paris Pledge for Action, the Group has set new targets for 2025 to bring it into line with the target set out in the Paris Agreement.

In June 2018, members of the Group's CSR Committee adopted the following targets:

- Reduce CO₂ emissions (Scopes 1 and 2) per tonne of product by 40% by 2025 compared to 2017
- Reduce CO₂ emissions (Scopes 1 and 2) in absolute terms by 18% by 2025 compared to 2017
- Reduce CO₂ emissions (Scope 3) in absolute terms by 20% by 2025 compared to 2017
- Increase the proportion of renewable energy to 33% of total energy by 2025

Now we need to have these new targets approved by the Science Based Targets (SBT) initiative to ensure they are in line with the data on climate science and therefore in line with the target set out in the Paris Agreement.

VOLUNTARY OFFSETTING

At the same time, the MANE Group has also chosen to invest in carbon offsetting projects to speed up the dissemination of low-carbon technologies.

HYDROELECTRIC POWER PLANT PROJECT IN MADAGASCAR

In 2018, the Group committed to contributing financially to a hydroelectric power plant project in Madagascar. MANE approached the company Tozzi Green (via the Aera Group), from which it purchased 230,000 carbon credits over 3 years: 30,000 tCO₂ in 2019, 90,000 tCO₂ in 2020 and 110,000 tCO₂ in 2021 (one carbon credit corresponds to 1 tonne of CO₂ equivalent avoided by the project). Tozzi Green purchased two hydroelectric power plants (Sahnivotry - 15 MW and Maroansetra - 2.4 MW), which it designed, modernised and improved. These facilities produce energy to meet local energy demand.

REFORESTATION PROJECT IN MADAGASCAR

In 2018, MANE also invested in the implementation of a reforestation project in the new protected area of Loky Manambato located in the north-east of Madagascar, in an area that was cleared of trees 10 years ago. The project has three key aims:

- Reforest 213.8 hectares with exotic and indigenous species and expand forest conservation activities that have already been implemented in this area;
- Restore the mangroves in order to protect marine biodiversity and protect fishing activities;
- Support the development of productive agriculture by planting fruit, acacia and eucalyptus trees in order to diversify the income of local communities by practising subsistence farming.

Plantation operations began at the end of 2018. It is therefore still too early to account for the carbon sequestration linked to the project. The aim of this project is to generate 31,296 carbon credits by 2020, 20% of which will be allocated to MANE, calculated on a pro rata basis in proportion to its financial contribution to the project.

BANCO₂ PROGRAMME IN COLOMBIA

Since 2015, MANE's site in Colombia has supported the BanCO₂ programme to offset its indirect Scope 3 GHG (emissions linked to the purchasing of raw materials, transport of employees, and the use and end of life of products). The BanCO₂ programme is the result of an initiative of the MásBosques association, approved by the United Nations Development Programme (UNDP). The BanCO₂ offsetting system ensures forest conservation through financial compensation paid to rural families and communities in exchange for the conservation and protection of forest ecosystems located on their farms instead of using them as a source of income.

In 2018, for the fourth year running, MANE Colombia has offset its Scope 3 carbon footprint (460 tonnes of CO₂). Resources from this offsetting are allocated to two families in the town of Guarne, who protect and care for the ecosystems found on their land, thereby ensuring the conservation of a total of 8 hectares of forest.

ADAPTING TO THE CONSEQUENCES OF CLIMATE CHANGE

The Group has not identified any immediate or significant risks to its activities due to climate change. Nevertheless, we are aware of the risks linked to the impact of climate change on our ability to source natural raw materials. In the first instance, climate change may have an agricultural impact on these raw materials. Changes in yield due to climate irregularities will also impact the prices at which we can buy these materials. Additionally, extreme weather events such as cyclones, floods and storms also present a risk for our supply chains. For all these reasons, MANE is working to implement recovery plans for sourcing its most vulnerable and strategic raw materials.



PROTECTING BIODIVERSITY

MANE IS A SIGNATORY TO THE "BUSINESS AND BIODIVERSITY PLEDGE"

During the Business and Biodiversity Forum held by the United Nation's Convention on Biological Diversity (COP13-CBD) that took place in December 2016 in Cancun (Mexico), MANE signed the Business and Biodiversity Pledge. This pledge provides an opportunity for business leaders to highlight the importance of biodiversity and ecosystem services for their respective companies and to affirm their commitment to taking positive measures to support it. Signing the pledge indicates a commitment to providing solutions for the conservation of biodiversity, its sustainable use and the fair and equitable sharing of benefits arising from the use of resources.



REGULATION ON ABS

As part of its natural raw material purchasing activities, the MANE Group may need to purchase ingredients subject to the regulation on access and benefit-sharing (ABS). The regulation on ABS organises relationships between suppliers and users of genetic resources and associated traditional knowledge. It thereby offers greater legal certainty to each stakeholder. Its main aims are to fight biopiracy (collection and use of biological materials for commercial, industrial, scientific or personal use without obtaining the necessary permits), to ensure the conservation of biodiversity and local knowledge and to guarantee Sustainable use, while ensuring equal sharing of the economic advantages.

Adopted in October 2010, the Nagoya Protocol on access and benefit-sharing (ABS) entered into force on 12 October 2014. It provides a transparent legal framework for the effective implementation of one of the three aims of the Agreement on biodiversity: the fair and equitable sharing of the benefits arising from the use of genetic resources.

In this context, several countries that have ratified the Nagoya Protocol have adopted national regulations implementing the Protocol. In France, for example, it was transposed into law with the adoption of LAW no. 2016-1087 of 8 August 2016 for the restoration of biodiversity, nature and landscapes. But it is important to note that other countries, that have not ratified the Nagoya Protocol, have also adopted their own regulations relating to ABS, such as Brazil with Law 13.123 of 20 May 2015.

In this context, MANE continuously monitors developments in national laws on ABS with the cross-disciplinary involvement of all affected departments (R&D, Environment/CSR, Purchasing, Regulatory Affairs, Sales, etc.). To that end, background work has been carried out in order to trace and incorporate in IT systems the geographical origins of natural raw materials purchased. In addition, the Group has set up an internal organisation to ensure that, throughout the product development process, its activities comply with laws on ABS according to the geographical origin of natural raw materials.



OUR SUSTAINABLE PALM OIL PURCHASING POLICY

Palm oil is a product of the oil palm. It is the most widely produced, consumed and sold vegetable oil on the planet. Between 1994 and 2014, palm oil production quadrupled, reaching 65 million tonnes. Production is concentrated in Indonesia and Malaysia, which produce 85% of the world's palm oil. By 2030, the Food and Agriculture Organization of the United Nations (FAO) estimates that total production will be double what it was in 2000.

The growth of oil palm plantations is one of the main contributing factors to deforestation in Indonesia and Malaysia, threatening natural species and habitats, destroying peat bogs and contributing to global warming. The increase in palm oil consumption is also threatening natural tropical forests in Papua New Guinea, Africa and South America.

In this context, it is important that the use of palm oil complies with certain environmental guarantees. One solution is the use of palm oil certified from Sustainable sources according to the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO).

RSPO certification means that palm oil has been produced, processed and used in products that meet RSPO sustainability criteria and that the products are traceable throughout the supply chain.

PALM OIL AT MANE

At MANE, we use very little palm oil in our products (less than 350 tonnes per year). This represents less than 0.001% of world production. The Group primarily buys palm oil derivatives (from the fruit) or palm kernel oil (from the kernel) such as medium chain triglycerides (MCT), glycerine, and certain fatty acids.

Although MANE's consumption of palm oil remains very small compared to the world market, we believe the Group can play a role in promoting the production of Sustainable palm oil.

MANE'S COMMITMENTS

As part of our programme of Corporate Social Responsibility (CSR), in 2009 we set up a responsible purchasing policy in order to raise awareness of CSR among our suppliers and to support them in assessing and improving their CSR performance.

In this context, MANE is working closely with its palm oil and palm oil derivative suppliers to ensure a gradual transition towards certified Sustainable product sourcing in accordance with RSPO criteria. To achieve this goal, we have set the following targets:

For all compositions used in perfumery, cosmetics and food flavourings

- MANE commits to sourcing only palm oil products and derivatives from RSPO member suppliers by the end of 2018.
- MANE commits to ensuring that all palm oil used directly in its products will be RSPO-certified using the Mass Balance traceability model, as a minimum requirement, by 2019.
- MANE commits to ensuring that all palm oil products and derivatives used directly in its products will be RSPO-certified using the Mass Balance traceability model, as a minimum requirement, by 2021.



8. SOCIETAL INFORMATION

At MANE, we believe growth is only sustainable if it is shared. Contributing to the local development of the areas in which the Group operates is a responsibility MANE takes very seriously.

SOCIETAL COMMITMENTS SUPPORTING SUSTAINABLE DEVELOPMENT

REGIONAL, ECONOMIC AND SOCIAL IMPACT OF OUR ACTIVITIES

MANE not only contributes to the Sustainable Socio-economic Development of the regions in which it operates through direct and indirect job creation and skills development (recruitment and training of local employees, knowledge transfer, purchasing local goods and services, revitalising local manufacturing networks) but also through the social investment decisions it makes (e.g. developing infrastructure, improving access to healthcare, drinking water and appropriate sanitary facilities).

We aim to: ensure that our activities and our social commitment create value for the communities with whom we are involved.



PARTNERSHIP AND SPONSORSHIP ACTIVITIES

In addition to its social responsibility linked directly to its manufacturing activities, MANE's involvement in local regional development includes support for general interest initiatives. Here are some examples:

INDONESIA

SUPPORT FOR THE NGO YAYASAN EMMANUEL

For over 10 years, MANE Indonesia has supported the Outreach programme run by the NGO Yayasan Emmanuel, which provides sponsorship and study grants. To date, 250 children have been sponsored by MANE. Not only do we pay their school fees, we also provide social support to help the children succeed and make the most of their studies. We have, for example, organised factory visits for some of the children to introduce them to the world of work and broaden their horizons to include new employment opportunities. We have also helped some of the children go on to complete university degrees. Some will be offered jobs with us.

In September 2018, for the second year running, several MANE Indonesia employees participated in the Run to Give event, an annual 5K charity run in Jakarta. Our employees ran on behalf of Yayasan Emmanuel's Food Rescue programme. This programme aims to recover uneaten meals from around forty 4 and 5-star hotels in Jakarta to redistribute this food to undernourished people in local communities. Since it was founded in August 2003, this programme has collected 401 tonnes of food and provided meals to more than 1.4 million people in 352,650 families.

WOMEN'S WORKSHOP IN THE PASIR GOMBONG REGION

The MANE Indonesia site is located on the Cikarang industrial estate in the Pasir Gombang region. Women in the region were invited to learn how to make a natural cleaning fluid, a natural disinfectant, and natural fertiliser and pesticides using fruit and vegetable compost. This knowledge-sharing workshop was offered by a MANE employee from the Perfume Marketing Department.

PARTICIPATION IN GREEN SCHOOL ACTIVITIES AT PASIR GOMBONG PRIMARY SCHOOL

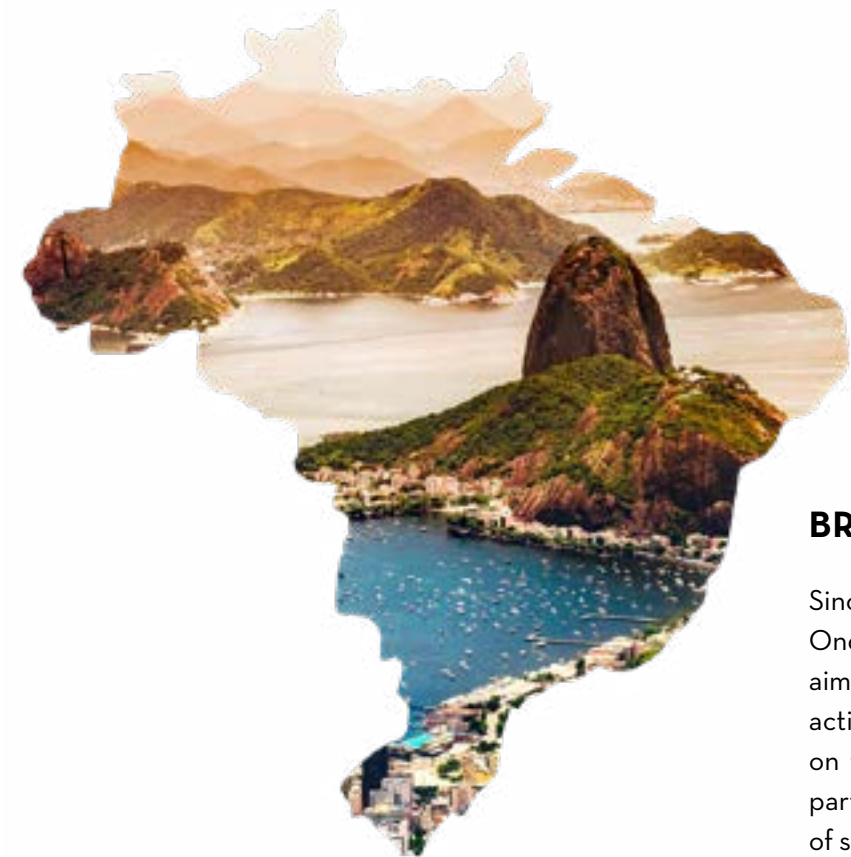
In October and November 2018, MANE employees from the Quality Department and the Health, Safety and Environment Department presented the concept of the 5 Rs (Refuse, Reduce, Reuse, Repurpose, Recycle) to pupils at Pasir Gombang primary school during "Green School" days. Six pupils were chosen to become "green ambassadors" to encourage their friends to put the 5 Rs concept into practice in their daily lives.

Other activities included a contest to paint plastic containers (donated by PTMI) to reuse them as flowerpots or bins, an environmentally-themed contest, and a seed-planting contest. A MANE employee from the Aroma Marketing Department took part in the painting contest, sharing her artistic skills with the primary school pupils.

This series of activities ended with a symbolic tree-transferring ceremony from MANE Indonesia management to the school's head and teachers.

MOTIVATIONAL SPEAKER AT SMK AL-AMIN CIBARUSAH SCHOOL IN CIKARANG

In October 2018, MANE Indonesia's Manufacturing Director talked about his life and experiences in front of 80 secondary school students to motivate this younger generation to fulfil their life goals and dreams. He was born and raised in Cikarang, Indonesia where one of MANE's sites is located. Not only did he share his own life experiences, but he also told stories about other influential people in the world. Through the theme "your choices define your future", the Manufacturing Director called on students to always think positively, have self-confidence, and to nurture a strong mind and resolve. Students responded with enthusiasm, and the event ended with a Q&A session.



BRAZIL

Since 2016, MANE Do Brasil and the Brazilian NGO Onda Verde have participated in a forestry project aimed at restoring areas degraded by agricultural activities by planting trees indigenous to Nova Iguaçu on the banks of the Ana Felicia river. As part of this partnership, MANE will financially support the planting of seedlings, including maintenance, for at least 3 years.

CHINA

Since 2013, MANE Shanghai has supported The Children of Madaifu association. This association looks after children from poor families in the impoverished Chinese provinces of Gansu and Shaanxi whose parents have disappeared or passed away. As part of a 5-year commitment, MANE provides The Children of Madaifu with the financial support needed to fund living expenses and tuition for 15 students until they enter the job market. MANE also offers internships to those students who are interested. Every year, MANE Shanghai also runs the Love Apples operation, in partnership with The Children of Madaifu. MANE buys apples from the association and the profits from this sale are used to fund the association's activities, especially the Orphanage without walls programme allowing children to go to school and continue their studies while staying with close family.



COLOMBIA

Each year, MANE Colombia donates money received from the sale of recycled waste and packaging to several foundations that support education and food for disadvantaged children.



FRANCE

MANE makes yearly donations to several organisations. For example, in 2018, it donated to:

- the association for the reach of the International PERFUME Museum in Grasse, which helps improve the museum's facilities: lighting, purchase of furniture and technical equipment;
- SolidarSport, which promotes respect in all its forms through sport and cultural activities with schools;
- CEW, whose beauty centres provide free beauty treatments to hospital patients;
- Les Amis Des Enfants (ADE), which supports children in Sudan;
- La Fondation Motrice, which supports research into cerebral palsy;
- the congregation of the Petites Sœurs des Pauvres;
- the Saint Matthieu Foundation for Catholic schools;
- Grasse hospital, to support aromatherapy workshops for chemotherapy patients.

INDIA

KANCOR-MANE has implemented a CSR policy focusing on social engagement and investment in the communities where the company does business. This policy is focused on the following three priorities:

- 1 Supporting sustainable purchasing through programmes that aim to support KANCOR-MANE farmers and suppliers in improving farming practices and post-harvest processing in order to minimise the carbon footprint of their supply chain (training, awareness, supply of clean packaging);
- 2 Supporting access to key health services and clean water as well as appropriate sanitary facilities to improve hygiene conditions and comfort for local populations (e.g. in schools and neighbouring villages);
- 3 Supporting education through funding to meet the needs of schoolchildren (books, shoes, school kits, uniforms) in the areas in which KANCOR-MANE is located.

In 2018, KANCOR-MANE contributed to the installation of masts for public lighting and solar lamps for the village of Mottebennur (Byadgi), and the installation of drinking water facilities in the lemongrass supply area of Orissa.

In the district of Ernakulam, in the state of Kerala, which was badly affected by the August 2018 floods, KANCOR-MANE has provided assistance to around fifty families who suffered considerable property damage. In a village near their plant, where women made cotton fabrics, the looms were heavily damaged by the floods, thereby depriving families of their livelihoods. KANCOR-MANE compensated these families by offering women sewing machines to help them rebuild their lives.



SOUTH AFRICA

For 5 years now, MANE South Africa has been supporting the Children's Hospital Trust, which raises funds for the War Memorial Children's Hospital, the largest children's hospital in sub-Saharan Africa. A child requiring intensive care is a harrowing experience for the whole family. It is therefore important for hospitals to create a comfortable and welcoming space for families, and just as important to create an Environment that complies with the highest standards so that the intensive care department can provide advanced treatments for children whose symptoms require careful monitoring. Since its creation, the Trust has helped the hospital modernise its buildings, buy vital equipment and fund essential research and training programmes. After several years in planning and construction, the first of three intensive care units opened its doors in August 2016, while a second unit providing facilities for patients, families and staff opened in November 2017 and a third unit providing neonatal intensive care will open in February 2018.

In November 2018, MANE South Africa employees (Johannesburg, Cape Town and DELI SPICES) donated 110 personalised shoeboxes filled with gifts as part of the Santa Shoebox Project. The Santa Shoebox Project began in Cape Town in 2006 with 180 modest shoeboxes. In 12 years, the number of Santa shoeboxes donated has reached 762,594 units. The project's success is attributed to its personal nature: donors know the names, ages and gender of the children who will receive their gifts. The project is supported by a vast network of volunteers in South Africa and Namibia - volunteers who devote their time, energy, and know-how and receive no financial compensation in return. The project is also made possible due to the generous support of several company sponsors who provide financial backing or other types of aid.

RESPONSIBLE PURCHASING

INCORPORATING CSR INTO PURCHASING

OUR STRATEGY

Our activities are mainly linked to the purchasing of raw materials and packaging. The quality of MANE's relationships with its suppliers helps to sustain its supply chains in the long term. In this way, MANE is committed to building lasting relationships with suppliers all around the world based on balancing individual interests, trust, and reciprocal CSR commitments.

The Group believes it has a responsibility to influence the actions of its suppliers in terms of both environmental and socio-economic impact. This ambition aims to incorporate CSR as a key selection criterion for our suppliers, alongside aspects such as quality, cost and deadlines.

For this reason, our responsible purchasing policy is an integral part of our CSR strategy. We expect our suppliers to adhere to the Group's ethical and CSR principles. To achieve this aim, we ensure suppliers are linked to a CSR policy and provide support to assess their practices and carry out on-site audits (for suppliers identified as being at risk).

MANE's responsible purchasing policy involves:

- A **Code of Ethics** for Group buyers that commits buyers to behaving in an ethical manner to build fair relationships with our suppliers, not engage in discriminatory practices and ensure the transparency of any transactions;
- Awareness-raising and **training for buyers** to prevent and detect acts of corruption;
- **Purchasing and Sustainable Development Charter** for MANE suppliers, to present our Sustainable Development policy and encourage them to respect our six basic principles of human rights, working standards, Environment, responsible purchasing and anti-corruption;
- A **methodology to assess** potential CSR risks linked to countries of origin, categories of suppliers or raw materials;
- **Training for MANE's internal auditors and buyers** to perform on-site CSR audits for suppliers;
- A **CSR assessment process for suppliers**.

INVOLVING OUR SUPPLIERS IN OUR COMMITMENTS

MANE involves its suppliers in its CSR policy, especially suppliers considered "significant" for the Group. A supplier is considered "significant" if they are one of the strategic suppliers who are important to the Group and/or if they pose a potential risk linked to CSR. In 2018, the panel of "significant" suppliers represented 91% of the total amount of raw materials purchased and packaged at its head office (Bar-Sur-Loup).

As an extension of our own Sustainable Development Policy, we ask all our significant suppliers to sign MANE's Purchasing and Sustainable Development Charter, formalising what the Group expects of its suppliers in terms of CSR. By signing it, suppliers undertake to respect the principles of CSR with a view to continuous improvement.

>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Over 90% of MANE Bar-sur-Loup purchasing volume coming from suppliers committed to a CSR policy

2021 objective achieved in 2018

90% 90%

Although only 53% of our purchases were made from suppliers committed to a CSR policy in 2009, we have set a target to increase this to 90% by 2021. In 2018, 3 years before this deadline, we have already achieved this target. 90% of purchases made by head office are made from suppliers committed to a CSR policy, either by signing our Purchasing and Sustainable Development Charter (74%), or through a CSR policy communicated publicly and/or recognised by an independent third-party organisation if they do not want to sign our own Guidelines (16%).

CSR ASSESSMENT OF OUR SUPPLIERS

In order to ensure respect for the CSR principles set out in the Guidelines signed by our suppliers, we have developed a two-stage approach.

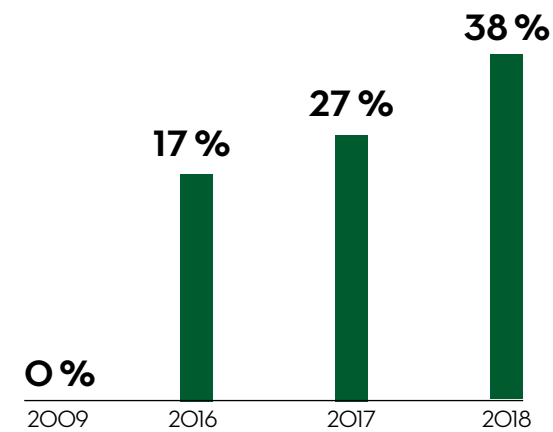
Firstly, we provide our suppliers with a self-assessment tool for their CSR practices to help them identify their significant CSR challenges and build their CSR action plan, if necessary (particularly for Small and Medium-sized Enterprises, or SMEs). We also ask them about the geographical origin of their raw materials and the type of supply chain (direct origin with no intermediaries, or indirect via one or more intermediaries). As the MANE Group is a member of the EcoVadis and Sedex platforms, we also offer the option for suppliers to give us access to their EcoVadis scorecard or SMETA audit report as an alternative. This first phase of study gives us an initial overview of the supplier's level of responsibility and allows us to determine whether they are potentially "at risk" in terms of CSR.

Secondly, we strive to assess, as a priority and in more detail, suppliers whom we have identified as being potentially at risk. To that end, we have several options: plan a CSR audit carried out on site by MANE, have the supplier assessed by EcoVadis, or ask the supplier to undergo an audit by an independent third-party organisation (for example, according to the SMETA benchmark or the Ecocert Fair for Life & For Life standards).

At the end of 2018, 38% of our "significant" suppliers were assessed on their CSR (either via an audit carried out on site or via an assessment carried out by EcoVadis), which represents a coverage rate of 38% of our "significant" suppliers compared to our 2021 target of 50%. We are therefore on track to achieve this target over the next three years.

OUR RESULTS:

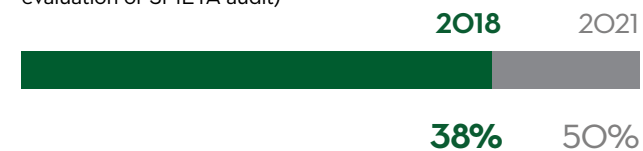
Proportion of MANE Bar-sur-Loup "significant" suppliers evaluated on their CSR (on - site audit or EcoVadis evaluation)



>> ACHIEVEMENT RATE FOR OUR 2021 TARGET:

2021 Objective:

Over 50% of significant* suppliers will have been evaluated on their CSR (audit performed on - site by MANE, EcoVadis evaluation or SMETA audit)



SUSTAINABLE SOURCING PROJECTS

CLOSE RELATIONSHIPS WITH LOCAL PRODUCERS OF PERFUME PLANTS

MANE's head office is located at Bar-sur-Loup, near the birthplace of the perfume industry, Grasse. Flower production in the Grasse region is part of our history and heritage. These are the flowers, expertly showcased by perfumers, that have written our history, sculpted our landscape and contributed to the economic success of Grasse and the perfume industry. However, this French speciality is gradually disappearing, overtaken by urbanisation, relocation of plantations and competition from cheaper synthetic materials. For this reason, MANE decided to get involved in preserving and restoring its plantations in the Grasse region. For several years now, as part of its responsible purchasing policy, MANE has been committed to building special relationships with small growers of perfume plants from Grasse and Provence (narcissus, jasmine, Centifolia rose, mimosa, lavandin, cypress, etc.).

VIRTUOUS VANILLA SUPPLY (MADAGASCAR)

Vanilla beans processed by MANE come from Madagascar. Our supply chain, in place for over forty years, was reinforced twenty years ago with the creation of a local structure to help producers improve their farming practices and export vanilla beans. Our partner, FLORIBIS, represents MANE's interests locally with farmers, cooperatives and gatherers. For example, FLORIBIS's agricultural extension workers teach farmers how to improve cultivation and preparation. This work significantly improves the quality of the vanilla beans. Farmers are encouraged by the results. MANE also deals directly with cooperatives to guarantee a minimum purchase price and with NGOs aiming to protect biodiversity.

With FLORIBIS, MANE has developed strong ties with local communities and endeavours to constantly create shared value with all stakeholders involved in the vanilla supply chain. Building on initiatives in place since 2009 to support the FITAMA cooperative to produce fair trade-certified vanilla, MANE renewed its commitment by signing a tripartite agreement with the NGO FANAMBY and FLORIBIS in May 2014. The aim was to implement an entirely traceable vanilla supply, from pollination to the flavour stage, in order to:

- Ensure a stable supply of vanilla beans;
- Guarantee complete traceability along the supply chain;
- Ensure quality control of vanilla beans from farming communities in Vohemar, one of the four main villages in the vanilla-producing region known as "SAVA" (Sambava, Andapa, Vohemar, Antalaha) in north-western Madagascar;
- Guarantee Sustainable and responsible purchasing that complies with ethical and social standards.

FLORIBIS manages the plantation and quality control of all MANE purchases in Madagascar and the NGO FANAMBY provides its support and expertise in management and training to the vanilla communities that partner MANE.

A critical issue for local communities is ensuring food storage and supply for periods where there are no crops to meet basic needs. MANE therefore provided funding to build a rice granary and to purchase initial stocks of rice. The first stone was laid in July 2014, and the granary was completed in February 2015.

In social terms, the vanilla purchased by MANE has an impact on 10,000 farmers in Madagascar. MANE and FLORIBIS have implemented a payment system for farmers so that they can earn extra income for higher quality vanilla beans (500 farm labourers and 280 farmers benefit from this system). We provide training and guidelines for harvesting beans that have reached full maturity (good pollination, growing and care practices).

From an environmental perspective, deforestation is a significant cause of biodiversity loss in Madagascar. Plantation areas are often expanded so they encroach on forests. The NGO FANAMBY and FLORIBIS are working on mapping domains to limit forest destruction and have implemented a 5-year reforestation programme in a protected area. FANAMBY is also managing the creation of a national park in Daraina, where farmers who supply vanilla beans to MANE and FLORIBIS are located. This region in Madagascar is unique and precious in terms of biodiversity and the national park will soon be listed as a UNESCO World Heritage Site.



In 2018, MANE continued to expand its vanilla supply sources in Madagascar and optimise monitoring of the traceability of vanilla. We are increasing our partnerships with vanilla producing communities in order to meet demand from our customers for natural vanilla. MANE has thereby developed 25% extra capacity by increasing partnerships with farming communities. We are also developing our offer in terms of quality, particularly the opening of a new community around fair trade. All our traceability processes are certified and audited by ECOCERT.

To ensure the everyday traceability of vanilla from farming communities, we have formalised oversight of farming communities in the form of agreements including the establishment of pollination records, indexing all pollinated flowers (then green pods) by

plot and by week. This year, we also have a new and very simple yet effective traceability tool: a mobile app called METAJUA, which allows you to record data on farming communities and share it with various partners. For each farmer, the app tracks information on their plantation, the flowering of vanilla plants (log, statistics, estimated harvest date, etc.) and the purchase of green vanilla or vanilla prepared by the farmer (date, delivery person, quantity, price, quality, etc.). This tool also allows us to assess the potential and performance of each plantation and each farming community, which is very important to continue selecting the best vanilla pods. Analysing the data collected is vital to encourage farmers and put in place corrective action.

We are also continuing our initiatives aimed at creating shared value, as defined in the MANE 2018-2021 plan to support Madagascan vanilla, particularly in terms of health with the funding of the Vohemar hospital and through various investments to improve daily hygiene. Education is also a priority of this plan. To fight against illiteracy, we provide access to education to as many people as possible in these farming communities and beyond.

SUSTAINABLE VETIVER PRODUCTION (MADAGASCAR)

Vetiver is a remarkable plant currently grown for its roots. It is very tolerant of drought, and has been used in the past for the construction of roofs, to make brushes, to protect furniture and linen and to protect soil against erosion. Vetiver has also always been used for its essential oil, extracted from its roots.

Since the 80s, vetiver growing in Madagascar has stopped due to lack of interest from Madagascan farmers. Devastating hurricanes in Haiti have also led to a bad harvest of this source, causing prices to rocket.

Seven years ago, in collaboration with the communities involved in MANE's vanilla supply chain in Madagascar, MANE reintroduced the cultivation of Bourbon vetiver in Madagascar. Production of precious roots has now intensified and the quality of the essential oil is stable. This project has two effects on local communities: it generates a second source of income (after vanilla) and, because the crop is grown on a plot at Vohemar airport, it contributes to the maintenance of the regional airport.

Vetiver is grown on poor soil with no additives or additional watering. The crops are planted section by section to allow farmers to harvest all year round. The roots reach maturity after one year, a time period which is very important for ensuring the olfactory quality of the Bourbon vetiver. On our plantation, farmers are trained by FLORIBIS to follow good harvesting practices to ensure constant quality.



A SUSTAINABLE SUPPLY CHAIN FOR TIMUR BERRIES (NEPAL)

Also known as Timut pepper, Timur berries are used as a spice in Chinese, Tibetan, Nepalese and Indian cooking and in traditional Chinese medicine due to their active properties. They develop an unusual aroma, with clear citrus (lemon, grapefruit), plant and woody notes, and provide interesting olfactory properties to perfumes.

The berries grow on small thorny trees of the *Zanthoxylum armatum* species which, in the wild, is native to the mountains of Surkhet in the middle mountains region (known as the hill region) of Nepal, between 1,000 and 2,000^m in altitude. The berries are generally picked by disadvantaged, low-caste, rural communities that depend on farming to survive. Women do the bulk of the production and harvesting while the men go to look for work in India. For this reason, the berries are often their only source of income. Given their place in the value chain, the women are vulnerable to price fluctuations and are therefore unable to guarantee a stable income for themselves.

As part of the HVAP (High Value Agriculture Project) programme created by the Nepalese government, and under the supervision of two local NGOs, MANE is actively participating in the development of a sustainable supply chain for Timur berries with the Kuvindedaha community in the Salyan district. MANE has signed a trade agreement which aims to increase income and stabilise demand for farmers while ensuring quality and traceability for customers.

75 households (around 300 people) will benefit from the economic effects of this supply chain. The sale of Timur berries is an incredible opportunity to empower local women. By increasing their income, the women will now be able to fix their homes, educate their children and send them to good schools. In some cases, it can also help to limit the rural exodus of men from the community who generally travel for several years at a time to the big cities in India or Qatar to find work.

MANE is also investing in the community to encourage social development, specifically by building rain water reservoirs and rolling out an educational programme for women.

In 2014, a nursery was set up to supply Timur plants to farmers and support the creation of plantations, as a complement to picking wild berries. It will take 5 years for these plants to produce fruit for harvesting.



CONSUMER HEALTH AND SAFETY

FOOD SAFETY FOR FLAVOURS

Consumers today are particularly concerned with food safety, due to increasing concerns caused by various recent health crises. Ensuring the quality and safety of our food flavours is therefore crucial for our food processing customers. The aim is to protect consumer health and safety. Our approach covers the whole logistics chain, starting with suppliers. We incorporate very strict controls in our purchasing and audit processes, enabling us to select safe and high-quality raw materials. Product/process audits are carried out at the supplier's premises to ensure they are able to meet the MANE Group's quality and safety requirements and to identify possible areas of weakness.

All our production sites (in France and abroad) have put in place quality and food safety management systems, which set out the procedures and methods to be followed at each stage of production (receipt, quality control during production, final check) to ensure the manufacturing and quality control of our products meets strict standards. Long before the finished products leave our sites, we test them to make sure they can be used safely. The tests carried out on finished products generally include physicochemical, microbiological and organoleptic tests. This ensures that the finished products we supply to our customers are safe and of uniform quality, meeting consumer safety requirements. The majority of the Group's food flavour manufacturing sites are ISO 9001, IFS & BRC, FSCC 22000 or ISO 22000-certified, depending on location.





ASSESSING PRODUCT SAFETY (TOXICOLOGY)

As early as possible, during the development stage for new products, we assess the potential toxicological risks posed by the products we manufacture. The development process for any new research project is subject to a meticulous safety assessment process. Production cannot begin prior to approval by a scientific committee made up of members with various backgrounds. In addition, the raw materials used to manufacture products must meet strict specifications drawn up by the Group's Product Safety and Regulatory Affairs Department.

MANE is also conscious of animal welfare and complies with current regulations. MANE does not test compositions of its finished products (mixtures) on animals, either for fragrances or flavours. Furthermore, no animal testing is carried out or ordered by MANE for its manufactured ingredients, unless this is specifically required by national, regional or international regulations.

In addition, MANE encourages the development, use and regulatory acceptance of alternatives to conventional animal testing, in particular in the area of fragrance products. In this regard, MANE supports and participates in research projects on alternative tests in order to obtain the relevant and required information on its products and to ensure consumer health and safety. In this way, we are involved in research projects run by ImmunoSearch (MANE has been a shareholder since 2007), a company that develops high-quality in-vitro toxicology tests to assess the potential for irritation, sensitisation or genotoxicity in perfume and cosmetic ingredients, thus avoiding animal testing.

SUSTAINABLE CONSUMPTION

We believe our role in sustainable consumption relates to the products and services we offer, their life cycle and the nature of the information we provide to our customers.

From this perspective, although the first step for MANE is to develop products that provide greater environmental benefits, it is also necessary to give customers all the social and environmental information about our products to enable them to make informed purchases. With GREEN MOTION™, our tool to assess the environmental impact of the ingredients manufactured, MANE gives its customers the chance to find out about the environmental profile of products and makes them aware of the choice of more "green" formulae.

In terms of nutrition, consumers want healthier and nutritionally beneficial products. Our customers in the food industry are looking to reduce the sugar and salt content of their products. The challenge is to do this without drastically altering the taste consumers are used to. To this end, MANE has developed a range of products, Sense Capture, to help its customers adapt to these behavioural changes and new consumer expectations. To ensure the result meets the taste expectations of consumers in terms of organoleptic quality, MANE offers natural food flavours to decrease quantities of sugar (Sense Capture Stevia) and salt (Sense Capture Salt) without changing the taste of the "lighter" products. A further solution offered to our customers is the inclusion of vegetable proteins in meat products with Sense Capture Protein.

9. CORRESPONDENCE TABLE WITH CSR REPORTING GUIDELINES



GENERAL STANDARD DISCLOSURES

Report profile	Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Reporting period for information provided	Pages 6-7 1. A propos de ce rapport	G4-28			
Contact point for questions regarding the report or its contents		G4-31			
Strategy and Analysis	Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Page 8 2. A Word from the President	G4-1			
Statement by the Chief Executive expressing continued support for the UN Global Compact	Pages 48-49 5. Our ethics policy > <u>Commitment to the United Nations Global Compact</u>				X
Description of the main risks related to the activity of the company or of the group of companies including, where relevant and proportionate, the risks created by its business relations, its products or its services	Pages 26-31 4. Our CSR policy > <u>Our main non - financial risks</u>	G4-2	Article 2		
Description of the policies applied by the company or group of companies including, where applicable, the due diligence procedures implemented to prevent, identify and mitigate the occurrence of the risks mentioned					
Results of these policies, including key performance indicators					
Organizational Profile	Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Name of the organization	Pages 6-7, 12-17 1. About this report 3. Group profile > <u>Our story</u> > <u>Our business model</u>	G4-3 to G4-9			
Primary brands, products, and services					
Location of the organization's headquarters					
Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.					
Nature of ownership and legal form					
Markets served					
Scale of the organization (total number of employees, total number of operatins, net sales, quantity of products or services provided..)					
Commitments to External Initiatives	Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Pages 18-19 3. Group profile > <u>Our external commitments</u>	G4-15			
Memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: Holds a position on the governance body; Participates in projects or committees; Provides substantive funding beyond routine membership dues; Views membership as strategic.		G4-16			
Identified material Aspects	Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
a. Explanation of the process for defining the report content and the Aspect Boundaries b. Explanation of how the organization has implemented the Reporting Principles for Defining Report Content	Pages 20-21 Page 24 4. Our CSR policy > <u>CSR governance</u> > <u>Key challenges</u>	G4-18	Article 2	7.3.2	
List of all the material Aspects identified in the process for defining report content		G4-19			

Stakeholder Engagement	Relevant pages and chapters in the CSR Report		GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
List of stakeholder groups engaged by the organization Conditions of dialogue with these stakeholders	Pages 22-23	4. Our CSR policy > Stakeholders	G4-24	A. 3° a)	4.5	
Partnership or sponsorship activities	Pages 114-119	8. Societal Information > Societal commitments supporting <u>Sustainable Development</u>	G4-27		5.3	
Ethics and Integrity	Relevant pages and chapters in the CSR Report		GRI G4	Decree n° 2017-1265 to 9/08/2017	ISO 26000	Global Compact
Description of the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Page 42	5. Our ethics policy > <u>Code of Ethics</u> > Ethics Committee	G4-56		4.4	# 1 - 2 # 3 - 4 - 5 - 6
Anti-corruption	Pages 44-45	5. Our ethics policy > <u>Anti-corruption scheme</u>	G4-SO4	B. 1°	6.6.3	# 10
Human Rights	Page 46	5. Our ethics policy > <u>Respect or human rights and working standards</u>	G4-HR10 G4-HR11	B. 2°	6.3	# 1 - 2

SPECIFIC STANDARD DISCLOSURES

CATEGORY: SOCIAL

General Human Resources policy		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Managerial approach	Pages 52-53	6. Social information > <u>Human resources Policy</u>	G4-DMA			
Employment		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Total number of employees by age group, gender and geographical location	Pages 54-57	6. Social information > <u>Employment</u> > <u>Equal treatment</u>	G4-LA1	A. 1° a)	6.4.4	
Recruitment and departures			G4-52			
Salaries			G4-LA13			
Organisation of work		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Organisation of working time	Pages 60-61	6. Social information > <u>Organisation of work</u>	G4-10	A. 1° b)	6.4.4	
Absenteeism			G4-LA6			
Occupational Health and Safety		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 to 9/08/2017	ISO 26000	Global Compact
Health and safety conditions in the workplace	Pages 62-65	6. Social information > <u>Occupational health and safety</u>	G4-DMA	A. 1° c)	6.4.6	
Accidents in the workplace			G4-LA6			
Summary of collective agreements			G4-LA8			
Social relations		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Organisation of social dialogue, specifically information gathering, employee consultation and negotiation procedures	Pages 66-67	6. Social information > <u>Social relationships</u>	G4-DMA	A. 1° d)	6.4.5	#3
Summary of collective agreements						
Percent of all employees included in a collective agreement			GA-11			
Training		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Training policies implemented	Pages 68-70	6. Social information > <u>Training and education</u>	G4-DMA G4-LA10	A. 1° e)	6.4.7	
Total training hours			G4-LA9			
Yearly appraisals			G4-LA11			
Diversity and Equal Opportunity		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Measures taken to support equal treatment for men and women	Pages 72-77	6. Social information > <u>Eaual treatment</u>		A. 1° f)	6.3.7	#6
Measures taken to support employment and placement of people living with disabilities						
Anti-discrimination policy						

CATEGORY: ENVIRONMENTAL

General Environmental Policy		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Organisation of the company to take into account environmental issues and, where necessary, environmental evaluation and certification procedures	Pages 80-84	7. Environmental information > Environmental policy > Managerial approach	G4-DMA	A. 2° a)	6.5.1 6.5.2	# 7 - 8 - 9
Employee training and information activities relating to environmental protection			EN31			
Methods used to prevent environmental hazards and pollution						
Pollution		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
VOC emissions	Page 86-87	7. Environmental information > Preventing pollution	G4-EN21	A. 2° b)	6.5.3	# 7 - 8 - 9
Effluent	Page 88		G4-EN22			
Odour pollution	Page 94		G4-EN27			
Noise pollution	Page 95		G4-EN27			
Ground pollution						
Circular economy		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Waste management and prevention						# 7 - 8 - 9
Measures to prevent, recycle, reuse, recover or eliminate waste in other ways	Pages 90-93	7. Environmental information > Preventing pollution	G4-EN23	A. 2° c) i)	6.5.3	
Sustainable use of resources						
Water consumption and supply sources in accordance with local constraints	Pages 96-100	7. Environmental information > Sustainable use of resources	G4-DMA G4-EN8-EN9	A. 2° c) ii)	6.5.4	
Consumption of raw materials and measures taken to improve usage efficiency			G4-EN1			
Energy consumption and measures taken to improve energy efficiency			G4-DMA G4-EN3 à EN7			
Climate change		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Greenhouse gas emissions	Pages 101-107	7. Environmental information > Climate change	G4-DMA G4-EN15 à EN18	A. 2° d)	6.5.5	# 7 - 8 - 9
Measures taken to adapt to the consequences of climate change						
Medium to long-term reduction targets set voluntarily to reduce greenhouse gas emissions and the methods used to achieve this						
Biodiversity		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Measures taken to preserve or restore biodiversity	Pages 108-111	7. Environmental information > Protecting biodiversity	G4-DMA	A. 2° e)	6.5.6	# 7 - 8 - 9

CATEGORY: SOCIETAL

Societal commitments supporting Sustainable Development		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Impact of the company's local employment and development activities	Pages 114-121	8. Societal information > <u>Societal commitments supporting Sustainable Development</u>		A. 3° a)	6.8.3	
Impact of the company's activities on local or neighbouring communities					6.8.5 6.8.7	
Suppliers		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Taking social and environmental issues into account in purchasing policies	Pages 122-130	8. Societal information > <u>Responsible purchasing</u>	LA14, LA15 EN33 HR5, HR9- HR11	A. 3° b)	6.6.6	# 1 - 2
Consumer Health and Safety		Relevant pages and chapters in the CSR Report	GRI G4	Decree n° 2017-1265 - 9/08/2017	ISO 26000	Global Compact
Protecting consumer health and safety	Pages 132-135	8. Societal information > <u>Consumer health and safety</u>		A. 3° c)	6.7.4	# 7 - 8 - 9
Sustainable consumption					6.7.5	

10. EXTERNAL VERIFICATION



V. MANE FILS S.A.
Registered Office : 620, Route de Grasse
06620, Le Bar-sur-Loup
Capital : €. 24 640 000

REPORT BY THE STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT IN THE MANAGEMENT REPORT

For the year ended 31 December 2018

To the shareholders,

In our capacity as the Statutory Auditor of V. MANE FILS S.A. (hereinafter the "entity") appointed as the independent third party, certified by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049, we hereby report to you on the consolidated non-financial performance statement for the year ended 31st of December (hereinafter the "Statement"), included in the Management Report, in accordance with the legal and regulatory provisions of Articles L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity

It is the Management Board's responsibility to prepare a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators. The Statement has been prepared applying the procedures of the entity (hereinafter the "Guidelines"), the most significant aspects of which are presented in the Statement and available upon request at the entity's headquarters.

Independence and quality control

Our independence is defined by the provisions of Article L.822-11-3 of the French Commercial Code and the French Code of Ethics for statutory auditors (Code de déontologie). Moreover, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with applicable ethical rules, professional standards, laws and regulations.

Responsibility of the independent third party

On the basis of our work, it is our responsibility to express a limited assurance opinion about whether:

- The Statement complies with the provisions of Article R. 225-105 of the French Commercial Code;
- The information provided (hereinafter the "Information") is fairly presented in accordance with Article R.225-105-I(3) and II of the French Commercial Code concerning policy outcomes, including key performance indicators and actions relating to the main risks.

However, it is not our responsibility to express an opinion on:

- The entity's compliance with other applicable legal and regulatory provisions;
- The compliance of products and services with applicable regulatory provisions.

Nature and scope of our work

We performed our work described below in compliance with Article A.225-1 et seq. of the French Commercial Code (Code de commerce), defining the conditions under which the independent third party performs its engagement, and with the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) relating to this engagement and with ISAE 3000 (international standard on assurance engagements other than audits or reviews of historical financial information).

We conducted work to form an opinion on the Statement's compliance with legal and regulatory provisions and the fair presentation of the Information therein:

- We gained an understanding of the activity of all companies in the consolidation scope, of the Entity's exposure to the main social and environmental risks relating to the business activity ;
- We assessed the appropriateness of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, by taking into consideration, where relevant, the sector's best practices;
- We verified that the Statement covers every category of information required under Article L.225-102-1, Paragraph III concerning social and environmental matters;
- We verified that the Statement presents the business model and the main risks relating to the activity of all companies in the consolidation scope, including - if relevant and proportionate - risks due to its business relationships, products or services, as well as policies, actions and outcomes, including key performance indicators;
- We verified that the Statement presents the disclosures required under article R. 225-105, Paragraph II, of the French Commercial Code if they are relevant given the main risks or policies presented;
- We obtained an understanding of the process for selecting and validating the main risks;
- We enquired about the existence of internal control and risk management procedures implemented by the entity;
- We assessed the consistency of the outcomes and key performance indicators with the main risks and policies presented;
- We verified that the Statement covers all companies in the consolidation scope in accordance with Article L. 233-16 within the limits specified in the Statement;
- We assessed the data collection process implemented by the entity to ensure the completeness and fair presentation of the Information;
- For key performance indicators and the other quantitative outcomes that we considered the most important, we set up:
- Analytical procedures to verify that collected data is correctly consolidated and that any changes to the data are consistent;

- Tests of details based on sampling to verify that definitions and procedures are correctly applied and to reconcile data with supporting documents. The work was carried out with a selection of entities contributing to the reported data and represents between 22% and 88% of consolidated data of key performance indicators and outcomes selected for these tests;
- We referred to documentary sources and conducted interviews to corroborate the qualitative disclosures (actions and outcomes) that we deemed the most important ;
- We assessed the overall consistency of the Statement based on our understanding of all companies within the consolidation scope.
- We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance opinion. A higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work drew on the skills of six individuals and was conducted between January and May 2019 for a total working time of approximately five weeks. To assist us in conducting our work, we called on our firm's Sustainable Development and corporate social responsibility (CSR) specialists. We conducted around ten interviews with the individuals responsible for preparing the Statement.

Opinion

Based on our work, we have no material misstatements to report that would call into question the compliance of the non-financial performance statement with the applicable regulatory provisions, or the fair presentation of the Information, taken as a whole, in accordance with the Guidelines.

Paris La Défense and Valbonne, on 14 June 2018

KPMG S.A.

Philippe Arnaud
Partner
Sustainability Services



Philippe Arnaud
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Philippe Levert
Partner



Philippe Levert
Partner

¹ Accreditation scope available at www.cofrac.fr

² Total workforce and distribution by gender, Number of hirings, Number of departures, Proportion of employees who have received training, Frequency rate for accident with leave, Energy consumption per tonne of product, Water consumption per tonne of product, Greenhouse gas emissions (scopes 1 and 2) per tonne of product, Hazardous waste.

³ V. MANE FILS S.A. plant of Le Bar-sur-Loup (France), PT MANE Indonesia, KANCOR (Thailand).

⁴ Occupational health and safety conditions, Measures for the employment of disabled people, Equal opportunity, Environmental management, Climate change, Prevention of pollution, Protection of the Biodiversity, Action implemented to fight corruption, Actions implemented to promote human rights, Sustainable consumption and purchasing, Measures implemented to promote consumers health and safety, Philanthropy.



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