

**WE
CAPTURE
WHAT
MOVES**



2016

CSR REPORT



President and CEO Jean MANE sets out MANE's CSR vision.

OUR CSR VISION

It was in 1871 that my great-grandfather, Victor, founded the company MANE in Le 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. This governance allows us to maintain long-term relationships with all our partners.

The MANE Group is dedicated not only to the globalisation of our products across all sectors of the flavour and fragrance industry, but also to international development, which enables us to be closer to our customers.

For many years, we have been reinvesting a considerable portion of our profits in research and development, enabling us to provide our customers with countless innovative solutions.

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

Our CSR strategy focuses on the following priorities :

- Reducing our environmental footprint ;
- Responsible purchasing ;
- The health, safety and well-being of our employees in the workplace ;
- Developing our employees' skills throughout their careers ;
- Product quality and safety.

This is how we see sustainable development at MANE.

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

Through this report, we clearly communicate the CSR issues we face, the practices and actions put in place in response, and the progress made by the Group in meeting its CSR objectives.

Happy reading,



ABOUT THIS REPORT

The 2016 CSR Report sets out the commitments, priorities, objectives and actions put in place by the MANE Group to factor in the social and environmental consequences of its activities and to fulfil its societal commitments to sustainable development.

This report covers the period from 1 January to 31 December 2016.

The social, environmental and societal information referred to in this report concerns all of the Group's sites in FRANCE and the following countries: South Africa, Brazil, China, Colombia, Spain, the United States, India, Indonesia, Japan, Mexico, Switzerland and Thailand. These entities together account for 97% of the Group's total turnover.

In writing this report, we have taken into account:

- the implementation decree on compulsory CSR reporting of article 225 of the French law called « Grenelle 2 » ;
- the G4 guidelines of the Global Reporting Initiative (GRI) ;
- the social responsibility guidelines in the international standard ISO 26000 ;
- the information required for the Communication on Progress (COP) of the United Nations Global Compact.

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O U R

E T H I C S

P O L I C Y

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

CODE OF ETHICS

This conviction is not new for us. In 2003, we signed up to the UN Global Compact. In 2009, we launched our Purchasing and Sustainable Development Charter for the attention of suppliers, to ensure respect for the principles of social responsibility throughout our supply chain. In 2013, we took the next step with the launch of a corporate Code of Ethics setting out the ethical values and principles that govern the Group's activities. As a definitive reference document, the Code of Ethics helps all employees to consider what to do when carrying out their responsibilities. This Code of Ethics is the basis on which we have built our sustainable development policy. It sets out and describes the following principles that should guide the Group in the conduct of its business and serve as common ground for all Group employees.

The Code of Ethics can be consulted on the Group's Intranet. To ensure it is properly understood, it has been translated into over fifteen languages and local dialects, and we have made every effort to roll out training programmes adapted to different issues in different roles and countries.

In 2014, we kept up this momentum by developing the Code of Ethics for certain roles with particular sensitivity to ethical issues, with the adoption of specific Codes of Ethics for the purchasing department, subsidiary directors and financial directors.

A DEDICATED ORGANISATION

In 2016, a new stage was reached when we set up a whistleblowing hotline and created a Group Ethics Committee, with members reporting directly to the Chairman of the Board of Directors. As the only recipient of alerts received via the hotline, the Ethics Committee is responsible for follow-up of ethics issues (preventive analysis of ethical risks, recommendations, investigations and disciplinary measures linked to alerts received via the hotline, etc.) in cooperation with the various managers concerned.

MANE SUPPORTS THE UNITED NATIONS GLOBAL COMPACT

MANE has supported the United Nations Global Compact since 2003. This global initiative for voluntary commitment to sustainable development encourages companies to incorporate social, environmental and ethical criteria into their activities.



« For the 14th consecutive year, we are renewing our commitment to incorporate the 10 principles of the Global Compact into our strategy, our organisational culture and our operations, within a framework of continuous improvement.

Through this CSR report, we describe in detail the steps we have taken in support of the 10 principles of the Global Compact, as well as the results -real and targeted - of these actions. »



WE SUPPORT

We also agree that one of the obligations we must fulfil as a condition of our participation in the Global Compact is the annual publication of a Communication on Progress (COP), describing our company's actions in integrating and implementing these principles.

All our COPs are available at the following link : <http://www.unglobalcompact.org/participant/6328-Mane>.

FAIR PRACTICES

Code of ethics

Anti-corruption measures

Anti-corruption is an important subject in terms of sustainable development. In accordance with its ethics policy, MANE has taken the following actions with the aim of preventing and fighting against all forms of corruption everywhere the Group does business :

- Since 2003, MANE has been a signatory of the Principles of the United Nations Global Compact. According to the 10th principle adopted in 2004, participants commit to avoiding extortion and other forms of corruption, but also proactively developing specific anti-corruption policies and programmes internally and within their supply chains.
- In 2013, MANE clearly set out its anti-corruption commitments and expectations in its Group Code of Ethics.
- In 2014, as an annex to the Group Code of Ethics, MANE developed specific Codes of Ethics for the roles of buyer, finance director and managing director, which specifically address MANE's expectations with regard to the prevention of and fight against conflicts of interest and fraud.
- In 2015, MANE developed its Purchasing and Sustainable Development Charter for suppliers and its CSR assessment process for suppliers to incorporate the Group's anti-corruption requirements.
- In 2016, MANE developed its Group Code of Ethics to include the concept of conflicts of interest and a process to report violations with the creation of a whistleblowing hotline and an Ethics Committee responsible for processing these alerts.

Each year, training and information sessions on corruption, fraud, and regulatory changes are held internally by the internal control and internal audit departments for financial directors in the Group and its subsidiaries. In 2016, around 550 people across the Group took part in these sessions, meaning that over 10% of the Group's total workforce underwent training on these issues.

Furthermore, a general alert is sent by the internal control and internal audit departments as soon as a fraud attempt is detected in the Group. There were 49 such alerts in 2016.



O U R
C S R
P O L I C Y

Through its decisions and activities, every company has an impact not only on its employees, customers and suppliers, but in a wider sense, 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 in a transparent manner and to improve it by taking into account the expectations of all stakeholders.

CSR GOVERNANCE

In order to incorporate Corporate Social Responsibility (CSR) into its strategy, the MANE Group has implemented an internal CSR management system enabling it to identify and put forward its commitments in line with its interests and those of its stakeholders, and to develop them in the way it conducts business.

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. Its aim is to draw up, coordinate and promote the sustainable development policy within the Group's various departments and subsidiaries. To achieve this objective, it relies on a dedicated CSR Committee (set up in 2013) and a network of around fifteen CSR correspondents in subsidiaries abroad.

The Sustainable Development Coordinator carries out a CSR management review once a year with the participation of the Chairman of the Board of Directors and members of the CSR Committee. During this review, the Group's CSR performance and target achievement rates are analysed in detail in order to judge the suitability and effectiveness of the internal CSR management system and, if necessary, to identify opportunities for improvement.

In addition to the coordination and monitoring of actions resulting from the CSR management system, the Sustainable Development Coordinator carries out internal communication activities dedicated to CSR, awareness-raising initiatives and training of employees on CSR issues, and promotes good CSR practices within the Group.

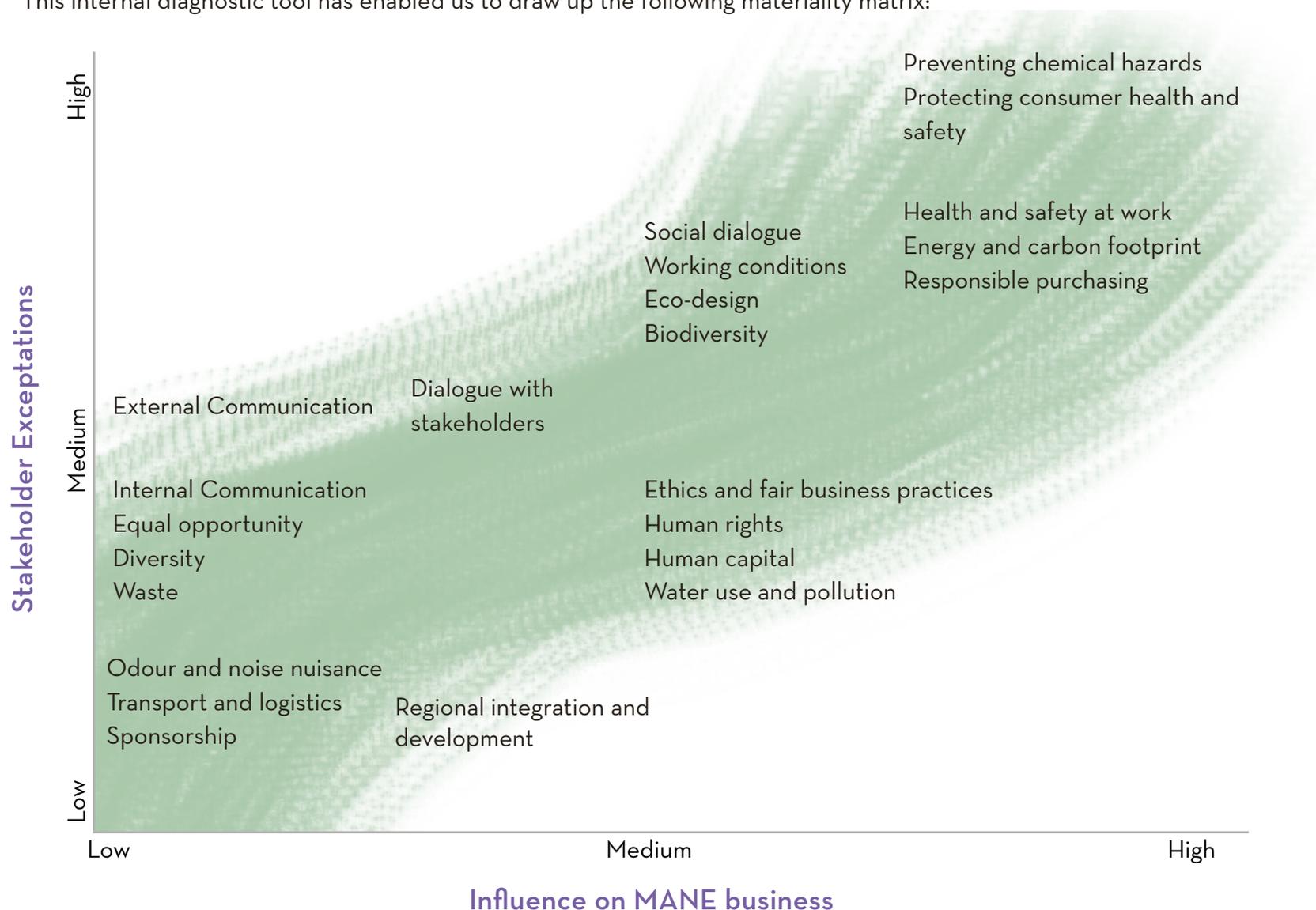
IMPLEMENTING OUR CSR STRATEGY

Identification of relevant CSR issues

In order to improve the relevance of our CSR strategy and communicate our most significant CSR issues in our report, we have carried out a « materiality analysis ». Materiality is one of the four guiding principles of the GRI Version 4 guidelines, according to which the report should address the most significant issues, which are both key to the success of our company and important for our stakeholders.

To this end, we have designed an internal CSR diagnostic tool to identify and rank the many CSR issues facing the company by determining and cross-referencing for each issue the level of importance for the company's business and the level of importance in the eyes of our stakeholders.

This internal diagnostic tool has enabled us to draw up the following materiality matrix:



Sustainable Development Policy

Based on this exercise carried out in 2012, and repeated each year in the CSR management review, we have drawn up our sustainable development policy, which is our roadmap in which we formally set out our CSR commitments and targets for 2021.

These commitments and targets apply to all our sites.

- 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 in a 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 workers through training and strategic workforce planning.
- Apply a responsible purchasing policy that aims to make suppliers aware of CSR and to assess their environmental and social performance.

CSR Management

In order to meet its commitments, the MANE Group has put in place a CSR management system based on continuous improvement and a comprehensive set of internal policies and management systems in the areas of the environment, energy management, the health and safety of employees, quality, food safety, audits and internal controls.

Every year, as part of a transparent approach, we include the results achieved in relation to the targets set and the progress that remains to be made in our CSR report.

EXTERNAL RECOGNITION OF OUR CSR PERFORMANCE

Global Compact Best Communication on Progress Award

Every year for the last 3 years, the French network of the United Nations Global Compact has presented an award for 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 » category for the relevance and quality of its reporting.

EcoVadis

EcoVadis is an independent non-financial rating agency that assesses companies every year in the following areas: social, purchasing policy and business ethics. For some of the Group's most important customers, the assessment of a supplier by EcoVadis is a listing condition.

In 2016, MANE achieved a score of 63/100, a 10% increase on the previous financial year. MANE has made steady progress over 5 years. This score allows the Group to achieve the « Gold » level of recognition and places us in the top 13% of suppliers assessed by EcoVadis in all categories.

CDP

CDP (which was called Carbon Disclosure Project until the end of 2012) is an independent non-profit body that aims to study the impact of multinational companies on climate and the environment.

Every year since 2012, MANE has completed CDP Climate Change, the CDP Supply Chain survey on greenhouse gas emissions, and since 2014, CDP Water, a water management survey.

In 2016, the Group achieved a grade B for its responses to the CDP Climate Change and CDP Water surveys. By way of comparison, the average grade for all companies that completed the CDP Climate Change and CDP Water surveys was D.



CAP 26000 Assessment

In order to give our CSR policy credibility in the eyes of our stakeholders, we had it assessed in 2014 by an independent third-party body based on ISO 26000 (CAP 26000 assessment by Bureau Veritas Certification). We achieved an overall score of 71%, reflecting a good level of CSR commitment and management on the part of MANE. This external assessment demonstrates that MANE's CSR policy is structured, entrenched and complete. CAP 26000 certification is valid for 3 years.

Following on from the evaluation, the areas for improvement identified by Bureau Veritas Certification have been taken into account in our sustainable development management programme.

An aerial night photograph of a city, likely Tokyo, showing a dense urban landscape with numerous illuminated buildings and a prominent tower on the left. Light trails from traffic are visible on the roads. The text 'SOCIAL' is overlaid in large white letters.

SOCIAL

We are convinced that 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 player in the flavour and fragrance industry. Our aim is to encourage them to thrive in the workplace whilst offering them a safe and healthy working environment.

SCOPE

For 2016, the social factors in this report cover the consolidation on a global scale of social information for sites located in the following countries: Brazil, China, Colombia, France, India, Indonesia, Japan, Mexico, South Africa, Spain, Switzerland, Thailand and the United States, a sample which represents 92% of the Group's total workforce.

HUMAN RESSOURCES POLICY

Our objectives

We have set the following 2021 targets for our social commitments :

Occupational health and safety

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

Absenteeism

- Maintain absenteeism at less than 5%

Training

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

Yearly appraisals

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

EMPLOYMENT

Total workforce

As of 31 December 2016, the Group's total workforce (all employees who have a contract with MANE) consisted of 5105 employees compared to 4964 on 31 December 2015, an increase of 3% between 2015 and 2016.

Geographically speaking, the three countries with the greatest number of employees are France with 1502 employees

(29.4% of the Group's total workforce), the United States with 727 employees (14.2%) and Indonesia with 542 employees (10.6%). MANE continues to expand its presence in the rest of the world : China, Brazil and India combined have a total of 1012 employees, representing 19.8% of the Group's total workforce.

OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety conditions

MANE ensures the safety and protects the health of its employees. To this end, the Group is committed to taking the necessary professional risk prevention measures and training employees on these risks.

Each year, MANE devotes considerable human and financial resources to the implementation of an approach based on continuous improvement of occupational health and safety risk management. In France, for example, over 13 million euros has been spent in this area over the past 15 years. Risk analysis is the foundation of our occupational health and safety management system, which focuses on the following points :

- Occupational risk assessment to identify, analyse and rank risks, enabling relevant preventive actions to be put in place. The results of this occupational risk assessment are recorded in a 'single document' made available to members of the Committee on Health, Safety and Working Conditions, staff representatives and the occupational physician;
- Analysis and processing of accidents and near-misses to identify the various elements that contributed to them and to put in place appropriate corrective or preventive measures;
- Safety behaviour visits.

Industrial risk management is also a priority, in particular on our industrial sites that are subject to the Seveso directive, which is the case for the French sites in Notre-Dame and

La Sarrée in the Maritime Alps. The prevention of major accidents is one of our ongoing goals. In this context, our major accident prevention policy sets out our road map for achieving this. It includes training and raising awareness among employees by incorporating industrial safety at the earliest possible stage in the design of facilities, regular exercises to improve understanding of emergencies and internal audits. Finally, and most importantly, we strive to communicate as transparently as possible in the area about industrial safety, both internally and externally, in order to maintain trust with employees, local residents and local authorities.

As part of our occupational health and safety policy, we take into account occupational health risks, i.e. risk factors linked to clear physical strain, an aggressive physical environment or the pace of work. This makes it possible to put in place specific actions related to occupational health risks when preventive measures prove insufficient. At MANE, we have identified noise, manual handling of loads and successive alternating shift work as the three main occupational health risk factors. Ergonomic studies are occasionally carried out on certain workstations identified as being at risk so they can be adapted and improved.

Finally, psychosocial risks are also taken into account as well as other professional risks. These are risks that may be inherent in activities themselves or generated by the organisation of work or relationships. Exposure to these work situations may have consequences for employees' health, such as stress, anxiety, depression and even burnout. It is therefore necessary to assess them and plan suitable preventive measures. As a follow-up to a policy launched in 2011, we are continuing to take action to train and raise awareness among managers and executives on stress prevention and to train medical staff to develop the skills to treat people as soon as they feel they are in trouble.

Accidents in the workplace

2021 Objective : Reduce the frequency rate for accidents at work with leave by 33% compared to 2009



Objective reached and passed in 2016

Thanks to the various actions taken by the Group's human resources departments for the health and safety of employees, the frequency rate for accidents at work with leave dropped from 15,2 in 2009 to 6,7 in 2016, representing a decrease of 56% between 2009 and 2016. We have therefore exceeded by 23% our target to reduce this rate by 33% by 2021 compared to 2009.

TRAINING

Across the Group, 3709 employees benefited from training in 2016, which is 82% of the total workforce (21% higher than in 2009).

In 2016, emphasis was placed on the following training activities :

- Everyday social and relationship management;
- Psychosocial risk prevention;
- The effective practice of conducting two interviews for supervisors and managers: the progress and objectives interview and the professional interview;
- Risk analysis;
- Time management and stress management;
- CSR assessment of suppliers for buyers and internal auditors;
- Energy management (within the framework of ISO 50001);
- The fight against corruption and fraud.

Yearly appraisals

The Progress and Objectives Interview allows employees to talk to their line manager to analyse their training needs and review their achievements over the past year. 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.

2021 Objective : 80% of employees will undergo an appraisal interview or assessment during the year



In 2016, 76% of the Group's employees benefited from an interview or assessment over the course of the year. We must therefore continue our efforts to reach our target of over 80% by 2021 across the Group.

DIVERSITY AND EQUAL OPPORTUNITY

Diversity and anti-discrimination policy

V. MANE FILS' human resources department has signed the Corporate Diversity Charter. Since its launch in October 2004, the Diversity Charter has encouraged companies to guarantee the promotion of and respect for diversity amongst their employees. By adhering to these principles, V. MANE FILS' human resources department has undertaken to fight against all forms of discrimination and to implement measures to promote diversity.

In accordance with the 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 and the progression or promotion of 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.

Gender equality

MANE is careful not to create inequality between men and women. In France, for example, in 2016 the Board of Directors signed a gender equality agreement focused on the following aims :

- Take positive action in favour of gender equality in recruitment and help fight against prejudice in the workplace by supporting diversity of gender and disability;
- Encourage a better work-life balance;
- Support employees' access to training;
- Promote and facilitate women's access to management positions;
- Pursue our equal pay policy.

We are proud of the actions we have taken over the last several years, as they have led to a 6% reduction in the gender pay gap between 2010 and 2016 (from 19% to 13%), as specified previously in the section on « Pay and employee savings scheme ». By way of comparison, the gender pay gap in France is 24% in favour of men.

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.

In 2012, a collective agreement was signed with staff representative bodies for the implementation of actions to adapt workstations, renewed in 2015 for the next 3 years. In France, since the signing of this agreement in 2012, 68 physical adaptations have been made to individual workstations, as well as 8 adjustments to working hours and the creation of 15 reserved parking spaces close to workstations.

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. In 2016, MANE France's purchasing department signed a new contract with ESAT La Bastide de Châteauneuf-Grasse for the long-term purchase of Centifolia roses, cypresses and citrons.

In 2016, for the 6th consecutive year, MANE Bar-sur-Loup participated in the « Défi Sport Handi-Valide O6 (O6 Handicapable Sports Challenge) » boules tournament, an event that brings together the world of work and disabled people in a sporty and friendly atmosphere. This project falls within the scope of social integration aimed at fighting prejudice. Teams made up of company employees and residents in specialist institutions compete in sports events that encourage helping each other, solidarity and cohesion. This year, 20 teams, including 40 participants from MANE, took part in the event.



Generation contract

Our company is 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 2013, MANE signed a collective agreement for France, valid for 3 years, including measures promoting :

- The sustainable integration of young people into employment;
- The employment of experienced workers;
- The transfer of knowledge and skills.

MANE set itself an ambitious target of awarding 35 permanent contracts under this agreement. In the end, over the 3 years of the agreement, 94 permanent contracts were awarded. The agreement has, of course, been renewed.

In September 2015, we received the 2015 generation contract award from the President François Hollande. The MANE Group won in the 300 or more employees category. The main items 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 professional risk prevention - and the willingness to transfer the key skills required by the company.

A photograph of a person's arms and hands hugging a tree trunk covered in green moss. The background is a lush green forest with sunlight filtering through the leaves. The text 'ENVIRONMENT' is overlaid in large white letters.

ENVIRONMENT

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

SCOPE

For 2016, the environmental factors in this report cover the consolidation on a global scale of environmental information for sites located in the following countries: Brazil, China, Colombia, France, India, Indonesia, Japan, Mexico, Spain, Thailand and the United States, a sample representing around twenty sites that ship 97% of the Group's products (in tonnes).

ENVIRONMENTAL POLICY

Our commitments

The main areas of the MANE Group's general environmental policy are :

- The development and dissemination of technologies and manufacturing techniques that respect the environment;
- The prevention of pollution, including air emissions, effluents and waste management;
- The sustainable use of resources;
- Energy efficiency and reduction of greenhouse gas emissions;
- The protection of biodiversity.

Our objectives

We have set the following 2021 targets for our environmental commitments :

Managerial approach

- Increase quantities produced from natural extracts and synthetic molecules with a GREEN MOTION™ score higher than 50/100 to 80%
- Increase the proportion of product (in tonnes) shipped by ISO 14001 certified sites to 90%

Energy and CO2 emissions

- Reduce total energy consumption by 20% *
- Reduce CO2 emissions by 15% (Scopes 1 and 2) *
- Increase the proportion of total energy consumption from renewable sources to 10%

Water

- Reduce water consumption by 15% *

Waste

- Reduce hazardous waste by 33% *
- Increase the proportion of recovered waste (recycled and incinerated with energy recovery) to 80%

* 2021 targets expressed in tonnes of product, compared to 2009.

MANAGERIAL APPROACH

Sustainable innovation

Sustainable development has always been at the heart of our innovation strategy. MANE is committed to developing safe chemical processes and ingredients that respect the environment.

In 2011, we took our sustainable innovation policy a step further with the design of a comprehensive tool to assess all ingredients designed by MANE in accordance with the 12 principles of green chemistry. This tool, called GREEN MOTION™, assesses the impact on health, safety and the environment of ingredients manufactured for the flavour and fragrance industry on a scale of 0 to 100.

The GREEN MOTION™ score is the result of a multi-criteria methodology using the following approach :

- The 12 principles are grouped into 7 basic concepts. For each concept, various criteria are scored such as the E-factor, atom economy, the mass of the chemical reaction, the source of raw materials and the risks and toxicity of reagents, solvents and manufactured products.
- The safer the process and the lower the environmental impact, the higher the score. The assessment process uses a table with questions and answers. Answers may be « yes » or « no », multiple choice or numbers.

In 2013, the methodology was extended to formulae for flavours and fragrances thanks to an internal software program that encourages formulators to develop « greener » products.

GREEN MOTION™ is a very simple tool that can be applied to all kinds of manufacturing processes; pharmaceuticals, fine chemicals, extraction of natural products, biotechnology, etc.

From the laboratory teams to the customer, GREEN MOTION™ provides - in less than 30 minutes - a score for a product's overall safety, environmental impact and impact on the health of people producing or using it. The tool is available online and can be accessed for free following registration at the following link: <https://greenmotion.MANE.com/login>.

Contact person to receive the publication on the results of GREEN MOTION™ in the Journal of Green Chemistry: tony.phan@MANE.com

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

2021 Objective : 80% of our quantities produced from natural extracts and synthetic molecules have a GREEN MOTION™ green score > 50/100



In 2016, 70% of quantities produced from natural extracts and synthetic molecules manufactured at MANE had a GREEN MOTION™ score higher than 50/100.

**GREEN
MOTION**
by MANE

ISO 14001 Management

In order to reduce the environmental footprint of its business, the MANE Group is committed to implementing an ISO 14001 certified Environmental Management System (EMS) on its main production sites. We have set a target of 90% of the Group's total tonnage being shipped by ISO 14001 certified sites by 2021.

MANE's two sites in Le Bar-sur-Loup, Notre-Dame and La Sarrée, have been ISO 14001 certified since 1999. Since then, we have passed all the renewal audits to maintain this certification, as well as extending the scope of the certification to all other MANE sites in France, Quéven and Sablé-sur-Sarthe.

Abroad, MANE's industrial site in Mexico has been ISO 14001 certified since 2012. Our Kancor sites in Angamaly and Byadgi are also ISO 14001 certified. In 2016, MANE's site in Thailand obtained the ISO 14001 certification.

2021 Objective : 90% of our shipped product tonnage is from ISO 14001 certified sites



In 2016, 46% of the Group's total tonnage was shipped from ISO 14001 certified sites. The next sites to go through the certification process are those in China and Indonesia, which will enable the Group to add 17% to its coverage rate over the next two years.

PREVENTING POLLUTION

Emissions

Controlling Volatile Organic Compound (VOC) emissions resulting from the use of organic solvents in some synthesis and extraction activities is paramount for the Group. This approach is based on the implementation of measures at each stage of product development from research to production :

- Reduce the use of organic solvents through the application by Research & Development teams of the principles of green chemistry;
- Use of supercritical CO₂ because in the supercritical state, CO₂ becomes a natural solvent that can be used instead of organic solvents;
- Reduce VOC emissions at source through specific adaptation of manufacturing processes and maximum curbs on the use of solvents;
- Automation of some equipment for greater control of loss in VOC;
- For manufacturing processes and equipment that cannot be hermetically sealed, residual VOC emissions are captured and treated in specific installations available according to the physico-chemical characteristics of the VOC emitted (gas scrubbers, biofilters, condensers, cold traps, etc.).

In France, MANE produces a Solvent Management Plan each year to rank emission sources and define priority actions enabling optimisation of solvent consumption and a reduction in VOC emissions.

In 2016, MANE's two sites in Le Bar-sur-Loup (Notre-Dame and La Sarrée) reduced their VOC emissions per tonne of product by 13% compared to 2015.

The sites in Le 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 installations respectively at the La Sarrée site. In 2016, we were significantly below these regulatory limits with an average of 4.5% at Notre-Dame and 4.9% at La Sarrée.

Given the public health issue associated with employees' exposure to volatile substances that pose an inhalation hazard, MANE has developed a unique and reliable method for calculating the risk of exposure in a more relevant way than the commonly used ECETOC (TRA) assessment tool. This monitoring tool was the subject of the publication of a scientific article in PLOS ONE magazine. With this new tool, we offer a more realistic assessment of the risk of exposure, enabling us to improve respiratory protection for staff in flavour and fragrance manufacturing units in the most appropriate way possible.

Study reference: Angelini E, Camerini G, Diop M, Roche P, Rodi T, Schippa C, et al. (2016) Respiratory Health - Exposure Measurements and Modeling in the Fragrance and Flavour Industry. PLoS ONE 11(2): e0148769. doi:10.1371/journal.pone.0148769

Effluents

Industrial effluents generated by activity on our production sites may contain organic pollutants or undesirable products. It is therefore systematically :

- either pretreated or purified on site in internal effluent treatment units before being released;
- or released in local drainage systems in accordance with regulatory requirements (authorisation, quality of effluent, etc.) and agreements with their operators.

Locally, each site is responsible for defining its effluent management programme according to its level of activity, substances to be produced and products used while complying with local authority requirements. In all cases, we monitor Chemical Oxygen Demand (COD), which is the main indicator of the quality of effluent, after internal treatment and/or before release.

With regard to effluent management, the Group has two objectives :

- Improve the purification yield of our internal treatment units;
- Reduce as much as possible the volume and pollutant load of the effluent released.



In France, effluents from our two production sites, Notre-Dame and La Sarrée in Le Bar-sur-Loup, are released into the environment following purification in our internal waste water treatment plant. It is the Group's only site that releases its purified effluents into the environment. To ensure the effectiveness of purification and the quality of the effluent released, we have put in place a system to monitor and control the quality of the effluent. Since 2011, we have made significant investments (over 3 million euros) in order to achieve this, especially through the installation of two organic membrane bioreactors. This new technology allows us to achieve a better carbon and nitrogen pollution reduction rate and suspended matter rate.

In Le Bar-sur-Loup, we thus reduced the pollutant load of our effluents, in kg of COD per tonne of product, by 61% between 2009 and 2016. In addition to investments made to improve the purification yield of the waste water treatment plant, this result also reflects strict ongoing upstream checks on our releases at the production plant level with, for example, better separation of edible oils in flavour encapsulation plants.

In 2016, the pollution reduction rate was 98.5% for COD, 99.3% for Biological Oxygen Demand (BOD) and 99.8% for suspended matter, which is a very good overall purification yield.

At the international level, in 2014, the Group commenced construction of an internal effluent treatment facility on its new site in Cibitung in Indonesia in order to implement the best available treatment techniques. This facility has been fully operational since March 2016. In 2015, the Group had an effluent treatment station installed on its Kancor site in Byadgi in India. This station enables the industrial treatment of the site's effluent (grease and oil traps, sediment traps, biological and chemical treatment, solar evaporation, carbon filters, etc.) to a level of quality acceptable for the internal reuse of treated water, leading to considerable amounts of water being saved in relation to daily consumption.

Waste management

The Group generates various types of waste while manufacturing its products: paste-like residue, organic waste, sludge from the internal treatment of effluent, edible oils, packaging waste (paper, cardboard, metal, plastic), glass, solvents, etc. Reducing the amount of waste generated and managing it appropriately are priorities for the Group.

Across the Group, 55% of waste comes from our French manufacturing sites in Le Bar-sur-Loup and Quéven, even though they account for only 25% of the Group's total tonnage. This is because, on one hand, these industrial sites carry out activities to extract natural raw materials that generate significant amounts of organic waste, a large part of which comes from plants, and on the other hand, these sites generate sludge from the internal treatment of effluent.

Across the Group, several initiatives have been put in place on the ground to reduce the amount of waste and improve recovery. Here are some examples :

- In India, the Kancor production units (Angamaly and Byadgi) thermally recover vegetable waste from their extraction activities. This organic waste is first steam-cleaned to eliminate solvent residue, then dried (natural dehydration) before being used as fuel for the boilers.
- In Indonesia, our subsidiary has asked its suppliers to change the delivery method for its most important raw materials in terms of tonnage from metal drums with a capacity of 200 litres to 20-tonne ISO tank containers. This initiative reduces the amount of metal waste by 600 tonnes per year.
- In Le Bar-sur-Loup in France, sludge from the waste water treatment plant is converted into dried fuel pellets and vegetable waste from extraction processes is converted into compost for replanting.
- Since the end of 2013, MANE Bar-sur-Loup has sent its non-hazardous residual waste (which, after an initial sorting, still contains cardboard, wood, paper, scrap metal and plastic) to a high-performance sorting centre to be recycled into solid recovered fuel (SRF) for cement plants. This waste was previously disposed of in landfills.
- 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 2016.

2021 Objective : Reduce the amount of hazardous waste generated, per tonne of product by 33 %, compared to 2009



The amount of hazardous waste generated, per tonne of product, decreased by 20% between 2009 and 2016.

2021 Objective : 80% of waste recovered* (recycling and energy recovery)

* Recycled and incinerated with energy recovery



Actions taken in the area of waste recovery (recycling or incineration with energy recovery) led to a steady rise in the recovery rate over 7 years, which increased from 69% in 2009 to 76% in 2016.

It should also be noted that MANE has set up a centralised website, « MANE Good Corner », which makes all used industrial and laboratory equipment in good condition and no longer in use, available to all the Group's sites (technical services, production and R&D). In this way, MANE gives used equipment a second life.

In the fight to reduce food waste, MANE's staff canteen in Le Bar-sur-Loup has put in place several measures over the years :

- 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;
- Offering a new service for meals that are not eaten the first time round so they can be offered again for up to 3 days, in accordance with the law (subject to compliance with health and safety requirements). This amount is then deducted from the number of meals calculated for the next day.
- Offering meals (mainly meat and fish) in parts to encourage standard portions;
- Implementing partial self-service, allowing each employee to create their own meal by choosing what they want (for salads and fruit);
- Systematic refiltering of frying oil in the kitchens after each use, thus reducing the amount of oil required;
- Sorting and putting to the fore foods with short use-by dates (cheese, for example) to encourage consumption of these products and reduce waste.

SUSTAINABLE USE OF RESOURCES

Water

Water consumption

MANE has made the sustainable use of water one of its strategic priorities in terms of environmental management. Water is used in several phases of production and MANE has to manage this vital resource responsibly. 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 that enters the Group's production sites comes mainly from local drinking water distribution networks. As part of the vital collective effort to ensure sustainable management of water resources, MANE is making systematic and continuous efforts to reduce the water consumption necessary for production. This is an ongoing challenge, faced by all our industrial teams. Our target is to reduce water consumption per tonne of product for our production sites by 15% by 2021 compared to 2009.

Our actions focus mainly on the following areas :

- The implementation of specific measures and awareness-raising among staff to reduce water consumption (restraint, recycling, closed circuits, automatic Clean-in-Place (CIP) systems, etc.);
- Monitoring of the consumption of equipment with remote meter reading to detect leaks and abnormalities in real time;
- Improving the effectiveness of purification of effluents, allowing the purified water to be reused internally (for example, in Le Bar-sur-Loup in France and Kancor Byadgi in India).

In 2016, the MANE Group scored a grade B (Management) in the CDP Water rankings, which demonstrates our company's good level of environmental responsibility and the success of our water management actions and policies.

2021 Objective : Reduce water consumption per tonne of product by 15%, compared to 2009



By the end of 2016, we had reduced the amount of water necessary to manufacture a tonne of product by 5%. It should be noted that in France, our two sites in Le Bar-sur-Loup (Notre-Dame and La Sarrée), which account for over a third of the Group's total water consumption in absolute terms, reduced their water consumption by tonne of product by 34% between 2009 and 2016.

Energy

Energy consumption

MANE's industrial activities use energy in different forms. Energy is used directly for the implementation of production processes, to ensure the operation of facilities to protect the environment and for air conditioning and/or heating in buildings.

The main source of the energy consumed at our production sites is natural gas, which accounted for 46% of total energy consumption in 2016. It is used for the steam and hot water generators, the gas burners in the spray-drying towers, to heat the chemical reactors and fractionating columns and to deodorise machines between treatments of different products. Electricity is the second biggest source of energy (41%).

Because their activities (extraction and spray-drying) consume more energy, MANE's manufacturing sites in Bar-sur-Loup and Quéven in France account for 46% of the Group's total energy consumption in absolute terms, despite accounting for only 25% of the total tonnage shipped by the Group. Therefore, we have naturally focused our energy management efforts on these sites.

Energy efficiency

As an extension of the environmental management systems that have already been in place for several years at our sites in France, we have taken the continuous improvement process further by implementing a dedicated energy management system. We based this management system on the ISO 50001 standard.

Indeed, we have put in place the following measures to improve energy efficiency :

- Develop a policy for more efficient energy use;
- Conduct energy reviews to better understand energy use and consumption and to make relevant decisions;
- Closely and continuously monitor energy consumption.

In 2015, MANE Bar-sur-Loup and Quéven became ISO 50001 certified. This voluntary approach is already proving to be successful because in 2016, MANE Bar-sur-Loup reduced its energy consumption per tonne of product by 6% compared to 2015 (and by 28% between 2009 and 2015). Our Kancor site in Angamaly is also ISO 50001 certified.

MANE Inc. in the state of Ohio in the United States is the production site with the second highest energy consumption in the Group, with 20% of the Group's total energy consumption in absolute terms. MANE Inc. now has three production units (Milford, Lebanon and Woodlawn). After the opening of two new production units, in Lebanon in 2010 for the production of flavours in encapsulated form, and in Woodlawn in 2014, MANE Inc. obviously increased its energy consumption, both in absolute terms (from 35,000 to 129,000 GJ between 2009 and 2016) and in average consumption per tonne of product (from 7.7 to 16.8 GJ/t). In 2016, MANE had an energy audit carried out in order to identify and rank opportunities to improve energy efficiency. This initiative and its follow-up should therefore contribute significantly to the Group's target of reducing its energy consumption per tonne of product by 20% by 2021.

2021 Objective : 20% of reduction of energy consumption per tonne of product, compared to 2009



Across the Group, the total amount of energy consumed per tonne of product decreased by 17% between 2009 and 2016. Our target is to achieve a reduction of 20% by 2021 compared to 2009. In addition to the energy efficiency actions carried out in France, our subsidiaries abroad have also contributed significantly to this reduction between 2009 and 2016, especially sites in Colombia (-44%), India (-37%), Brazil (-32%), the United States in Wayne, New Jersey (-32%) and Thailand (-21%).

Using renewable energy

In addition to measures taken to improve energy efficiency, MANE contributes to the development of renewable energy. For example, our production sites in Angamaly and Byadgi in India produce energy from biomass generated on-site. Plant waste from extraction activities is steam-cleaned to eliminate solvent residue, then the biomass obtained in this way is dried (natural dehydration) and used as fuel in the boilers to produce energy in the form of steam. This self-generated energy accounts for over 80% of the total energy consumption of these two sites and 10% of the Group’s total energy consumption.

We encourage production sites that consume the most energy to sign renewable electricity contracts with their suppliers. This is already the case for MANE’s sites in France, making up 21% of their total electricity consumption, and the United States, in Woodlawn and Milford, Ohio (25%) and Wayne, New Jersey (14%). These contracts ensure that for each MWh of electricity consumed, an equivalent amount of renewable electricity is fed into the grid (certified by the mechanism of Guarantees of Origin). We also contribute to energy transition by enabling electricity suppliers to fund research projects on renewable energy or build new renewable electricity production units.

2021 Objective : Use renewable energy sources for 10% of total energy consumption



In 2016, 15% of the Group’s total energy consumption came from renewable sources, 5% above the target we had set ourselves for 2021.

CLIMATE CHANGE

Greenhouse Gas Emissions (GHG)

MANE recognises the threat of global warming and believes companies have a vital role to play in helping to reach the target to limit global warming to 2°C by the end of the century. In 2007, MANE signed the United Nations Global Compact « Caring for Climate » initiative aimed at collectively committing companies to set targets to reduce Greenhouse Gas Emissions (GHG), develop strategies and practices, work with other companies and governments and disclose their emissions each year. In 2015, MANE went further in its commitment by signing the Paris Pledge for Action, an initiative launched by the French presidency of the COP21 that invites all organisations, companies, regions, cities and investors to commit to ensuring that the target level announced by the Paris Pledge for Action is met or even exceeded to keep the world on track to limit global warming to less than 2°C.

In 2016, the MANE Group scored a grade B (Management) in the CDP Climate Change rankings, which demonstrates our company's good level of environmental responsibility and the success of our climate change actions and policies.

To take part in the collective effort, the Group set itself an ambitious target to reduce its GHG emissions (Scopes 1 and 2) by 15% between 2009 and 2016.

In 2016, our GHG emissions per tonne of product increased by 5% compared to 2009. This increase is explained in large part by the opening of a new production site in Lebanon, Ohio in the United States (MANE Inc.) in 2010, and in Cibitung in Indonesia in 2016. These sites not only manufacture products with a higher energy consumption (flavour encapsulation and spray-drying techniques), but are also located in countries where electricity comes mainly from fossil fuels (carbon) and therefore has a higher emission factor. In 2016, these two sites accounted for 47% of the Group's total GHG emissions in absolute terms, despite accounting for only 23% of the Group's total tonnage. Our priority is therefore to focus our efforts on improving our carbon performance at these sites by 2021.

It should be noted that the two production sites in Le Bar-sur-Loup in France, which produce 21% of the Group's total GHG emissions in absolute terms, have seen their GHG emissions ratio per tonne of product decrease by as much as 28% between 2009 and 2016. This clearly demonstrates the efficiency of the ISO 50001 energy management system put in place.

MANE supports the « Gandhi » wind energy project in India

MANE France is committed to offsetting all GHG emissions linked to business flights taken by its employees. EcoAct, a key player in the decarbonisation of companies, is supporting MANE in carbon offsetting to neutralise these GHG emissions. This partnership has led to financial support for a wind farm in the state of Gujarat in north-east India.

In 2016, for the third consecutive year, MANE has contributed to the « Gandhi » wind farm project in the district of Tirupur to offset 2043 tonnes of CO₂ equivalent. The wind farm is made up of 21 wind turbines with a total capacity of 17 MW, enabling the annual production of almost 35 GWh of 'green' electricity for the regional grid in the west of the country, thus avoiding over 30,000 TCDE per year.

India's GHG emissions have increased rapidly since 1999. According to the International Energy Agency, India emitted the 3rd largest amount of GHG emissions in the world in 2013. In a country where the demand for energy increases every year and electricity production still relies mainly on coal or gas-fired power plants, projects such as this serve as an example. This project is helping to develop electricity production in India and reduce the region's emissions and reliance on fossil fuels. It is a step towards a lower-CO₂ economy for the country.

Reduced coal use reduces air and soil pollution and local communities will also be less exposed to the fine particles created during burning. This new subsidiary is also creating local jobs (construction and monitoring of wind turbines, site security, etc.), training for local communities in new roles and improvements in infrastructure (roads, means of transport, drinking water network, etc.). Over 80 schools are also being supported as part of this project.

PROTECTION OF BIODIVERSITY

MANE is a signatory to the « Business and Biodiversity Pledge »

On 2 and 3 December 2016, the Convention on Biological Diversity (CBD) hosted the Business and Biodiversity Forum in Cancun, Mexico. Participants at the forum discussed how companies could contribute to and benefit from the « Aichi targets » (of which there are twenty) which form part of the new « Strategic Plan for Biodiversity 2011-2020 » for the planet, adopted by parties to the CBD in October 2010. These targets are organised around 5 strategic objectives addressing the underlying causes of the loss of biodiversity and society.

- Tackle the underlying causes of the loss of biodiversity by including these issues on government agendas.
- Reduce direct pressure on biodiversity and encourage its sustainable use.
- Improve the state of biodiversity by safeguarding ecosystems, species and genetic diversity.
- Increase the benefits of biodiversity and ecosystems for all.
- Strengthen implementation through participatory planning, knowledge management and capacity-building.

At the end of the forum, over 100 companies including MANE signed the "Business and Biodiversity Pledge", a voluntary commitment to provide solutions for the conservation of biodiversity, its sustainable use and the fair and equitable sharing of benefits arising from the use of resources. This commitment is 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.

Measures taken to conserve and develop biodiversity

MANE actively supports and implements projects to encourage the protection of biodiversity at the local level. Examples of MANE's commitment include :

- MANE's commitment to the Natural Resources Stewardship Circle (NRSC), a voluntary and collective initiative that aims to conserve biodiversity during the sourcing of natural raw materials and to develop fair and lasting cooperation with producer communities.
- MANE's purchasing department's commitment to sourcing from local producers in the Pays de Grasse, the birthplace of the perfume industry, where the cultivation of perfume plants is gradually disappearing in favour of urbanisation, competition from cheaper synthetic materials and the relocation of plantations. The conservation and restoration of biodiversity in Grasse requires the active involvement of all stakeholders in the region, and in particular of the flavour and fragrance industry. In this context, the purchasing department's policy to support local sourcing has focused for several years on building close ties with small flower producers in the Pays de Grasse (jasmine, Centifolia roses, mimosas, violets, etc.).
- MANE's contribution to maintaining and restoring ecosystems and natural environments through tree-planting programmes. By way of example, in 2016, our subsidiary in Brazil supported a tree-planting project by the NGO Onda Verde in the town of Nova Iguacu on the banks of the Ana Felicia river.



SOCIAL
ETAL

REGIONAL, ECONOMIC AND SOCIAL IMPACT OF MANE'S ACTIVITIES

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.

The Group's contribution to the economic and social development of these communities is reflected in :

- the creation of permanent local jobs, both direct and indirect;
- the training and recruitment of local staff;
- the purchasing of local goods and services;
- the choice of investments;
- the decision to set up production sites close to customers.

Our aim is to ensure that our activities create value and opportunity for the communities and territories in which do business by supporting employment, training and local industry. Through this commitment, we stimulate the local socio-economic fabric and facilitate the transfer of skills.

In addition to social initiatives linked to the Group's industrial activities, we are also focusing our efforts on the development of SMEs through local skills development actions. For example, since 2012, MANE has sponsored UPEO6's collective operation « Performance Globale », aimed at supporting Small and Medium-Sized Enterprises (SMEs) in the Provence-Alpes-Côte-d'Azur region of France to incorporate CSR in their company. Through this programme, MANE hopes to share with them its experience and good practice in the area of CSR. An initial group of 20 SMEs has been supported since the first quarter of 2012. Within 18 months of joining the programme, the SMEs have seen tangible results at economic, social and environmental levels: market development, job creation, well-being at work and reduction in environmental impact. At the end of 2014, a second session was launched with 25 new SMEs. Specifically, the SMEs are supported individually and collectively throughout the operation by a group of experts, public bodies and private sponsors, including MANE, to carry out a CSR analysis and implement actions. Each month, joint group meetings to share experiences are organised by the project sponsors on their premises, an opportunity for SMEs and their sponsors to share thoughts and ideas regarding the obstacles they have encountered and good practices for implementation.

PARTNERSHIPS AND SPONSORSHIP

MANE's commitment to local communities also involves general interest measures in its countries of operation. This social commitment is based on close relationships with associations and local authorities and takes many forms: donations to charity, involvement of employees in community projects, financial support to associations and NGOs...

Here are some examples :

- We believe MANE can contribute, if necessary, to the promotion of health in the communities in which the Group operates. In Indonesia, access to medical care is a factor of social inequality. This is why, for several years now, MANE's site in Cikarang in Indonesia has been successfully organising free medical consultation days (health checks and treatment if necessary) for local residents. Each year, more than 500 people from 6 neighbouring villages benefit from this medical programme.
- Also in Indonesia, for 10 years now, MANE has supported the NGO Yayasan Emmanuel, an association that helps over 5000 children and individuals each month through 7 programmes focused on education, housing and community services. In 2007, this commitment started with financial support to build an orphanage. Then in 2008, MANE committed to sponsoring 150 students as part of the NGO's « Outreach Programme », which aims to increase access to education for disadvantaged children. Currently, 250 children are sponsored by MANE to cover their school fees. However, the goal of the programme is not merely to pay school fees; it also provides the social support children need to succeed and make the most of their studies.
- Since 2016, MANE do Brazil has participated with the Brazilian NGO « Onda Verde » in a forestry project aimed at restoring areas degraded by agricultural activities such as the planting of indigenous trees. MANE financially supports the planting of seedlings, including maintenance for at least 3 years.
- In China, MANE Shanghai has supported the association « The Children of Madaifu » since 2013. This association looks after children from poor families in the impoverished Chinese provinces of Gansu and Shaanxi whose parents have disappeared or passed away. Through a 5-year programme, MANE has been providing financial aid to help 15 children (high school and university students) with living expenses and tuition until they enter the job market. MANE then offers internships to interested students. Each 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. The purchase of 10 kg of apples enables the association to support one child for two months. Some of the apples purchased are also given to a French pastry school called « Shanghai Young Bakers », which make pastries that are then purchased by MANE and given to employees.
- In 2016, MANE Thailand organised an auction of office furniture that was still in good condition but no longer used. The aim was for employees to take part in order to collect money for Ban U-Tapao Primary School, located near the site. Thanks to this donation, the school was able to equip its covered playground with a high bay LED lighting system, allowing it to be used in the evenings by the school and the community.

- In 2016, MANE Thailand donated used computers in good condition, books and school supplies to 5 primary schools in the hinterland provinces of Chiang Rai, Lamphun, Sakhon Nakhon and Loei to promote better access to education for children.
- 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.
- Each year, MANE France renews its financial support to several local associations: SolidarSport which promotes respect in all its forms through sport and cultural activities with schools, La Fondation Motrice for people who suffer from cerebral palsy, Les Petites Soeurs des Pauvres, the CEW whose beauty centres provide free cosmetic treatments to hospital patients...

THE MANE BUSINESS FOUNDATION

Our social commitment is also at the heart of the guiding principles of the MANE Business Foundation. The goal of this foundation is to promote, support and coordinate, in France and abroad, projects of general interest relating to sustainable development, the conservation and sustainable use of biodiversity, the reduction of poverty in line with the traditional knowledge of indigenous and local communities, and multilateral agreements with UN institutions (Convention on Biodiversity).

The Foundation has launched a project to promote the harvest of *Echinops giganteus*, a wild plant endemic to south-western Cameroon. In this region, the forest has been excessively exploited by villagers for whom it is the sole additional source of income. This has also had the effect of considerably reducing the habitat of Cross River gorillas, of which only around 40 remain in the region. The harvest of the wild *Echinops*, the scented root of which is of interest to perfumers, is an alternative resource that will allow the forest to be left alone and the natural habitat of the gorillas to be respected. The aim of this project is to encourage rural development through the implementation of a process for the sustainable development of this resource according to the Access and Benefit-sharing principle of the Nagoya Protocol. We chose this project because it offers the best chance of success both in terms of commercial potential and the generation of income for local communities. It is supported by the NGO Man and Nature, which is supported in turn by the local NGO ERuDeF (Environment and Rural Development Foundation), which manages the project to ensure the quality of leadership and governance needed for success. Our R&D teams have received several root samples collected in different seasons, allowing them to carry out extraction tests. Overall, the initial results from these tests are positive and confirm that continued project follow-up is merited.

RESPONSIBLE PURCHASING POLICY

Incorporating CSR in the Purchasing Department

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 its suppliers all around the world based on the balancing of their respective interests, trust and reciprocal commitments in the area of CSR.

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. One of the purposes of the Group's CSR policy is therefore to « apply a responsible purchasing policy aimed at raising awareness among suppliers of the CSR policy and to assess their environmental and social performance ».

MANE expects its suppliers to adhere to the same CSR principles as the company itself. We base this on the Group's Purchasing and Sustainable Development Charter, which sets out the CSR commitments in human rights, labour standards, the environment, biodiversity, responsible purchasing and anti-corruption that MANE wishes to share with suppliers. Suppliers must be aware of the principles set out in these guidelines and commit to respecting them. Respect for these principles is an important criterion in the choice and management of suppliers.

As an extension of these guidelines, a CSR self-assessment questionnaire and scoring guide is sent to suppliers, in particular suppliers and/or small businesses that are least advanced in this area, to help them gain a better understanding of the actions and expectations associated with various CSR issues. Depending on suppliers' results, MANE may ask them to implement corrective action plans as part of a continuous improvement process, if necessary.

At the end of 2016, over two-thirds of our most important suppliers (making up 95% of the total purchases of MANE France) responded to our CSR self-assessment questionnaire.

Since 2016, MANE has also been using EcoVadis assessments, a collaborative solution that allows suppliers to minimise the amount of work involved in CSR reporting by reusing their results for several customers.

In addition, to better manage the risks associated with certain products, we have mapped potential CSR risks for each purchasing category. Used in conjunction with the CSR self-assessment for suppliers, this tool allows us to identify and rank suppliers in order of priority in terms of CSR. If a supplier has been identified as potentially at risk in terms of CSR, MANE asks them to take appropriate action taking into account the risks identified. If necessary, a CSR audit will be carried out on-site as soon as possible.

Since 2013, MANE has organised internal training sessions for all its quality auditors and buyers on CSR audits conducted on-site at our suppliers' place of business. Every year, CSR audits are incorporated in the external audit programme in accordance with the priorities set out at the end of the first level of risk analysis of suppliers described previously. Performance indicators have been put in place to guide the Group's actions in the area of responsible purchasing with regard to the CSR commitment of suppliers and the completion of on-site CSR audits.

2021 Objective : 90% of our purchasing volume provided by signatories of the Purchasing and Sustainable Development Charter



At the end of 2016, 81% of MANE France's purchases were made from suppliers who have signed the Group's Purchasing and Sustainable Development Charter.

2021 Objective : 50% of key suppliers undergo an on-site CSR assessment



Since the end of 2013, 18% of our main suppliers have undergone a CSR assessment (on-site CSR audits in 95% of cases and EcoVadis assessments for the rest).

Sustainability of our natural raw material supply chains

Plant-based raw materials represent a significant part of our supplies. To ensure their quality and secure the supply chains of our most strategic natural raw materials, it is necessary to go further than our CSR assessment process for suppliers and to ensure the sustainability of these chains so they can meet the challenges of sustainable development.

Vanilla production in Madagascar

The vanilla beans processed by MANE come from Madagascar, which produces between 70% and 80% of the world's vanilla. Our supply chain, in place for over forty years, was strengthened twenty years ago with the creation of a local structure to help producers improve their farming practices and export the vanilla beans. Our partner, Floribis, represents MANE's interests locally with farmers, cooperatives and gatherers. However, MANE also deals directly with cooperatives to guarantee a minimum order and purchase price and with NGOs aiming to conserve biodiversity. For example, Floribis's extension agents teach farmers how to improve cultural practices and preparation. These efforts significantly improve the quality of the vanilla bean. Farmers are encouraged by the results.

With Floribis, MANE has developed strong ties with local communities and endeavours to constantly create shared value with all stakeholders involved in the production of vanilla in Madagascar. Following initiatives in place since 2009 to support the Fitama cooperative to produce fair trade certified vanilla, MANE remains committed to promoting sustainable development in Madagascar. In May 2014, MANE signed a tripartite agreement to implement an entirely traceable vanilla supply, from pollination to the flavour stage. The aims of the partnership between the NGO Fanamby, Floribis and MANE are :

- Ensuring a stable supply of vanilla beans;
- Guaranteeing complete traceability along the supply chain;
- Ensuring 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 and Antalaha) in north-western Madagascar;
- Guaranteeing sustainable and responsible purchasing that complies with ethical and social standards. One critical issue is ensuring food storage and supply for periods where there are no crops to meet basic needs. In order to help store food, MANE 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.

From a social point of view, the vanilla that MANE buys from Floribis and Fanamby benefits 500 agricultural workers and 280 farmers which, including their families, represent a total of around 1,900 people. MANE and Floribis have implemented a payment system for farmers so that they can earn extra income for higher quality vanilla beans. We provide training and guidelines on harvesting beans that have reached full maturity. The training is adapted to take the farmers' expertise into account and aims to share good pollination, farming and treatment practices.

From an environmental viewpoint, conserving biodiversity is a major issue for Madagascar, particularly deforestation, with the expansion of plantations to the detriment of forests. The NGO Fanamby and Floribis are working on mapping domains to limit forest destruction and have implemented a 5-year reforestation programme in the 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. The national park will soon be listed as a UNESCO World Heritage Site.

Madagascar vetiver

Vetiver is a remarkable and very undemanding plant currently grown for its roots, which can grow to a depth of 3-4 metres. 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. Also, vetiver has always been used for perfume, extracted from its roots.

Since the 1980s, the authentic Bourbon type of vetiver had disappeared from the market as a result of more competitive prices from new sources. Devastating hurricanes in Haiti have also led to a bad harvest of this source, causing prices to rocket.

Six years ago, in collaboration with the communities involved in MANE's vanilla production in Madagascar, MANE reintroduced the cultivation of Bourbon vetiver crops 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 MANE's plantation in Madagascar, farmers are trained by our local partner Floribis to follow good harvesting practices to ensure constant quality.

Timur berries from 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), vegetable and woody notes, and provide interesting olfactory properties to perfumes.

The berries grow on small thorny trees of the *Zanthoxylum armatum* species that are, in the wild, native to the mountains of Surkhet in the middle mountains region (also known as the hill region) of Nepal, between 1000 and 2000 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 the NGOs SNV and Pard Nepal, MANE supported the development of a sustainable supply chain for Timur berries with the Kuvindedaha community in the Salyan district. MANE has signed a trade agreement that aims to increase income and stabilise demand for farmers while ensuring quality and traceability for customers.

Around 75 households (approximately 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 rainwater reservoirs and rolling out an educational programme for the 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.

CONSUMERS AFFAIRS

Consumer health and safety

The quality and safety of our products is and always will be our absolute priority. We are mindful of our responsibility as a manufacturer of flavours and of the scope and importance of our processes on the final quality of products. Here are some examples of action we are taking to ensure the protection of 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.

In addition, all 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 physico-chemical, microbiological and organoleptic tests. This ensures that the finished products we supply to our customers are safe and of uniform quality for consumers. MANE's sites in Brazil, Chile, China, Colombia, India, Indonesia, Italy, Japan, Mexico, Spain, Saudi Arabia, Thailand and the United States (Wayne, New Jersey) are ISO 9001 certified.

MANE's sites in Brazil, Chile, China, India, Indonesia, Mexico, Spain, Saudi Arabia, South Africa and Thailand are FSC 20000 certified, its sites in the United States (Lebanon, Milford and Woodlawn) are SQF 2000 certified and its sites in Colombia and South Africa are ISO 22000 certified.

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 of all new research projects is subject to a rigorous safety assessment process, and production is conditional on the acceptance of a scientific committee made up of various stakeholders. 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.

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 point of view, although the first step for MANE involves developing products with greater social and 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 possibility to find out about the environmental profile of products and makes them aware of the choice of more 'green' formulae. We also share this tool with them so they can assess their own product/process combinations.

In terms of nutrition, our customers in the food industry are faced with ever-increasing demands to reduce the sugar and salt content of processed food and drink. The challenge is to do this without drastically altering the taste consumers are used to. In terms of taste-related qualities, there are real opportunities to optimise products by working on flavours. For example, with its « SENSE CAPTURE™ » product range, MANE offers natural flavour solutions that enable us to reduce the amount of salt and sugar in food products with no after-taste for consumers.

Stevia is a natural plant that contains a complex molecule called stevioside, and is 300 times sweeter than classic sugar with no calories. MANE has developed a « SENSE CAPTURE™ Stevia », product range to offer its customers an alternative to artificial sweeteners and sugar, while masking the strong liquorice flavour of stevia.

Another observation: high sodium consumption (>2 grammes per day, the equivalent of 5 grammes of salt per day) can lead to high blood pressure and an increased risk of heart disease and stroke. Reducing the salt content of food is one of the main ways to improve public health. The « SENSE CAPTURE™ Salt » range has therefore been designed with this in mind, to offer customers the option of reducing the salt content of their food without altering the taste. Finally, another example of an innovative solution with regard to nutrition is the incorporation of vegetable protein in meat products. Fibre intake in France is estimated at 18 grammes per day, even though the French Agency for Food, Environmental and Occupational Health and Safety (Anses) recommends a minimum daily allowance of 25 grammes per day and an optimal intake of 30 grammes per day. MANE therefore offers formulae where animal proteins are replaced by vegetable fibres, resulting in burgers that are particularly rich in fibre while ensuring a visual appearance, texture (thick, firm and juicy) and taste similar to that of a 100% meat product.

WE
CAPTURE
WHAT
MOVES

