

ANNUAL REPORT 2013-05-02

Member organisation's name:	Bayer Santé Familiale - Division Serdex
Main address:	1, avenue Normandie Niémen Lons F64140 France
Webpage:	http://www.serdex-plantextracts.com



Bayer HealthCare
Consumer Care

COMPANY DESCRIPTION

Serdex is a division of Bayer Santé Familiale, whose main activity is the production and sale of OTC drugs. Serdex produces active natural extracts of tropical plants for pharmaceutical or cosmetics applications. Originally all its business was in the pharmaceutical sector.

Serdex is recognized as the specialist in natural active ingredients from tropical plants. To reach this goal, Serdex is acting and competing in three main areas:

- Specific ethnobotany expertise to guide both its own development as well as its partnerships with clients.
- Its investment in R&D drives its development.
- Sustainable development and fair trade are an integral part of its strategy.

As UEBT member, the division Serdex of Bayer Santé Familiale is committed in the steady improvement of its organization and management of herbal supply in order to consider the impacts on biodiversity, sociological and ecological issues in connection with wild herbals collect. Serdex therefore works in compliance with Biotrade guidelines and tries to provide the most appropriate answers to upgrade its business and supply model involving herbals in Madagascar, local partners and Madagascan communities.

UEBT MEMBERSHIP OBLIGATIONS

Steps	Dates <i>Historical/expected</i>	Verification Body
UEBT audit 1	2008-03-28	SGS Qualifor
Provisional Membership, if applicable	NA	
Work-plan approval	2008-06	SGS Qualifor
Membership status granted	2008-09	
Annual report 1	2010-09-14	
Annual report 2		
Audit 2	2011-10-19	Ecocert SA
Annual report 3	2013-05	
...		

Implementation indicators submitted to UEBT? Yes No

Documents annexed for public use? Yes No

If so, number of annexes: 1

Description of the annexed documents:

Leaflet sustainable development

etc.

PROGRESS IN IMPLEMENTATION OF UEBT MEMBERSHIP OBLIGATIONS

Progress made in the implementation of the Ethical BioTrade Sourcing Targets

Please provide a short up-date on where your organisation stands in the development and then implementation of its Ethical BioTrade Sourcing Targets. In case of development process, please provide a target date when they will be publically released.

Sourcing targets are not implemented yet. Due to focus on actions plan more specifically, they would be considered more likely on 2e semester 2013.

Progress made on the Biodiversity Management System (BMS)

Please provide a short summary on the progress made in the creation and/or implementation of your organisation's BMS based on the previous audit key findings.

Biodiversity Management System adaptation is currently planned for 2014.

Progress made in the use of the Ingredient Portfolio Assessment (IPA)

Please provide a short update on where you stand in the completion of the Ingredient Portfolio Assessment.

IPA was drafted for both plants with influence and natural ingredients without influence before the audit in 2011. It has been recently updated according to new UEBT template.

Both IPA assessments conclude prioritization of Centella asiatica sourcing.

Progress made on the implementation of the UEBT principles on patents and biodiversity

When applicable, please provide a short update on the implementation of the UEBT principles on patents and biodiversity in your patent policy and portfolio.

Patent policy (internal document) has been implemented in 2011. Some pending patents applications have been updated accordingly and new patents application are drafted according to this policy.

Percentage of the Ethical BioTrade work-plan implemented

Which % of your organisation's total Ethical BioTrade work-plan has been implemented? Please provide a realistic estimate.

Around 30% of the total work-plan of Division Serdex - Bayer Santé Familiale has been implemented since the audit in 2011.

Progress in the implementation of the Ethical BioTrade work-plan

Please indicate what are your prioritized supply chains.

Prioritized supply chain is Centella asiatica.

NB. Formalization of the relationship with one supplier including key elements about ABS and sustainable development approach (pending contract on the same basis with 2nd supplier).

Please provide a brief indication of the progress that your organisation has made in the implementation of the Ethical BioTrade work-plan.

Progress should be reported upon at the level of the Principles of the Ethical BioTrade Standard. If possible, please distinguish between the work carried out at the level of your organisation's management system and at the level of your prioritized supply chains.

Principle 1. Conservation of biodiversity

Management system	
Supply chain	Implementation of a specifications / requirements (cahier des charges) for new plants (other than Centella) for quality needs and to reinforce care towards collect of wild plants

Principle 2. Sustainable use of biodiversity

Management system	
Supply chain	

Principle 3. Fair and equitable sharing of benefits

Management system	
Supply chain	<p>Formalization by contract including main aspects of improvements have been performed with one of our supplier:</p> <ul style="list-style-type: none"> - mention of ABS and commitment in biodiversity as core value of sourcing - implemented annual negotiation & pre-financing - sampling methodology <p>Non-monetary advantage with 1st step of tool investment for future local extraction (for implementation in 2013) and additionnal premium to plants price for specific costs linked to sustainable development and analysis cost</p>

Principle 4. Socio-economic sustainability

Management system	
Supply chain	

Principle 5. Compliance with national and international legislation

Management system	
Supply chain	

Principle 6. Respect for the right of actors

Management system	
Supply chain	

Principle 7. Clarity about land tenure, right of use and access to natural resources

Management system	
Supply chain	

Changes in Ethical BioTrade work-plan

If any significant changes have been made in the Ethical BioTrade work-plan, please indicate them here, together with the nature of these changes and the rationale.

Not applicable

ADDITIONAL INFORMATION

Details mentioned hereabove concern specifically the actions performed in 2012. If you want more precisions about former years, details are provided in previous public documents.