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QUESTIONS TO THE CANDIDATES FOR THE FINAL JUDGING ROUND

Cocomat

1. Besides focusing on raw material, how does the company implement CR / sustainability criteria into production and other processes?

COCO-MAT operates in the industrial zone of Xanthi, in the wider region of Thrace, which is designed to become one of the most developed industrial areas of Greece. COCO-MAT's premises are located in the industrial park of the Industrial Development Bank of Greece. The infrastructure of the area allows the company to manufacture its products without any adverse noise pollution. The machinery is certified with the sign C.E. and as far as the level of noise is concerned, its contribution to the general noise is less than the limit imposed by E.U. legislation.

The operation of COCO-MAT's factory has the minimum possible harmful impact on the environment. The liquid waste of the factory is only that generated by the people and by ordinary cleaning.

COCO-MAT places great emphasis on the protection of the environment, a commitment that is evident in the use of ecological materials and in the avoidance of the use of chemical materials. It should be pointed out that the percentage of rubber foam purity that is manufactured at the company's premises, reaches a level of 96% - for which COCO-MAT can be proud as it has a worldwide record. In addition, all the packaging materials that are used by the company are recyclable and are collected by the company upon delivery of its products to the customers, for returning to the factory for recycling.

Moreover, COCO-MAT started a campaign for the suppression of use of plastic under the name "2004 without plastic". That's way the plastic package of the mattresses has been replaced with cotton cases. According to this philosophy furniture is delivered in wooden boxes. In addition COCO-MAT uses gas for its cars and factories. We also decided to introduce the use of photovoltaic systems for the company's headquarters in Athens.

COCO-MAT also designed and implemented a program that aims to reduce the use of plastic. Moreover, the plastic that is already used in the production process is collected and recycled after its use. The same policy to paper used for production and administration of the company.

In addition, 100% cotton shopping bags are given away free, together with the COCO-MAT brochure. Since 1998, approximately 650.000 cotton bags were delivered door to door.

The percentage of recycling residue in 1995 and 1996 was stabilised at 27%, whereas in 2000 reached a percentage of 100%. This is caused by the fact that since 1997 the company



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started to use modern equipment for processing the residues of natural rubber, textile and elastic coco-fibre.

2. What is done in terms of resource and energy efficiency?

- a. Are social aspects considered in relation to suppliers and in supplier reviews? Are suppliers supported in dealing with such issues?

The company's relationship with its suppliers is based on the fundamental condition:

to primarily comply with the company's requirements on quality, and secondly to work together with the company to a common target of development.

The company provides its suppliers with technical support and training, in order for them to effectively support the common goals. The number of suppliers has been reduced by 24% since the launching of the company, so that there can be effective co-operation and quality control. 72% of the suppliers have received Certificates as per ISO 9000 or other similar strict approvals of quality assurance. COCO-MAT constantly keeps its suppliers well-informed providing knowledge on items such as ISO 9000 etc. The suppliers receive a list with problems that have occurred or useful recommendations pertaining to their efficiency. The suppliers on their part are asked to present their own suggested improvement plan.

- b. How are employees integrated into the CR Process (not into decision-making processes in general)?

All employees are encouraged to take action and initiate projects related to CSR activities and Diversity Programs. Employees' involvement in the decision making process is a focal point for the smooth operation of the company. Through their extensive participation in the decision making process, they can express their views and problems, take initiatives and suggest any solutions.

The head of TQM has special papers, where every employee can write down his or her proposals and ideas.

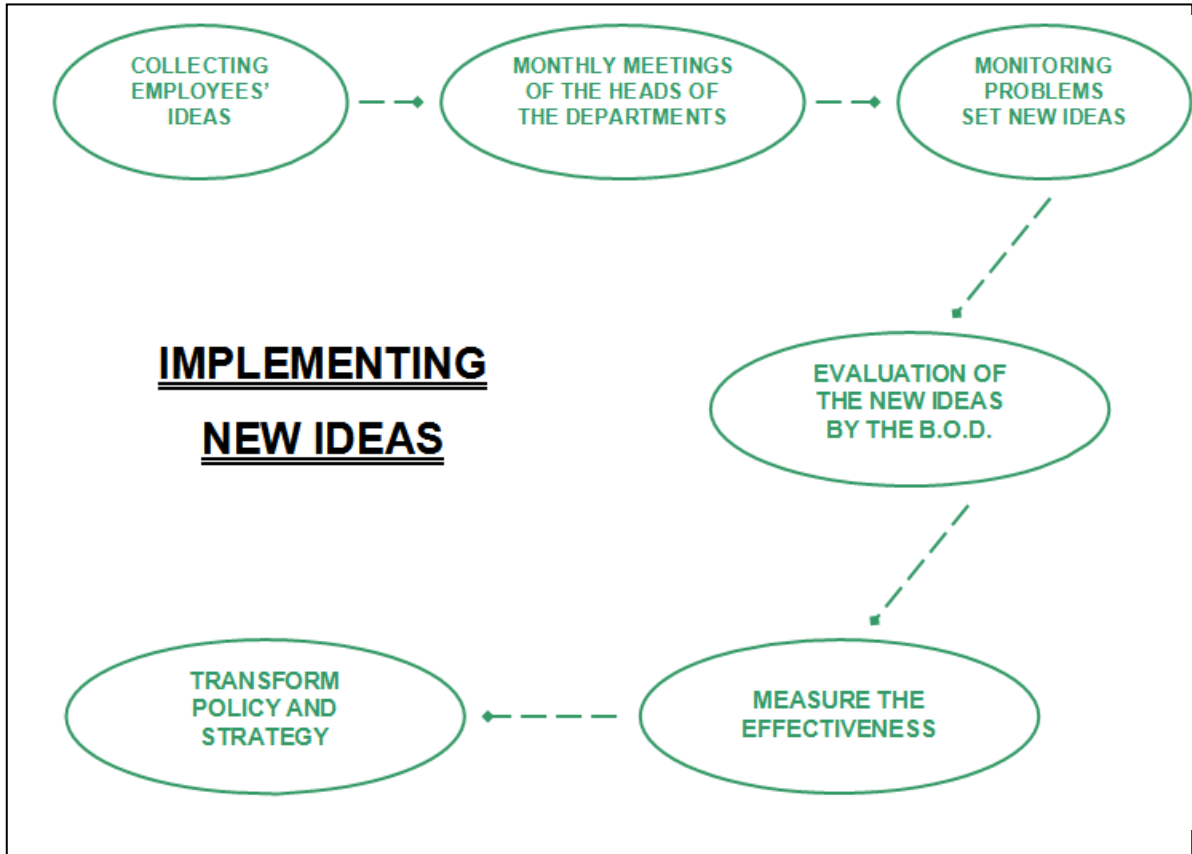
The procedure for the collection and assessment of innovative ideas involves three stages:

- 1) Collection of employees' ideas by the H.O.D.
- 2) Grouping and assessment of ideas by the Head of the H.R.O.
- 3) Presentation of ideas by the Head of the H.R.O. to the B.O.D. and decision making during its regular meetings.

Schematically, the process is as following:



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3. How is CR organized in the entire company, in all countries with Cocomat sites/outlets?
3'. Please specify what is done in all countries to promote and respect the fundamental rights (International Labour Organization) and then make decent work a reality.

Before making a new collaboration, COCO-MAT makes sure that its potential partners share the same vision and culture. We visit them on a regular basis, we train them and we assess their CSR policies.

Related documents can be attached upon request.

4. Please specify the impact of your CR Strategy and programs to your business performance

COCO-MAT is one of the 500 nominated companies of Europe's fastest-growing, entrepreneurial and job-creating companies, according to Europe's 500 Listing. Furthermore, it is one of the 10 fastest growing companies in Greece.

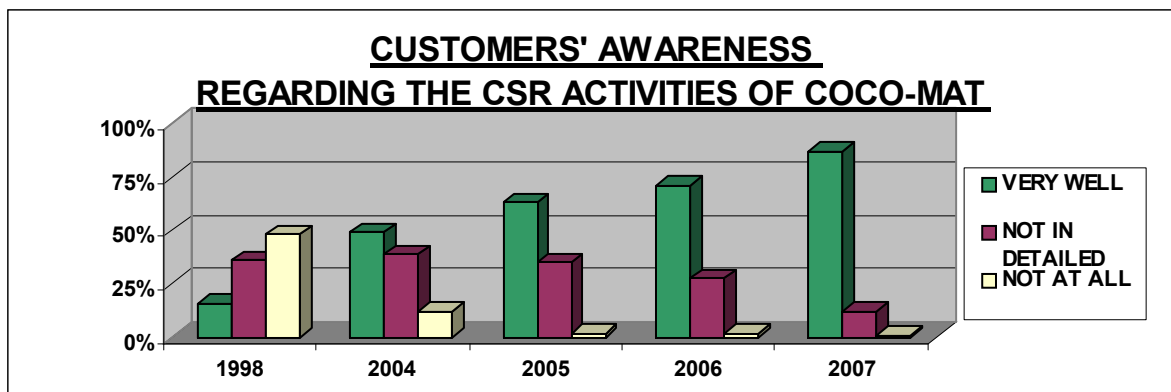
The number of outlets has increased drastically over the past few years and there are now 34 COCO-MAT retail outlets in Greece, seven in Europe (Limasol, Nicosia, Madrid, Amsterdam, Rotterdam, Arnhem, Antwerpen) and three in China. Moreover, a new production unit and



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distribution center started its operation in China 3 years ago. For these investments COCO-MAT was able to use its own capital and not rely on loans. The tremendous growth and expansion of COCO-MAT, in combination with its high quality products, has now resulted in the name of “COCO-MAT” being familiar in most European consumer markets.

The most important factor in this Quality Excellence journey, is that “special skilled” (disabled) people are leading the company producing pure natural products.



The sources from which COCO-MAT draws this information is the “Customer Satisfaction Form” and the “Stores’ Monthly report”.

- Besides social events, donating and sponsoring, does Cocomat cooperate with stakeholders regarding issues close to their core business? E. g., does the company cooperates with NGOs to ensure that the raw materials are produced under fair, socially and ecologically sound conditions in China or Sri Lanka?

COCO-MAT reviews and improves the efficiency of its main suppliers in Sri-Lanka. 98% of the Sri-Lanka unit belongs to COCO-MAT and COCO-MAT experts train the local personnel. Selected personnel from Sri-Lanka and China visit the main company in Greece, for training and co-ordination of plans. This tactic aims to drive suppliers towards breakthroughs and supports them with knowledge from within the framework of wider creative planning.

The List of Approved Suppliers ensures the smooth operation of the company and has a direct result on the quality offered to customers. The list is kept by the head of the supply department and is assessed once every 6 months or more often if necessary. This assessment is performed with regard to the company’s needs, the performance of certain suppliers, their CSR policy, the quality of the provided materials and services, the cost of each partnership, the technological advancement and modernisation of suppliers and their compliance with international standards, or indeed, lack of it. The head of the S.D. visits periodically the suppliers’ premises in Greece or abroad in order to evaluate them on an ad hoc basis.



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6. How does Cocomat put its company philosophy "WE ARE CREATING OUR CUSTOMERS" into practice?

In its attempt to meet its target to “focus on the customer” COCO-MAT has taken a series of measures, always taking into consideration the needs, preferences and views of both existing and prospective customers. The analysis of data with regard to the customer is carried out at regular time intervals and the customers’ participation is encouraged, thereby achieving a review of customers’ satisfaction about the quality of COCO-MAT products and services.

COCO-MAT can be very proud as the percentage of satisfied customers is higher than 95% and customers loyalty is one of its strongest points. Moreover, it aims at the creation of consumers with an ecological conscience. The company’s philosophy is the following: “WE ARE CREATING OUR CUSTOMERS”.

With regard to retail customers, it is COCO-MAT’s intention to transform its relationship with them from being an ordinary one of seller-buyer to a friendlier one, with the aim of providing customers with first-hand information, and give them the ability to express their opinion on the company’s products and services. In every COCO-MAT shop the customers are offered figs, nuts, fruits of the season and freshly squeezed orange juice.

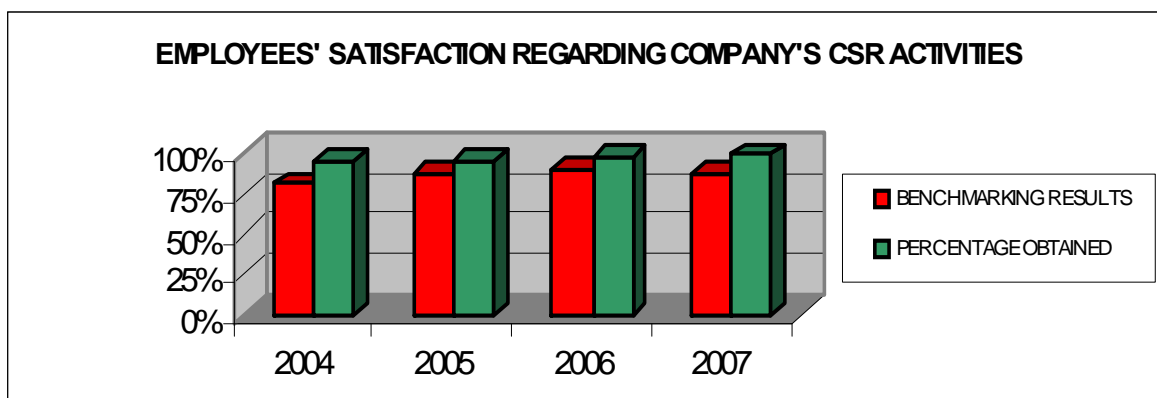


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7. Please specify (if you have any) all the CR Related Key Performance Indicators and its annual performance

KEY PERFORMANCE INDICATORS RELATED TO CSR ACTIVITIES		
KPI's	TARGET 2007	RESULTS 2007
DIVERSITY PROGRAMS	Hiring <10% disabled people, <40% immigrants	Hiring 12% disabled people, 46% immigrants
EMPLOYEES TRAINING, SELECTION, DEVELOPMENT AND ASSESSMENT	<80% of the personnel	90% of the personnel
ECO-FRIENDLY POLICY	90% use of cotton cases for the transportation of mattresses	98% use of cotton cases for the transportation of mattresses
RECYCLING RESIDUES	100%	100%
DONATIONS	0,46 Mil. €	0,48 Mil. €
PROMOTION OF CSR CULTURE	Participation in conferences	Participation in 14 conferences

8. Please provide us with evidence (if you have any) on staff opinion regarding your CR Strategy.





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One of the company's main objectives is to find out and resolve any dissatisfaction among employees. Measurement is obtained from the questionnaires that have been completed by COCO-MAT employees (form DP-021). Employees have the option to maintain their anonymity, enabling them to respond as objectively as possible.

COCO-MAT
Sleep on nature
EMPLOYEES' SATISFACTION

HOW YOU ASSESS THE COMPANY AT THE FOLLOWING SUBJECTS
FORM DP-021

	0	2	4	6	8	10
1 Health conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Safety conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Working hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Salary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Facilities and extra benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Career development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Taking initiative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Participation in decision making processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Communication with the leadership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Handling complaints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 Cooperation with colleagues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 Access to information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 Creativity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Use of innovation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 Fair processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 Recognition from the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18 Organization of cultural events	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 Company's role to the society	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20 Company's environmental action	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21 Company's products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22 Company's services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATE: _____
 DEPARTMENT / STORE: _____
 NAME (optionally): _____



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9. What is the most innovative aspect of the company's CR approach?

COCO-MAT, acknowledges variation in human character and does not apply concrete and bold criteria in recruiting new employees. Characteristics, such as behaviour, personality, professionalism, career orientation, commitment, loyalty and ecological sensitivity are considered as the most crucial criteria for selection, in combination with candidate's background, specific knowledge, professional training and working experience.

The company's management policy provides equal opportunities for all employees. It is worth noting that COCO-MAT has achieved an exceptional and honoring novelty: more than 70% of its employees are refugees from the ex Soviet Union and Turkey, a fact that demonstrates the company's interest in special social groups. This interest is also expressed by the recruitment of "special skilled" people, people from families with many children and people who face racial, religious and ethnic discrimination. In our company we have 13 nationalities and 9 religions.

COCO-MAT's leaders act as role models for the company's values by demonstrating their commitment to the company's quality culture.

For example, the leaders of the company attend TQM training, drive the same car as employees, are non-smokers (and provide a monetary reward for the efforts of personnel to quit smoking) are blood donors (the 10th of November has been established as the Blood Donation Day for the company) and take exercise (basketball, football, winter swimming, skiing with employees etc).

Direct communication between the employees and the Management is COCO-MAT's basic philosophy. It is significant that everyone is addressed by his first name or nickname and not by his surname or title.