



# A New Dimension

2010 BUSINESS REVIEW



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2010

## A New Dimension

A key enhancer of sustainable mobility and the living environment, Plastic Omnium holds world leadership positions in its two core businesses:

- + Automotive: body modules and components, and fuel systems,
- + Environment: products and services for waste management, signage and urban installations.

Highly responsible and firmly focused on the future, the Company innovates constantly to provide carmakers as well as local communities and their constituents with solutions that respond to global environmental challenges.

With operations in 27 countries on four continents, Plastic Omnium is bolstering its positions in high-growth regions.

Driven by the same entrepreneurial spirit since its founding in 1947, the Company strengthened its strategic commitment to developing as an independent company in 2010 by acquiring all outstanding shares in its fuel systems business. The acquisition enabled Plastic Omnium to acquire a new dimension, thereby brightening its future growth prospects.

3.6

billion euros  
in revenue

4%

of revenue  
allocated to R&D

18,000

employees

96

plants

## Message from Laurent Burelle

Chairman and Chief Executive Officer of Compagnie Plastic Omnium

“In today’s fast-changing world, we have **competitive strengths** that will enable us to meet new challenges and manage new projects in our markets.”

2010 was an excellent year for Compagnie Plastic Omnium, which set records in terms of revenue as well as growth in operating profit, net profit and free cash flow. All our businesses and regions showed sharp improvement in both revenue and earnings.

In addition to this organic growth, in September 2010 we acquired the 50% stake in Inergy Automotive Systems that we did not previously own. This acquisition was carried out on good terms, especially since the global automobile market had a record-setting year in 2010, with 74 million vehicles produced worldwide, a 25% increase over 2009.

At the same time, our businesses for local communities also continued to expand, with revenue rising 6% for the year.

This profitable growth was achieved on a leaner cost and expense base, thanks to our PO 2009 cost-reduction plan, launched in 2008.

Our historic regions like Europe and North America reported strong growth while newly industrialized countries like Brazil, Russia, India and China, in which Compagnie Plastic Omnium operates and now generates 12% of its revenue, considerably outperformed the rest of the world. With two core businesses – Automotive and Environment – and different customer portfolios – 30 carmakers and 7,000 local communities – as well as 96 plants on four continents, we’re able not only to diversify risk but also to take advantage of global growth wherever it occurs.



This strategy is supported by a commitment to the 5 i's that we have steadfastly applied throughout our history:

**INDEPENDENCE** in our highly responsive decision-making process, with majority control supported by healthy balance sheet ratios.

**INVESTMENTS:** Plastic Omnium is a manufacturing company whose development is ensured by production facilities around the world that are located near our carmaker and local community customers and focused on maintaining high productivity.

**INTERNATIONALIZATION:** since the 1970s, the Company has been expanding in the international marketplace in an assertive, proactive commitment to developing the production base.

**INNOVATION:** innovating with new materials, technologies, products and services is part of our genetic code. The composition of the Board of Directors reflects the importance of innovation for the Company.

**INTEGRATION:** with our operations outside France accounting for four-fifths of our revenue and 70% of our workforce, integration of new team members has naturally become a top priority and one that has been gaining momentum as we develop in new markets.

Without underestimating potential risks at either the local or global level, I nonetheless feel justified in saying that, based on information currently available to us, 2011 will be an even better year than 2010.

I wish you all the best.

**Laurent Burelle**

A handwritten signature in black ink, consisting of a vertical line followed by a series of loops and a horizontal underline.

# 2010: a decisive phase for growth

Plastic Omnium reaped the rewards of its PO 2009 cost-reduction plan, introduced in 2008, and its ongoing development in Brazil, Russia, India and China. Thanks to its sharply higher earnings and cash flow-generation in 2010, the Company had the resources to acquire all outstanding shares in Inergy Automotive Systems. By strengthening the Automotive Division, developing new facilities in Asia and expanding its portfolio of innovative products and services, Plastic Omnium has acquired a new dimension and entered into a new phase of dynamic growth, while demonstrating the validity of its strategic vision and its ability to rebound strongly.

## SIX MILESTONES IN THE COMPANY'S HISTORY

**1947**

Creation of Plastic Omnium in Paris by Pierre Burelle. Over the years the Company will specialize in automotive components and environmental products and services

**1964**

Acquisition of Union Mutuelle des Propriétaires Lyonnais, a sanitation company, and creation of Plastic Omnium Environment

**1986**

Acquisition of bumper manufacturer Landry Plastiques and its subsidiary, Techni-Plaste Industrie, a producer of fuel systems

**1995**

Acquisition of Reydel Industries, specialized in automotive interior equipment. The Division was sold in 1999

**2007**

Acquisition of Sulo and Compagnie Signature by Plastic Omnium Environment, thereby strengthening the Division's waste management and urban equipment offers

**2010**

Acquisition of all outstanding shares in Inergy Automotive Systems, created in 2000. Inergy Automotive Systems becomes Plastic Omnium Auto Inergy

## New prospects

Following its acquisition, on 8 September 2010, of Solvay's 50% stake in Inergy Automotive Systems, Compagnie Plastic Omnium owns 100% of the world's leading manufacturer of plastic fuel systems, which generated revenue of €1.2 billion in 2010.

With organic growth of more than 20% for the year, the Company has stronger momentum that opens up new prospects in all its markets.

**2010 revenue:**

**€3.6 billion**

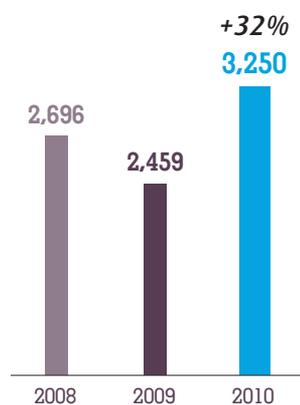
(pro forma)

**96 plants**

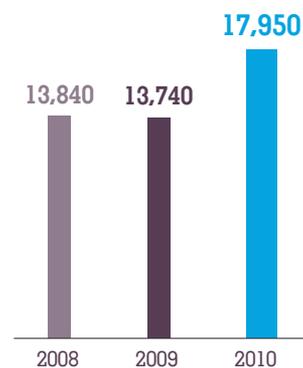
**27 countries**

### Consolidated revenue

(in € millions)



### Employees



### PLASTIC OMNIUM IS PURSUING THE PO WAY AND MAINTAINING ITS MARKET LEADERSHIP

Based on the 5 i's – **Independence**, **Investment**, **Innovation**, **Internationalization** and **Integration**, the *PO Way* has enabled the Company and its employees to look to the future with confidence.

# A remarkable performance

Plastic Omnium continued to diligently manage overheads, a policy developed as part of the PO 2009 cost-reduction plan, while also making significant investments in the BRIC countries and in its research and development programs. In 2010, the Automotive Division generated 12% of its revenue in China, India and South America, and increased its market share in Europe and the United States thanks to its solutions that make vehicles lighter and cleaner. Plastic Omnium Environment launched 100 new products during the year and increased its revenue by 6%.

**Consolidation of its no.1 global ranking in its two core businesses: Automotive and Environment**

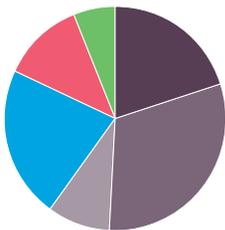
**Increased backlog**

**€100 million in structural cost-savings in 2010**

**Operating margin of 7%, totaling €227 million**

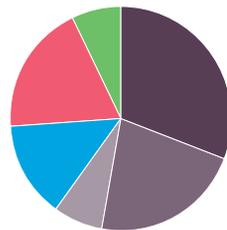
## Revenue by region (pro forma)

- 20% France
- 31% Rest of Western Europe
- 9% Eastern Europe and Russia
- 22% North America
- 12% Asia
- 6% South America, Africa



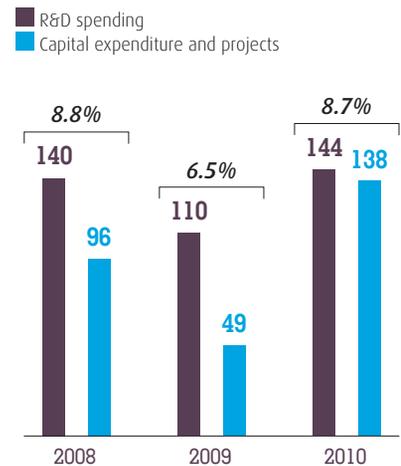
## Employees by region

- 31% France
- 22% Rest of Western Europe
- 7% Eastern Europe and Russia
- 14% North America
- 19% Asia
- 7% South America, Africa



## Research & development and capital expenditure

(in € millions and as a % of revenue)



## Independence: the Company's keystone

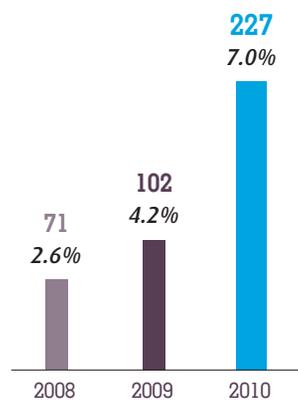
Plastic Omnium further demonstrated the validity of its business model and strategic choices. The Company, which showed a profit and generated cash during the crisis, preserved its flexibility, with a long-term strategic focus on maintaining its independence, while continuing to make acquisitions and expand in high-growth markets.

**€438 million**  
in capital investments in 2010

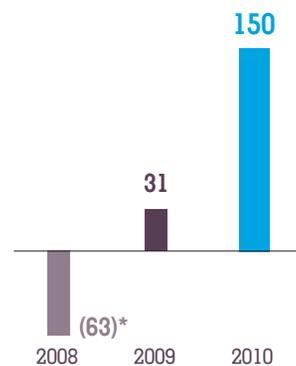
**Free cash flow from operations**  
totaling **€193 million**

**Net profit multiplied by 5**  
between 2009 and 2010

**Operating margin**  
(in € millions and as a % of revenue)



**Net profit (loss)**  
(in € millions)



\*After €73 million in restructuring costs

**Net debt and EBITDA**  
(in € millions and compared with EBITDA)



\*Pro forma

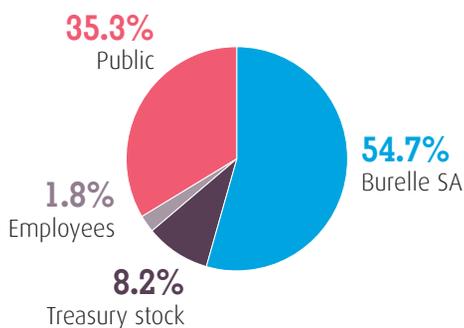
With its majority family-held shareholder structure, Plastic Omnium has been able to **develop** and **make decisions freely**, thanks to its high responsiveness and long-term vision.

# The Plastic Omnium Share

Plastic Omnium, which is 54.7% held by Burelle SA, is committed to communicating regularly and openly its results and strategic goals to shareholders, financial markets and all stakeholders.

In 2010, the Plastic Omnium share increased by a higher percentage than any other stock included in the SBF 250 index on the NYSE Euronext exchange in France. In one year, its market value of almost €1 billion nearly tripled, with the share ending the year at €53.00, compared with €19.16 at 31 December 2009, an increase of 177%. On 8 December, the share rose to €56.50, an all-time high.

**SHAREHOLDER STRUCTURE**  
At 14 January 2011



## 35.3%

of outstanding shares are held by the public, of which:

**9.2%** by private shareholders

**9.6%** by French institutional investors

**16.5%** by foreign institutional investors

## FINANCIAL CALENDAR

**27 January 2011**  
2010 revenue announced

**17 March 2011**  
2010 earnings announced

**21 April 2011**  
First-quarter 2011 data announced

**21 July 2011**  
Interim 2011 earnings announced

**27 October 2011**  
Third-quarter 2011 data announced

## SHAREHOLDER INFORMATION

**28 April 2011**  
Shareholders' Meeting

**6 May 2011**  
Dividend paid

## Share performance (in €)



## Share data

	2008	2009	2010
<b>Share price (in €)</b>			
High	36.78	21.26	56.50
Low	6.43	4.60	19.25
At 31 December	7.35	19.16	53.00
<b>Shares outstanding at 31 December</b>	<b>18,115,214</b>	<b>17,644,599</b>	<b>17,644,599</b>
Market value (at 31 December, in € millions)	133	338	935
Equity (in € millions)	438	440	618
Equity per share (in €)	24.14	24.96	35.04

## Yield data

	2008	2009	2010
Earnings per share (in €)	(3.87)	1.74	8.68
<b>Dividend per share</b>	<b>0.35</b>	<b>0.70</b>	<b>1.40</b>
Dividend payout	-	40.2%	16.1%
Yield (based on share price at 31 December)	4.8%	3.7%	2.6%

## MARKET DATA

Plastic Omnium  
founded  
1946

Initial public  
offering  
1965

Listed on  
NYSE Euronext Paris,  
Compartment B, and  
eligible for the "long-only"  
Deferred Settlement  
Service (SRD)

Stock market indices  
as of 21 March 2011  
SBF 120, CAC Mid 60

ISIN code  
FR0000124570

Reuters code  
PLOF.PA



## A new website

Information sections designed especially for retail shareholders and institutional investors are posted on the new corporate website: [www.plasticomnium.com](http://www.plasticomnium.com)

From left to right  
and top to bottom:

**Laurent Burelle**  
(since 1981)  
Chairman and  
Chief Executive Officer

**Paul Henry Lemarié**  
(since 1987)  
Chief Operating Officer

**Éliane Lemarié**  
(since 2009)  
Representative of Burelle SA

**Jean Burelle**  
(since 1970)  
Honorary Chairman

**Anne-Marie Couderc\***  
(since 2010)

**Jean-Pierre Ergas\***  
(since 1990)  
Member of the Audit Committee

**Jérôme Gallot\***  
(since 2006)  
Member of the Audit Committee

**Francis Gavois\***  
(since 1998)  
Member of the Audit Committee

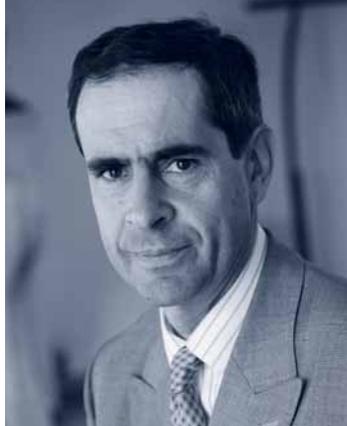
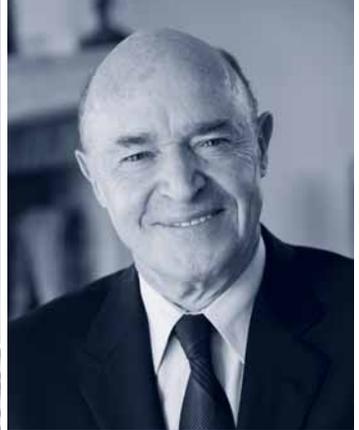
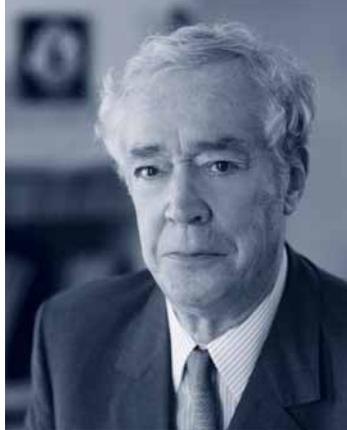
**Prof. Dr. Bernd Gottschalk\***  
(since 2009)

**Vincent Labruyère\***  
(since 2002)  
Chairman of the Audit Committee

**Alain Mérieux\***  
(since 1993)

**Thierry de la Tour d'Artaise\***  
(since 2005)

\*Independent director



# The Board of Directors

## Independence and freedom of judgment

The Board of Directors is composed of 12 members with outstanding, complementary expertise in management, industry and finance. Eight of them are independent, meaning they have no relationship with the Company, its group or the management of either that might compromise their freedom of judgment. At the Annual Meeting on 28 April 2011, shareholders will be asked to approve the appointment of a new independent Director.

## Role

The Board studies all issues concerning the Company and its operations, carries out any controls and procedures that it feels are appropriate, verifies the consistency of the accounts and accounting policies, and approves the parent company and consolidated financial statements.

## Audit Committee

The Audit Committee is made up of four independent directors. A new Chairman is appointed every three years, on a rotating basis. It reviews the accounts and accounting policies and studies all issues that may have a financial impact on the Company.

Leveraging its members' extensive business experience, the Committee bases its assessment on reports provided by Senior Management, the Finance Department, the Risk Department and the Statutory Auditors, and reports its findings to the Board of Directors. The Audit Committee met twice in 2010, prior to the Board meetings at which the annual and interim financial statements were reviewed.

## Compensation and Appointments Committee

The Board of Directors, most of whose members are independent, carries out the duties of the Compensation and Appointments Committee.

### The Board in 2010

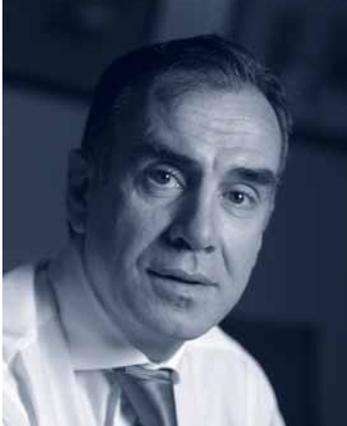
The Board of Directors met four times during the year, with an average attendance rate of 92%. On average, each meeting lasted four hours.



For more information about Plastic Omnium's corporate governance, see the Chairman's Report in the Annual Report.

New director to be submitted for approval at the Shareholders' Meeting on 28 April 2011:  
**Anne Asensio**

Secretary of the Board:  
**Jean-Luc Petit**



*From left to right:*

**Laurent Burelle**  
Chairman and  
Chief Executive Officer

**Paul Henry Lemarié**  
Director and Chief Operating Officer

**Jean-Michel Szczerba**  
Chief Operating Officer

**Marc Szulewicz**  
President,  
Plastic Omnium Auto Exterior

**Pierre Lecocq**  
President,  
Plastic Omnium Auto Energy

**Michel Kempinski**  
Chairman,  
Plastic Omnium Environment

**Rodolphe Lapillonne**  
President,  
Plastic Omnium Environment

**Philippe Hugon**  
Executive Vice President –  
Human Resources

**Didier Fontaine**  
Executive Vice President,  
Group Chief Financial Officer

**Adeline Mickeler**  
Executive Vice President,  
Corporate Planning and M&A

**Jean-Luc Petit**  
Corporate Secretary –  
Vice President, Legal Affairs  
Chairman of the Internal  
Control Committee

**Laurent Hebenstreit\***  
Senior Vice President –  
Plastic Omnium Auto Exterior

\*Associate member of the Committee  
as of 1 January 2011

# The Executive Committee

## Implementing the strategy

The Plastic Omnium Executive Committee is comprised of 12 members: the Chairman and Chief Executive Officer, the two Chief Operating Officers and nine senior executives, four for corporate functions and five for the Company's worldwide operations. It meets once a month and more often if necessary. The Executive Committee is responsible for managing and deploying the Company's strategy. The Committee also exercises control over Plastic Omnium's joint companies and is represented on these subsidiaries' Boards of Directors and Finance Committees by one of the Chief Operating Officers and one of the Operating Division Presidents.

## A management and decision-making body

The Executive Committee manages the Company's financial and sales performance, reviews its capital spending and R&D projects and monitors the development of its health, safety and environment programs. At the end of the first half, it analyzes the five-year strategic plans for the Divisions and the Company as a whole, which help to shape its budget decisions in December.

## Managing growth

Working closely with the PO 2009 Committee, which now meets quarterly, the Executive Committee continues to diligently control costs and cash flow from operations. It also plays an active role in managing the strategic initiatives that enabled the Company to enjoy sustained growth in 2010.

**Close to the frontline**, the Executive Committee holds working sessions in the Company's chief operating regions with country-level senior managers. In 2010, sessions were organized in the United Kingdom, Germany, Spain, France, North America, South America and China. In June 2011, the Committee will hold its first executive meeting in China, in Shanghai.

Plastic Omnium Auto Exterior has expanded its product portfolio to include new tailgates that help makes vehicles lighter. The “Higate” thermoplastic/thermoset hybrid tailgate for the Peugeot 508 SW weighs six kilograms less than a similar metal version.





## A Spirit of Conquest

Plastic Omnium's spirit of conquest is underpinned by three strategic foundations: a diversified customer portfolio, a manufacturing base that is judiciously distributed around the world, and sustained R&D spending. Together, these three conditions create a dynamic that in 2010 enabled the Company to grow faster than the market as a whole. This spirit of conquest also allows Plastic Omnium to continuously push back geographic, technological and industrial boundaries and closely monitor new opportunities and trends.

# Staying Ahead of Global Markets

The automobile market continues to expand worldwide, despite the crisis that severely impacted its performance in 2008 and 2009. According to IHS, the market is expected to grow by 31% between 2010 and 2015. Nonetheless, the situation varies enormously from one country to another, with conditions changing as manufacturers shift their production resources towards Asia. In line with this trend, Plastic Omnium is developing its presence in high-potential regions to capture growth there, while pursuing an innovation strategy to help carmakers comply with stricter environmental standards in mature markets.



## Growth regions

### Production soaring in the BRIC countries

Between 2010 and 2015, worldwide automobile production will increase by 22 million vehicles, with China, India, Brazil and Russia accounting for 51% of that growth. To support geographical shifts in the market, Plastic Omnium is continuing to develop in fast-growing countries to ensure it has the production, sales and development resources needed to establish itself as a key partner to both domestic and foreign automobile manufacturers operating in these markets.

### China: the world's largest automobile market

A demographic and economic colossus, China became the world's largest automobile market in number of registrations in 2009, moving ahead of the United States, which was hard hit by the crisis at that time.

Chinese production totaled 14.3 million vehicles in 2010 and is expected to rise to 21.4 million in 2015. Average growth in automobile purchases should come to around 10% for the period 2010-2015, while the percentage of young urban households owning cars remains very low and their revenues are rising. Beginning in 2005, Plastic Omnium responded proactively to the incredible growth in China, with the goal of supporting carmakers in the local market.

Plastic Omnium Auto Exterior forged strategic alliances with leading local manufacturers like SAIC and FAW that enabled it to quickly win market share and establish a solid foothold in the country. Together, Plastic Omnium Auto Exterior and Plastic Omnium Auto Inergy set up three new plants in 2010 – one for Plastic Omnium Auto Inergy in Beijing and two for YanFeng Plastic Omnium (YFPO) in Nanjing and Chengdu.

The Company today has 12 production facilities in major manufacturing regions, including Shanghai, Beijing, Canton, Chongqing and Wuhan.

### ASIA AND SOUTH AMERICA

7%

of consolidated  
revenue in 2005

18%

of consolidated  
revenue in 2010



**In 2010, the North American auto industry produced 11.9 million units, a 39% increase over 2009. Our production rose by 68%, signaling continued market share gains for our operations. Throughout 2010, we applied the PO 2009 cost-reduction plan and challenged ourselves to adapt to new market conditions while respecting our breakeven point by deploying our highly flexible processes.**

**Mark D. Sullivan**  
President and CEO, North America  
Plastic Omnium Auto Inergy

### **India: a market fueled by demand for very low-cost vehicles**

In India, automobile production is expected to increase to 5.2 million vehicles in 2015. The Company has three plants: in Pune for Plastic Omnium Varroc and in Vellore and New Delhi for Plastic Omnium Auto Inergy. The facility in New Delhi was created in late 2010 through a partnership with Suzuki-Maruti, which holds a 40% share of the domestic automobile market and is very well positioned in the fast-growing, low-cost, small vehicle segment.

### **Brazil: South America's most promising market**

Automobile production in Brazil increased by 14% in 2010. In late 2010, Plastic Omnium Auto Inergy began building its second plant in the country – in Sorocaba, near Sao Paulo – which will produce the fuel tank for a compact Toyota vehicle. Plastic Omnium Auto Exterior also has a plant in Brazil, in Taubaté.

### **Eastern Europe: constantly increasing demand**

In 2010, Plastic Omnium Auto Exterior launched construction of its first plant in Poland, an extension of its forward supplier facility in Gliwice. With eight production facilities in Poland, the Czech Republic, Russia, Romania and Slovakia in 2011, the Automotive Division is strengthening its base for supplying General Motors, Renault, Volkswagen, Audi, Suzuki and Skoda in Eastern Europe.

China, India  
and South America:  
51% of global auto industry  
growth between  
2010 and 2015

## Strategically positioned around the world

In addition, Plastic Omnium Auto Inergy has established a foothold in Morocco to supply Renault. Located in Tangiers, the plant will be brought on stream in late 2011.

New projects in South America and Asia are also being considered for Plastic Omnium Environment. Already present on both continents, the Division intends to develop its local offering of waste management and sorting solutions for cities.

### A rebound in developed countries

In Europe and the United States, scrappage schemes, environmental incentives and other measures to stimulate consumer spending, as well as government support programs for carmakers and tier-one suppliers, have limited the impact of the crisis while promoting sales of small, cleaner vehicles. Nonetheless, in countries like Japan and South Korea production is not expected to return to 2007 levels before 2015. Given this situation, Plastic Omnium Auto Exterior and Plastic Omnium Auto Inergy are pursuing other growth paths, by developing solutions to make vehicles lighter and cleaner and constantly innovating to create the car of the future, which will be more environmentally friendly and tailored to new consumer lifestyles.

**Ritiely Cristina de Oliveira**, Painting Line Inspector, Taubaté (Brazil)



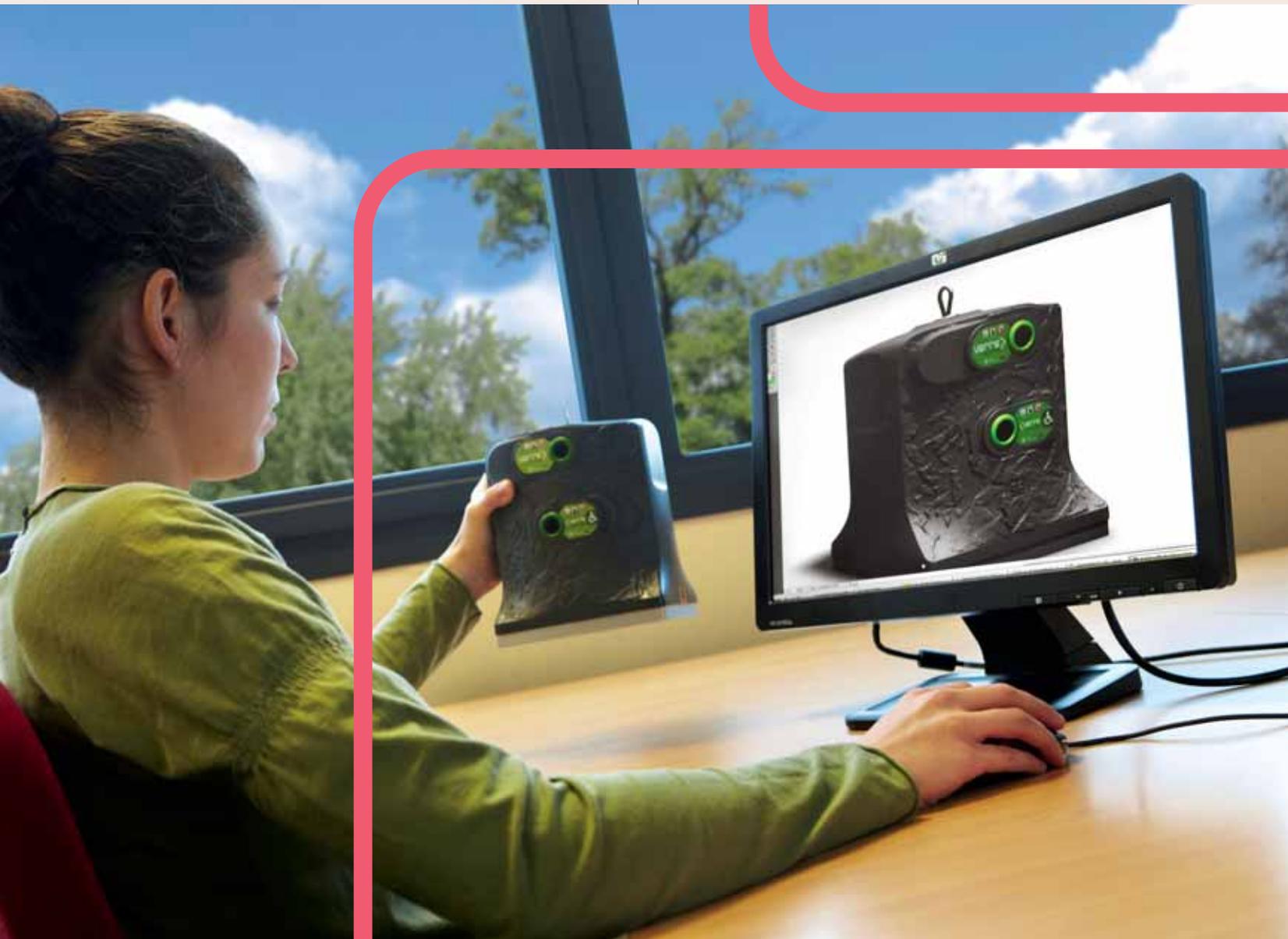
### Supporting growth in the Brazilian automobile market

The Plastic Omnium Auto Exterior plant in Taubaté partners with PSA Peugeot Citroen, Volkswagen, Ford and Mitsubishi.

# Anticipating Change

Along with international expansion, innovation is a strategic challenge that is enabling Plastic Omnium to strengthen its leadership in both its businesses. At a time when a more environmentally responsible approach to mobility and urban management issues is required, the Company is closely monitoring trends and anticipating the needs of automobile manufacturers, local and regional authorities and users of its products. This assertive strategy is the driving force behind our growth and development.

Jannick Burguin, Assistant Designer **POenvdesignstudio** at  $\Sigma$ -Sigmatech (France)



# Innovating for future growth

## A 360° perspective

Nearly 1,000 engineers and technicians work in 14 global research and development centers in Europe, North America, South America and Asia. With operations in technology tracking, applied research, and product innovation and development, Automotive and Environment Division R&D and marketing teams study changes taking place around the world to find original solutions that improve environmental performance and reduce costs, always with a focus on cleaner, safer, more attractive products. The Company manages a portfolio of 2,037 patents. A total of 85 patents were filed in 2010, of which 32 by the Environment Division, which tripled its R&D staff between 2007 and 2010.

## Making vehicles lighter

Lighter vehicles can play an important role in helping to meet emissions thresholds set by the European Union and governments in various Plastic Omnium host countries. These thresholds call for a weighted average of 130 grams of CO<sub>2</sub> per kilometer for new vehicles in 2012 and are backed by financial penalties for manufacturers who fail to comply. This means that each additional kilogram in vehicle weight adds to total cost. Lower weight can also benefit hybrid and electric cars, either by offsetting battery weight or by increasing vehicle range. Thanks to its expertise in thermoplastic

and composite materials, Plastic Omnium Auto Exterior provides unique solutions, such as its new hybrid and all-thermoplastic tailgates that lower total vehicle weight by five to ten kilograms.

## New-generation floor modules

Plastic Omnium Auto Exterior has developed a new-generation floor module made with sheet molding compound (SMC) composites. Metal parts overmolded in the resin enable the floor to be soldered directly to the car chassis, without requiring any changes in the manufacturer's assembly process. This patented technology has already led to a major order from a European carmaker for a high-volume production platform. Since composite floors can be used for an increasingly diverse range of vehicles and integrate new functions, demand for this product line is expected to increase, especially for low-carbon vehicles.

The new soldered sheet molding compound technology for vehicle floors is compatible with production resources deployed on current assembly lines and reduces vehicle weight by 2 to 10 kilograms.

## THE "HIGATE" TAILGATE

α 5 to 10 kg

reduction in weight, depending on the model, means a 0.5 to 1 g reduction in CO<sub>2</sub> emissions per kilometer





**As an integral part of the Greenlene® project, Plastic Recycling has developed a unique process for regenerating scrap from crushed automotive parts. This has enabled us to produce painted bumpers with recycled materials, which is a major technological achievement.**

**Christophe Marceau**

President, Plastic Recycling  
Purchasing Director, Plastic Omnium Auto Exterior

**Clean driving with INERGY**

Plastic Omnium Auto Inergy's SCR-DINOx system substantially reduces nitrous oxide and carbon emissions to comply with forthcoming vehicles emissions and fuel-consumption standards. Researchers are now working to optimize the system's size and cost. Given the growing importance of electronics for this application, R&D teams have been expanded so that new skills and capabilities can be shared with fuel system project teams. INERGY has already received 13 orders to equip hybrid vehicles and can also provide manufacturers with fuel tanks capable of withstanding internal pressure build-up caused by fuel vapors.

**The Greenlene® virtuous circle**

In 2015, 95% of a vehicle's weight must be recoverable as either recycled material or energy. In line with this European directive, Plastic Omnium Auto Exterior has patented a solution for recovering and regenerating crushed polypropylene from scrap automotive parts. Called Greenlene®, this recycled material can be used in the manufacture of painted exterior parts and has already been integrated into bumpers for the Peugeot 207. In March 2010, PSA Peugeot Citroen presented Plastic Omnium with a supplier award in the sustainable development category in recognition of the partners' high-quality joint projects in this area.

Objective:

Increase the percentage of Greenlene® recycled plastic used in painted exterior parts

## 100% Green Made: A plant-based material that reduces CO<sub>2</sub> emissions by 90%\*

### Planning for the post-oil era

In the manufacture of wheeled containers, litterbins and aboveground waste disposal receptacles, Plastic Omnium Environment already uses an average of 50% recycled polyethylene, much of which is provided by Plastic Recycling, a Company subsidiary. In partnership with France's National Scientific Research Center, the INSA engineering school and Université Jean Monnet in Saint-Étienne, R&D teams are working to improve the properties of recycled plastic, especially its impact resistance, which is a prerequisite to its wider use.

### 100% Green Made: the world's first 100% plant-based container

Green materials represent a second path to reducing the dependence on petroleum-based products. At the 2010 Pollutec Trade Show, Plastic Omnium Environment premiered the first wheeled bin manufactured entirely with plant-based polyethylene derived from sugarcane. Entirely biosourced and fully recyclable, Green Made is the first such bin to comply with European standards. In particular, it is resistant to both very high mechanical pressures during waste collection and ultraviolet rays. The R&D Department developed the formula for the plastic through an exclusive agreement with a Brazilian supplier. An indoor litterbin made with a starch-based polymer has also been developed with a materials supplier in France. These environmentally friendly bins represent another step toward the "green" city of the future.



### Sending a green message to constituents

The Green Made bin provides a major opportunity to raise constituent awareness of "green" issues and confirms Plastic Omnium Environment's commitment to eco-responsibility.

\*Compared with a bin made with PEHD, a petrochemical

# A Local Presence and a Global Network

An international enterprise, Plastic Omnium is pushing back borders and speeding the development of its automotive operations in fast-growing markets. With subsidiaries, production facilities and R&D centers located close to customers on five continents, the Company is committed to respecting local cultures while pursuing the *PO Way* around the world.

- Automotive Division production facility
- Environment Division production facility
- ▲ Subsidiary or sales office
- R&D center
- ◆ Headquarters

**CANADA**  
Windsor

**UNITED STATES**  
Adrian, MI  
Anderson, SC  
Duncan, SC  
Norcross, GA  
Troy, MI

**MEXICO**  
Hermosillo  
Puebla  
Ramos Arizpe  
Silao  
Toluca  
Mexico City

**CARIBBEAN**  
Baie Mahault  
Le Lamentin

**FRENCH GUIANA**  
Matoury

**BRAZIL**  
Curitiba  
Taubaté

**CHILE**  
Santiago de Chile

**ARGENTINA**  
Buenos Aires  
Pilar

80%

of revenue generated outside France

69%

of the workforce located outside France

96

plants in 27 countries

18

plants in the BRIC countries

14

R&D centers

**UNITED KINGDOM**

- Banbury
- Measham
- Oldbury
- Renfrewshire
- Tividale
- Winsford
- Measham

**GERMANY**

- Grossenlupnitz
- Meerane
- Rottenburg
- Birkenfeld
- Herford
- Neustadt
- Herford
- Munich

**SWEDEN**

- Trellborg

**NETHERLANDS**

- Ittervoort

**BELGIUM**

- Herentals
- Ninove
- Brussels

**RUSSIA**

- Stavrovo

**SPAIN**

- Arevalo
- Martorell
- Pamplona
- Redondela
- Vigo
- Vitoria-Gasteiz
- Madrid
- Ribarroja

**POLAND**

- Lublin
- Krakow

**CZECH REPUBLIC**

- Mnichovo
- Prague

**SLOVAKIA**

- Lozorno
- Lozorno

**SWITZERLAND**

- Basel
- Büren

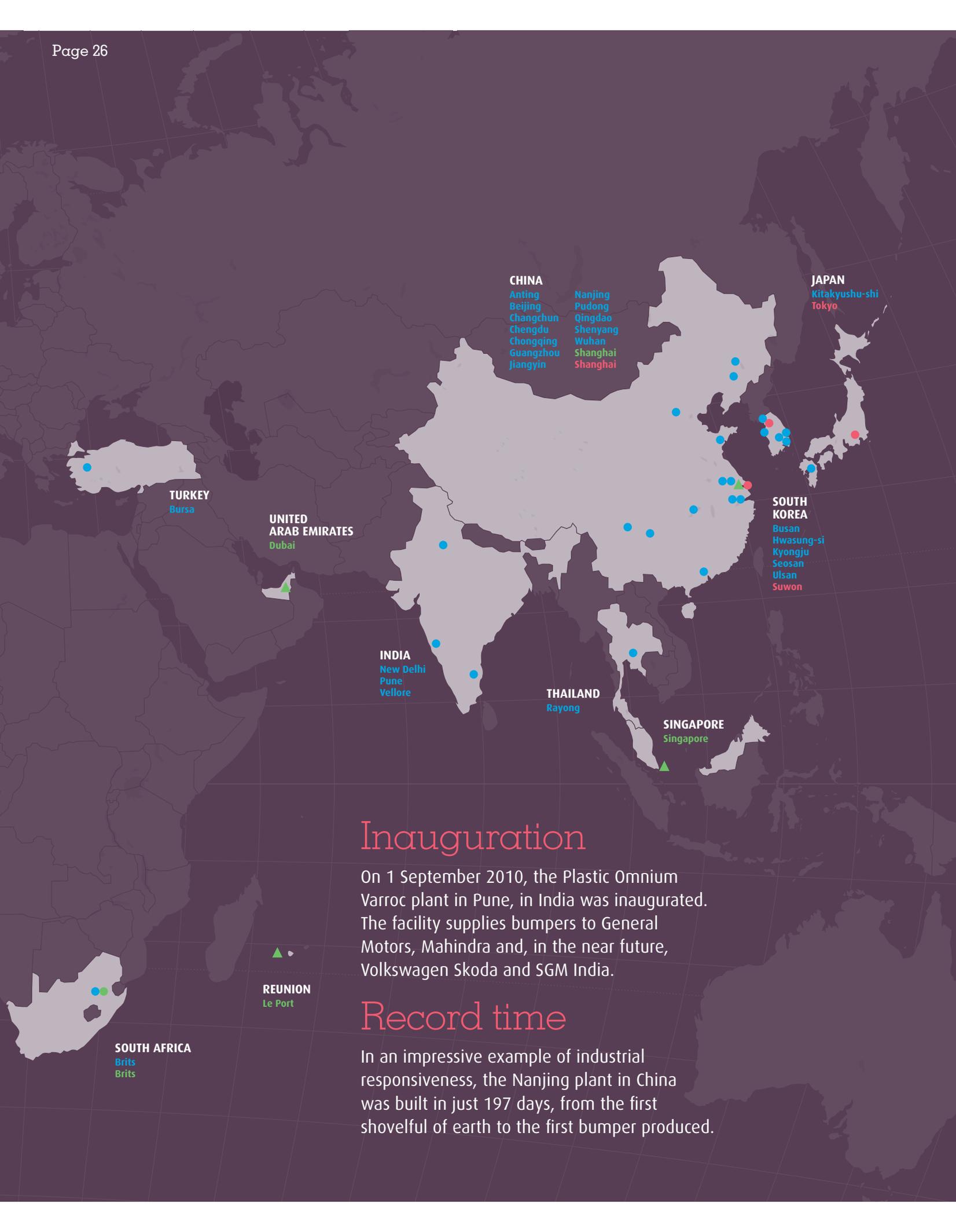
**FRANCE**

- Amiens
- Andance
- Compiègne
- Flers-en-Escrebieux
- Fontaine
- Guichen
- Langres
- Laval
- Pfastatt-le-Château
- Ruitz
- Saint-Désirat
- Vernon
- Bort-les-Orgues
- Chalon-sur-Saône
- Langres
- Lumbin
- Saint-Etienne-de-Tulmont
- Saint-Eusèbe
- Sarreguemines
- Urrugne
- Chalon-sur-Saône
- Compiègne
- Laval
- Sainte-Julie

**ROMANIA**

- Pitesti





**CHINA**  
Anting  
Beijing  
Changchun  
Chengdu  
Chongqing  
Guangzhou  
Jiangyin  
Nanjing  
Pudong  
Qingdao  
Shenyang  
Wuhan  
Shanghai  
Shanghai

**JAPAN**  
Kitakyushu-shi  
Tokyo

**TURKEY**  
Bursa

**UNITED ARAB EMIRATES**  
Dubai

**INDIA**  
New Delhi  
Pune  
Vellore

**THAILAND**  
Rayong

**SINGAPORE**  
Singapore

**SOUTH KOREA**  
Busan  
Hwasung-si  
Kyongju  
Seosan  
Ulsan  
Suwon

**REUNION**  
Le Port

**SOUTH AFRICA**  
Brits  
Brits

## Inauguration

On 1 September 2010, the Plastic Omnium Varroc plant in Pune, in India was inaugurated. The facility supplies bumpers to General Motors, Mahindra and, in the near future, Volkswagen Skoda and SGM India.

## Record time

In an impressive example of industrial responsiveness, the Nanjing plant in China was built in just 197 days, from the first shovelful of earth to the first bumper produced.

## World Tour

### China

- + Three plants were brought on stream in 2010 – in Beijing for Plastic Omnium Auto Inergy and in Nanjing and Chengdu for YFPO – increasing the number of Automotive Division facilities in China to 12. The network will be further extended between now and 2015 as the Company is planning to build two additional plants a year over the next three years while also strengthening its development resources by opening a new R&D center.
- + The Environment Division's Shanghai office was awarded contracts with the cities of Hangzhou, Shenzhen and Shanghai.

### Spain

- + In September 2010, Plastic Omnium Auto Exterior acquired German parts-supplier Peguform's plant in Redondela, Spain. Located near the PSA Peugeot Citroën production facility in Vigo, the plant will enable the Division to develop its business with Peugeot and Citroën. Several major contracts have already been signed, including for the bumpers and the "Higate" hybrid tailgate to be fitted on the future Citroën C4 Picasso as well as for bumpers that will equip two entry-level vehicles.
- + Already one of Madrid's leading suppliers of litterbins, wheeled bins and aboveground waste disposal receptacles, Plastic Omnium Environment signed new contracts to provide containers and related services to the cities of Barcelona, Cordova and Malaga.

### Brazil

- + With one plant already operating in Curitiba, Plastic Omnium Auto Inergy is building a second in Sorocaba, in Sao Paulo State. In 2012, the plant will produce the first fuel system for a low-cost Toyota vehicle that will also be manufactured by Inergy in India, as part of a global platform.
- + The Taubaté plant produces bumpers for the Ford Ka. This contract with a new customer illustrates the assertive marketing strategy deployed by the South American business unit, which already partners with Volkswagen, PSA Peugeot Citroën, Mitsubishi and Renault.
- + After Mexico and Chile, where Plastic Omnium Environment has established solid positions, new operational startups are being considered elsewhere in Latin America, notably in Brazil, where the Division also procures the polyethylene made from sugarcane that is used for the Green Made line of injection-molded bins produced at its plant in Langres, France.

A global network  
to manage projects  
without borders

# Dynamic Growth in Our Businesses

A key partner to carmakers and local communities, Plastic Omnium made remarkable advances in 2010, in new markets and with new customers. Its high standards in terms of design, quality, cost and environmental performance enable the Company to constantly reinvent its two businesses, with products that – on the road and in the city – protect the environment and make it more attractive.



**Underground container**

With the new *Your City, Your Design* concept, local authorities can personalize their aboveground, underground and semi-underground waste containers thereby enabling each community to express its own identity.

# Automotive

**Sustained innovation + an enhanced international presence  
= a cleaner car adapted to the needs of major global markets**

With the acquisition of all outstanding shares in Inergy Automotive Systems – previously equally owned with Solvay – the Automotive Division has acquired a new dimension. The Division is now comprised of two wholly owned units, one that produces fuel and emissions-control systems and the other exterior components and structural parts made of thermoplastics and composite materials.



## Pursuing a commitment to excellence to support global carmakers

### A new dimension for the Automotive Division

The acquisition of all outstanding shares in Inergy Automotive Systems is in line with the Company's strategy of controlling its industrial operations while also developing in growth regions, expanding its customer portfolio and strengthening its leadership in emissions-control systems. The Automotive Division has thereby expanded its sales and manufacturing operations in Asia, Russia and South Africa and now owns 77 plants on four continents. Plastic Omnium Auto Inergy supplies the fuel tank for one vehicle out of six produced worldwide. The business is expected to grow considerably in the years ahead, deploying its capacity for innovation and broadening its global production base to achieve new market share gains.

### New advances in emissions-control systems

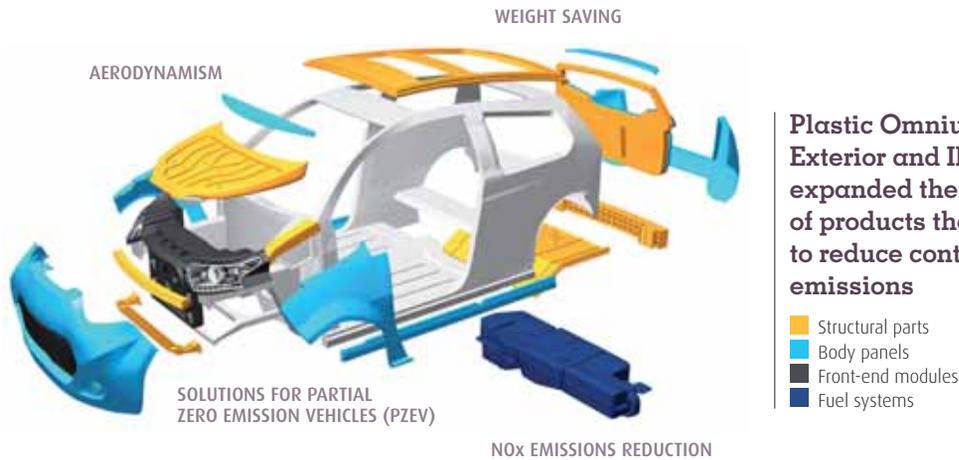
Stricter environmental standards are supporting the development of Inergy's emissions-control systems. Confirming the success of these exclusive solutions, new orders were received in 2010 for TSBM™ and DINOx systems that, respectively, reduce fuel tank evaporation and nitrous oxide and carbon dioxide emissions. After BMW, Audi and Daimler in Europe, three contracts were signed for the TSBM™ system in early 2010 with General Motors in the United States. Inergy's DINOx, which integrates Selective Catalytic Reduction technology, was chosen by Audi for five programs, of which three already in production, by General Motors for two programs and, more recently, by Chrysler.

### An expanded customer portfolio

19%	General Motors/Opel
17%	PSA Peugeot Citroën
14%	Renault/Nissan/Dacia
13%	Volkswagen Group/Porsche
13%	BMW/Mini
5%	Fiat/Chrysler
3%	Jaguar/Land Rover/Tata
3%	Hyundai/Kia
3%	Trucks
10%	Other (Ford, Volvo, Toyota, Daimler, etc.)

### Automotive Division profile

- + World leader in its various product lines
- + 15,000 employees
- + 77 plants
- + 19 countries
- + 12 R&D centers



**Plastic Omnium Auto Exterior and INERGY have expanded their portfolio of products that help to reduce contaminant emissions**

- Structural parts
- Body panels
- Front-end modules
- Fuel systems

### Innovative tailgates

The only tier-one supplier to combine thermoplastics and thermoset composites, Plastic Omnium Auto Exterior has developed the “Higate” hybrid tailgate with a thermoplastic outer layer and a structure made using sheet molding compound technology. The outer layer is perfectly finished and can be molded into different shapes to integrate the spoiler and motorized functions, while the inner lining guarantees mechanical rigidity for the entire component. The “Higate” tailgate already equips the Peugeot 508 SW and the Range Rover Evoque. A second tailgate, made entirely of thermoplastics, has also been developed for small urban vehicles. Designed to make cars lighter, these tailgates are the fruit of several years of innovation and have led to new orders, thus helping to ensure the Division’s future growth.

### The emergence of all-plastic solutions

Given the wide range of vehicles and types of powertrains, thermoplastic and composite materials are indispensable, and their rate of use in motor vehicles is expected to double over the next ten years. These materials have already demonstrated their many benefits. They make vehicles lighter, can be molded into different shapes and enhance impact resistance, while delivering superior quality and functionality more cost effectively. At a time when the idea of an all-plastic urban vehicle is emerging and attracting the attention of carmakers, Plastic Omnium can leverage important advantages to support its customers in this area.

Making vehicles lighter has become the no.1 solution for drastically reducing carbon emissions

### A MORE EFFICIENT ORGANIZATION

To support its diversification strategy, Plastic Omnium Auto Exterior has created two separate departments for its tailgate and structural component product lines, both based at Σ-Sigmatech, the Company’s international R&D center. This new organization will enable the Division to stay ahead of market trends and strengthen its positioning as an expert consultant to carmakers. Between now and 2020, the Division expects to significantly increase its business volume in rear opening modules and structural components.

## In 2011, Plastic Omnium plans to produce bumpers for 2 million vehicles in China

### AGREEMENT IN SOUTH KOREA

A technological cooperation agreement was signed with a South Korean company that produces bumpers and is the main supplier to Hyundai-Kia. The partnership creates major opportunities with the carmaker and projects are already being developed in the country.

### Supporting carmakers in China

In the past five years, Plastic Omnium Auto Exterior and Plastic Omnium Auto Inergy have established solid positions to support car and truck manufacturers in China, where 6% of Automotive Division revenue was generated in 2010. The two new YFPO plants in Nanjing and Chengdu were built to produce bumpers for, respectively Shanghai Volkswagen and FAW Volkswagen.

In Beijing, Plastic Omnium Auto Inergy launched production of the fuel system for Verna, a vehicle marketed by Hyundai/Beijing Automotive Industry. Teams at the Wuhan development center have been expanded to handle a large number of developments involving both domestic and foreign automobile manufacturers.



The DINOx emissions-control system was chosen by Audi for five premium models, including the Q7.



DINOx urea storage and release system for the Audi Q7.

**Exterior parts + structural components + safety systems = solutions that are safer, more stylish and more environmentally friendly**

- Bumpers
- Fender modules
- Front-end modules
- Tailgates
- Fuel systems
- Emissions-control systems
- Bumper frames and energy absorption systems
- Exterior and structural components for trucks

# Environment

**Waste management + urban furniture + road signage  
= a responsible lifestyle to enhance the living environment**

Plastic Omnium Environment is active in a wide range of fields that impact daily life, including waste storage equipment, data management services, and urban and road signage. Sources of wellbeing and progress, these products deliver a broad array of benefits to local authorities and their constituents by making waste sorting more efficient, optimizing costs, enhancing the cityscape and improving the quality of life.



## Data management: services adapted to each community's needs



### DATA MANAGEMENT SERVICES TO SUPPORT SUSTAINABLE DEVELOPMENT ACTIONS

#### A/ MANAGING BUDGETS

- + Cost optimization
- + Greater transparency

#### B/ COMPLYING WITH LEGAL REQUIREMENTS

- + Higher percentage of recycled waste  
(to increase 45% by 2015)
- + Strict limitations on landfills and  
implementation of a tax on CO<sub>2</sub> emissions  
from incineration plants

#### C/ RAISING USER AWARENESS

- + Building awareness of waste production  
issues to encourage consumers to make  
more responsible purchases
- + Motivate constituents to more effectively  
sort and compost waste to reduce  
their waste collection invoices while  
also helping to protect the environment

### Customized solutions

Over the past 40 years, the amount of household waste has doubled, resulting in higher collection and processing costs. A precursor in 1964 with the first wheeled bin, Plastic Omnium Environment maintains the same pioneering spirit today, delivering new solutions to optimize waste management.

The Division leverages the data management expertise of its Envicom subsidiary to manage information flows with highly varied applications that include electronic-chip wheeled-bin identification systems, container fleet management services, onboard weighing systems, geolocation of collection trucks and deployment of incentive-based invoicing schemes.

The data gathered are then processed by two Customer Services Centers in Lyon, France and Ninove, Belgium and made available online to local authorities and users, with a separate website space for each category. The two facilities also serve as call centers, handling questions from users and officials six days a week.

To strengthen its geolocation expertise, Plastic Omnium Environment signed an agreement in November 2010 with Orange, the French market leader in this sector. The purpose of the partnership is to help optimize local community waste management programs.

### Results following the deployment of incentive-based invoicing schemes:

- + Residual household waste reduced by 51%
- + Sorted waste increased by 58%
- + Weight of collected waste reduced by 10%

A comprehensive portfolio of products to optimize waste management upstream and facilitate driving and parking in urban areas.



### A MAJOR SUCCESS

**3,700 UNDERGROUND CONTAINERS FOR THE CREA**  
(Greater Rouen Urban Community)

Plastic Omnium Environment has been chosen by the Greater Rouen Urban Community (CREA) to supply and install 3,700 underground and semi-underground waste containers. The contract is the largest of its kind ever awarded in Europe.

The Division's R&D teams had to meet three challenges. The containers had to respect the design criteria set up by architect Jean-Michel Wilmotte, be accessible to mobility-impaired users and comply with health and safety standards.

### Voluntary waste disposal

Voluntary waste disposal is the second way to optimize waste sorting and management. In France, 2010 saw a substantial increase in underground and semi-underground containers.

These products provide the ideal solution for keeping public areas clean yet free of bulky aboveground containers. What's more, these large-volume units mean fewer collection rounds and thus less truck traffic. To ensure the highest standards of hygiene, specially equipped trucks that function as mobile washing units were introduced in 2009. Each container can be equipped with a smartcard reader for users so that incentive-based invoicing systems can be implemented.

With the number of underground containers in Europe expected to increase threefold by 2015, Plastic Omnium Environment is positioned to become the market leader thanks to an end-to-end offer that includes container design, manufacture, installation, maintenance and washing as well as data management services.

Waste management:  
reducing environmental  
impact and  
beautifying the city



Imagine your City

### Customized design

In 2010, Plastic Omnium Environment launched the *Your City, Your Design* concept. Thanks to its multi-material products (made with concrete, iron and plastic) and its creative capabilities, the Division is one of the few companies on the market that can adapt its underground and semi-underground containers as well as aboveground receptacles to the client city's design specifications.

In addition to being functional and attractive, urban furniture must also be customized so that it respects the city's heritage. *Your City, Your Design* provides municipalities with an opportunity to strengthen their identity while ensuring that equipment blends into the surroundings. Plastic Omnium will also work with the architect chosen by local authorities to adapt the project to technical constraints.

Featuring elegant design, markings for the sight-impaired and a built-in ashtray, the Cibelès litterbin has been chosen by the cities of Guadalajara, Mexico and Madrid, Spain. More than 70,000 bins have been installed in the two cities.



### ELECTRICAL SIGNAGE IN THE UNITED KINGDOM

Signature Ltd has acquired UK-based Post and Column, which manufactures signage panels and public lighting poles as well as remote light output control systems to help reduce energy use and make this public service more cost-effective.

### Conserve natural resources + provide information + improve the living environment = strengthen Signature's competitive positions

- A major player in the signage sector with seven subsidiaries in Europe, with solutions that enhance safety, mobility, comfort and urban equipment.
- Diversifying operations to include high value added solutions for roads and public areas, with electric signage for cities and solar-powered lighting systems for streets and transportation shelters.
- Informing, welcoming and sheltering travellers at train stations and airports.
- Designing attractive, environmentally friendly solutions, such as noise-abatement vegetation barriers made with plastic from recycled scrap bottles and containers.



**TSBM™ fuel tank**

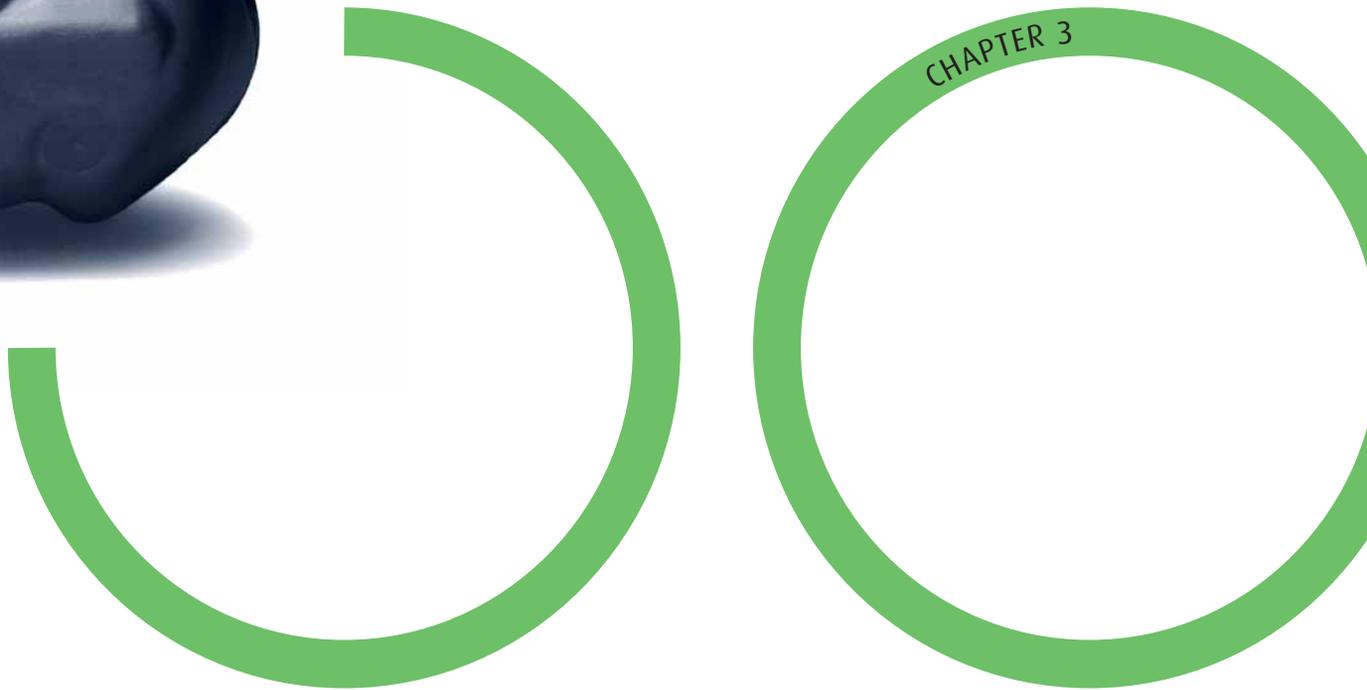
With the integration of Inergy Automotive Systems into the Automotive Division, Plastic Omnium has strengthened its technological leadership in polluting emissions-control solutions.

TSBM: Twin Sheet Blow Molding



# Sustainable Progress

Sustainable development is an integral part of the strategy deployed by Plastic Omnium, which is committed to reconciling growth, support for employees and environmental stewardship. Involving all team members, this approach represents a powerful improvement driver for the company, helping to ensure its long-term development while respecting people and complying with the regulatory environment.



# Human Resources

Plastic Omnium's human resources policies constitute a major advantage that drives our growth and development. Our 18,000 employees, of whom 69% are based outside France, are a source of strength and vitality. Promoting talent and excellence, empowering teams and transmitting the *PO Way* are objectives that enable employees to support our projects to serve customers around the world.

**Éric Stableaux**, Technical Manager, 4-Wheel Bin Production Unit, Plastic Omnium Environment in Langres (France)



## The ability to work effectively with people from different backgrounds ensures the success of Plastic Omnium's acquisitions and partnerships

### Deploying the Company's strategy

Pursuing the objectives of the "PO 2009" plan, the Company continued to diligently manage its human resources, finalizing voluntary separation plans at the Inoplast facilities in Douai, Andance and Saint-Désirat, France while maintaining its strategic commitment to innovation and international development. New projects now underway gave a boost to operations at the Σ-Sigmattech R&D Center. Employee training is one of our key drivers of excellence, enabling us to adapt to changes in specific job skills and transmit expertise to local managers and operators as new facilities open. In 2010, training initiatives were conducted at plants in Redondela (Spain), Vellore (India), and Nanjing and Pudong (China). A global company operating locally, Plastic Omnium promotes job mobility between countries as a means of creating multicultural teams working in a decentralized organization.



The plant in Redondela, Spain was inaugurated on 1 September 2010 by Patrick Le Garrec, Director, Western Europe Business Unit. Teams took part in a training program to speed their integration into the Company.

### 2010 Key Indicators

- + 1,131 people hired
- + 277,497 hours of training
- + 17.7 hours of training per person per year
- + 238 managers took advantage of a job mobility opportunity
- + 18% of managers are women

## New employee orientation and integration programs are essential to **an effective human resources policy**

### **New career opportunities**

Plastic Omnium is especially attentive when integrating new employees after a company is acquired. With a focus on cultural and job-related differences, the Human Resources Department prepares integration plans within project groups for all concerned parties, as was the case in 2007 following the acquisition of Germany's Sulo. Regarding Plastic Omnium Auto Inergy, the company's powerful R&D culture and commitment to manufacturing excellence are two key aspects of its identity that must be taken into account. Potential geographic and management system synergies will be sought out. The merger also creates mobility opportunities, offering employees career development prospects in new technologies and new professions.

### **The Plastic Omnium "contract": a two-way commitment**

During each employee's annual performance review with his or her superior, a "contract" is prepared. It sets objectives for the coming year and identifies the resources required to meet those objectives as well as related skills development needs. The contract is part of the Company's overall annual budget and strategic planning process.

To ensure a pool of experienced executives, retain high potential employees, optimize skills and facilitate internal mobility, key team members are identified and succession plans are prepared for all managers. Upstream, executives identify the company's needs and the economic challenges for the coming years, working closely with the Human Resources Department. Managers, subsidiary executives and human resources officers take into consideration managers' potential for growth before setting up a skills development plan. In this way, employee capabilities, experience and knowledge support our growth dynamic.

In 2010, an online information and management resources called OPteam was set up to streamline the annual performance review, training plans and other processes and to make them more reliable. An essential skills development and career management tool, OPteam is available to managers and other employees, as well as to human resources officers.

**Ravi Kant Singh**, Metrology Engineer in New Delhi (India)



After Vellore, Inergy has now built a second plant in India, in New Delhi, as part of a partnership agreement with Suzuki-Maruti.

**2010 satisfaction survey**

- + 10,000 employees surveyed
- + A very satisfactory 84% response rate
- + 70% of people surveyed are satisfied with their jobs
- + Two powerful core values: team spirit and solidarity

**Social dialogue and attentiveness to employee concerns**

In 2010, management signed 96 framework agreements with employee and union representatives. In France, older employees and psychosocial risks were among the subjects covered by these agreements, which reflect the importance of employee relations at Plastic Omnium and the constructive dialogue maintained at all levels of the organization.

Every three years, a satisfaction survey is conducted to gauge employees' commitment, their image of the company and the overall work environment. Between May and June 2010, all employees of wholly owned subsidiaries were polled. The survey was also part of a more general plan designed to measure stress and on-the-job problems. Survey findings are used to identify areas for improvement in four key areas: local management practices, employee well-being, career advancement opportunities and communication.



**Job mobility gives employees the opportunity to meet new people, develop new skills and rise to new challenges. Becoming part of Plastic Omnium has enabled us to broaden these prospects and revitalize employee career paths.**

**Vincent Dussac**

Human Resources Director France  
Plastic Omnium Auto Inergy

**83% of employees\***  
say they are satisfied  
to work for Plastic Omnium

\*2010 in-house satisfaction survey

# Codes of Conduct and Ethical Practices

For Plastic Omnium, respect for ethical standards is a priority that enables our long-term growth and viability. Two codes of conduct define the foundations of this commitment, which is shared by all employees. Because of the crisis that impacted the automobile sector, relations between industry players have changed, creating new work procedures.

## Ethical commitment

The Code of Conduct presents rules that must be respected with regard to safety in the workplace, discrimination, confidentiality and the protection of company assets. It governs relations with all our stakeholders, including customers, suppliers, subcontractors, commercial and institutional partners, and members of the media.

The code federates team members in all our businesses worldwide around shared rules and values. A second code dealing specifically with competition rules has been published for employees working in sales or procurement. Both codes have been given to managers in all subsidiaries, who are responsible for seeing that they are properly applied.

A corporate resource and an integral part of the *PO Way*, the Code of Conduct is presented to new employees on orientation day and is available on both the website and the intranet portal.

Having signed the United National Global Compact in 2003, Plastic Omnium is committed to respecting its principles and files a report every year on progress made in their application.

This information can be consulted on the [www.unglobalcompact.org](http://www.unglobalcompact.org) and [www.un.org/french/globalcompact](http://www.un.org/french/globalcompact) websites.



Respecting the rules  
of law and ethical principles  
is everyone's business and  
in the interest of employees  
and the Company alike

## Strengthening trust and transparency in relations with suppliers

### Partnering relations with customers

The crisis in the automobile sector has led to a new way of working and created new relations that take into account the interests of all industry players in France. All stakeholders – public authorities, carmakers and suppliers – have decided to de-compartmentalize their operations, as recommended in the studies and forums of the French Automobile Industry Platform (PFA), in which Plastic Omnium Auto Exterior participated.

Plastic Omnium Auto Exterior is also active in France's Tier 2 Automotive supplier Modernization Fund (FMEA2), created under the supervision of the Ministry of Industry. The purpose of the fund is to help suppliers of Tier 1 automotive suppliers to structure their organizations and invest in innovation. Plastic Omnium provided €4 million in financing to the FMEA2 investment committee to support companies felt to have strategic importance for the industry.

### A CODE FOR NEW INDUSTRY PRACTICES

Initiated at the 2009 French Auto Industry Summit Conference, the Code of Performance and Best Practices enables industry players to share a vision covering both commercial and technological issues and to create a true partnering relationship between customers and suppliers. As a responsible corporate citizen, Plastic Omnium Auto Exterior has inserted a clause in its general purchasing conditions pledging to provide assistance to suppliers in difficulty. It is also seeking greater shared value with suppliers in the areas of innovation and communication.



Company employees must carry out their responsibilities while complying with the rules of law and ethical principles – at all times and in all locations.

# Health, Safety and Environment: an **integral part** of our strategy and management practices

Plastic Omnium considers safety to be a top priority and is pursuing actions through its second Health, Safety and Environment (HSE) plan, which covers the period 2008-2012. The plan is backed by an assertive governance system that is designed to create a zero-accident workplace over the long-term.

Logistics team at the Plastic Omnium Auto Exterior plant in Silao, Mexico, which won the in-house safety award in January 2011



## HSE network: sharing best practices to drive improvement

### A dedicated organization

Our HSE policy plays a role of prevention and protection with regard to the safety of people and equipment, health and the environment. This policy is part of a broader approach that aims for manufacturing excellence around the world.

The Corporate Health, Safety and Environment Department implements the HSE plan defined by Senior Management and works with the network of HSE

Division Directors and on-site correspondents. Every month, the Executive Committee reviews the main Safety and Environmental indicators, including the level 2 accident frequency rate, which provides an overall picture of our safety programs. The Committee is also informed immediately in the event of a serious accident.

Chaired by Laurent Burelle, the Corporate HSE Committee manages the plan's deployment and approves budgets allocated to the programs. It meets three times a year with members of the Executive Committee.

### KEY SAFETY INDICATORS

#### Level 1

accident frequency rate:  
lost-time accidents

#### Level 2

accident frequency rate:  
accidents with and  
without lost time

#### Accident severity rate

**Christian Baillet**, Process Relay Operator, Plastic Omnium Environment in Langres (France)



The Company has set a goal of optimizing safety performance on all sites.

## A worldwide risk-prevention plan

**Doris Keilhack**, Operator in Rottenburg (Germany)



### 1,713 days in a row without a lost-time accident

The Plastic Omnium Auto Inergy plant in Rottenburg, Germany received an award in 2010 for its safety performance through the end of 2009.

### Meeting four challenges

The HSE plan is organized around four objectives: eliminating the risk of serious accidents by reducing the total numbers of accidents; protecting the Company's industrial assets; developing managerial skills through the *PO Way*; and reducing the environmental impact of our operations. Through the plan, Plastic Omnium has confirmed that safety and the environment as well as risk management are fully integrated into decision-making and management processes of all units.

### Continuing Company-wide audits

Following the renewal of OHSAS 18001 certification for the Plastic Omnium safety management system in late 2009, three follow-up audits were conducted in 2010 (two by internal teams and one by a qualified independent organization) to ensure that the system was functioning smoothly. In this way, subsidiaries could adopt and widely share the safety procedures and objectives set for the Company as a whole. Internal audits will be continued while ongoing initiatives to obtain ISO 14001 and OHSAS 18001 certification will ensure efficient management of safety and environmental protection programs.

## A High-Risk Protection label: ensuring the sustainability of the most strategically important sites

### Recognition of efforts to protect Company assets

To ensure that its facilities are fully protected against the risk of fire, a High-Risk Protection program was launched in 2010. This international label awarded by insurance companies recognizes companies that apply the highest standards of damage protection. Companies are graded following on-site audits and a classification system is drawn up that takes into account their level of fire prevention measures. This approach makes the production base more reliable by eliminating the risk of disruption in the customer supply chain while also reducing fire hazards and fire-related accidents. In 2010, four plants were awarded the label: Ruitz and  $\Sigma$ -Sigmatech in France, Measham in the United Kingdom and Silao in Mexico.

### Showcasing outstanding safety performance

Annual safety awards have been created to recognize and encourage efforts in this area. Presented by Chairman and Chief Executive Officer Laurent Burelle at the Senior Management Convention on 23 March 2010, the 2009 awards covered three categories: Best Safety Performance, Most Improved Safety Performance and Most Accident-Free Days Worked. While the challenges were not the same for all sites – which included plants as well as other operating facilities – all had two points in common: highly responsible management teams and committed employees.



Teams at  $\Sigma$ -Sigmatech integrate HSE criteria into new projects from the outset. This approach makes it possible to assess and eliminate risks at every stage, with the goal of improving plant safety performance and workstation ergonomics.

**François Mazères**  
HSE Coordinator, Plastic Omnium Auto Exterior

### The four foundations of the HSE plan

**Safety + the environment + risk management  
= an ongoing commitment based on four foundations**

- Management assumes responsibility for the HSE plan
- A reconnaissance system is deployed
- HSE criteria are taken into account beginning in the design phase
- A policy of excellence is developed

# Safety

As in 2008 and 2009, Plastic Omnium continued to implement its programs to ensure safety in the workplace as part of a disciplined risk management process. Significant improvements were made, thus confirming the effectiveness of our projects in the areas of equipment compliance upgrades, man-machine interface, deployment of the *Top Safety* training program and ergonomics.

## Eliminating the risk of serious accidents

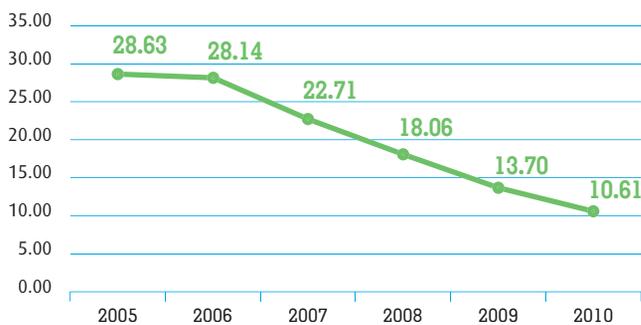
One serious accident out of three is due to a machine-related problem. In January 2009, an extensive man-machine interface program was introduced to reduce this type of accident. The first phase consisted of an audit of non-compliances in all plants, followed by equipment upgrades that were validated by a qualified organization. At year-end 2010, all Environment Division facilities had finalized the program, while Plastic Omnium Auto Exterior plants had begun the upgrade phase.

INERGY is also engaged in the process, carrying out initial audits in Europe and South America. A target has been set for finalizing the program, which represents a €5 million investment, on a majority of sites by the end of 2011.

## Changing behavior

In addition to this initial technical phase of the project, an instructive approach has also been introduced. Following an audit of the 15,000 different machine interventions, special training modules were developed. They will be deployed in 2011 for maintenance teams to ensure that all safety procedures are applied when carrying out maintenance work and installing new equipment.

### Sharp reduction in level 2 accident frequency rate in the past five years



In the same period, the level 1 frequency rate fell from 11.70 to 4.16 and the severity rate from 0.36 to 0.16.

Safety: an objective integrated into managers' annual performance reviews

## Worldwide plans to ensure safety in the workplace

### Musculo-skeletal disorders

A three-year internal study was conducted to prepare a list of reported occupational illnesses and injuries. The study found that 25% are due to repetitive movements that lead to musculo-skeletal disorders.

To reduce this type of injury, training programs on basic ergonomic principles were conducted throughout 2010 via an e-learning module. Offered in seven languages, the module teaches correct movements and postures.

This initiative is supported by programs on ergonomic workstation design using virtual reality techniques and the deployment of a behavioral approach to prevent disorders in cooperation with physical therapists.

These three programs reflect Plastic Omnium's commitment to preventing job-related disorders so that employees work in optimal conditions throughout their careers.

### Improved safety performance

- + 42 facilities reported no accidents in 2010 compared with 36 in 2009, an increase of 16%
- + 9,543 *Top Safety* audits were conducted in 2010
- + 66 facilities were OHSAS 18001-certified at year-end 2010 compared with 59 one year earlier, a 12% increase

*Top Safety* training at the plant in Ruitz, France



### TOP SAFETY

Introduced in 2005, the *Top Safety* training program enables managers to conduct audits that identify at-risk situations and to promote a true culture of safety within the organization. In 2010, program content was modified to take into account issues related to man-machine interface, equipment compliance upgrades and ergonomics. Four pilot sessions were held for 48 managers in Langres and Vernon in France, Silao in Mexico, and Measham in the United Kingdom.

Since the program's launch in 2005, training courses have been conducted for more than 450 managers and awareness-building sessions have been held for over 8,000 employees. Safety programs are also deployed in Plastic Omnium facilities in emerging regions around the world to ensure that the same standards are applied everywhere.

# Environment

A source of innovative green solutions for carmakers and local communities, Plastic Omnium also demonstrates responsibility and respect for the environment in its manufacturing operations. The Company is committed to promoting eco-design approaches while reducing the impact of its businesses and their energy consumption.

## Ecodesign to facilitate recycling

A founding member of Club CREER (Cluster Research: Excellence in Ecodesign and Recycling), Plastic Omnium has long integrated ecodesign into its project management processes. Today, the challenge is to promote the use of recycled or biosourced materials to reduce dependence on petroleum-based products.

Already a pioneer in this area with its Greenlene® and Green Made applications, Plastic Omnium is actively pursuing research projects to develop recycling channels and optimize the quality and amount of scrap plastic. As part of this commitment, the Company is taking part in three projects alongside partners from the industrial and academic sectors. The first project involves the recovery of waste from electrical and

electronic equipment, from which polypropylene will be extracted. The second, carried out with Valorplast in two pilot regions in France, has installed a system for recovering polypropylene from food packaging. The purpose of the third project, called Triptic, is to tag polypropylene, polyethylene, ABS and other polymers during formulation to facilitate their separation when waste and ground material are sorted.

These research paths create excellent opportunities for Plastic Recycling, the Company's plastics recovery subsidiary, to develop the use of recycled materials in exterior automotive components. Plastic Omnium is also taking part in MATORIA, a multi-partner project led by PSA Peugeot Citroën to develop starch-based polymers.

**Aïssa Chekroune**, scrap line operator at Plastic Recycling in Saint-Eusèbe, France



Plastic Omnium has an integrated recycling subsidiary: the Plastic Recycling plant processes scrap polypropylene and polyethylene recovered from end-of-life products.

## Use of recycled plastic

As a % of total processed plastic



### Reducing our energy use and carbon footprint

In 2007, Plastic Omnium launched *Top Planet*, a program to reduce energy use in both production and non-production facilities that is gradually being deployed throughout Europe. Three levers are used: purchasing productivity, led by procurement teams in charge of negotiating energy contracts; manufacturing productivity, with the installation by maintenance teams of technical solutions such as speed regulators, mold insulation sleeves and compressor heat recovery systems; and communication campaigns, which also play a decisive role in the plan's successful deployment.

During Environment Week in November, 2010, Plastic Omnium Auto Exterior teams in France took part in awareness-building sessions, which are now scheduled for deployment elsewhere in Europe, particularly in Spain and the United Kingdom.

### A PRECAUTIONARY APPROACH

As part of its Environmental Management System and HSE Plan, Plastic Omnium is pursuing efforts to obtain environmental certification for its facilities. At year-end, 79 sites were ISO 14001 certified, an increase of 10% in one year. When facilities are acquired, complete environmental audits of soil, air and water, are carried out upstream before the certification process is launched to prevent risks.

### Energy Savings Certificates

Because of initiatives and spending projects undertaken as part of the *Top Planet*, Plastic Omnium was able to earn energy savings certificates that can be sold to energy distributors, in line with France's Energy Act of 13 July 2005. With the support of a partner, Plastic Omnium will systemize this practice and pursue the certification of all qualified actions in France.

### INERGY energy audits

Since 2009, Plastic Omnium Auto Inergy has been involved on a site audit program with the goal of measuring energy use and rapidly taking steps to reduce consumption. Important ways of saving energy were identified on nine pilot sites. In all, 90% of Inergy facilities will be audited by year-end 2011.

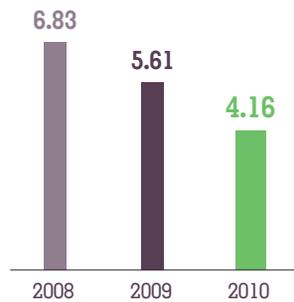
Objective: conserve natural resources

# Sustainable Development Indicators

Steady, continuous improvement: accident frequency rate reduced by more than 20% a year over the past three years

### Accident frequency rate with lost time

Number of accidents with lost time per million hours worked



### Accident frequency rate with and without lost time

Number of accidents with and without lost time per million hours worked



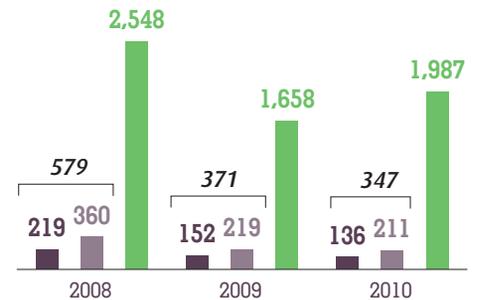
### Accident severity rate

Number of days of accident-related lost time per 1,000 hours worked



### Type of accidents

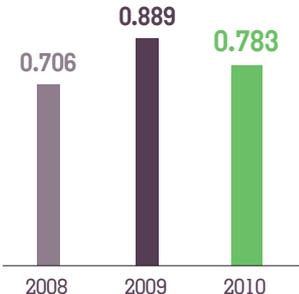
- Number of accidents with lost time
- Number of accidents without lost time
- Number of first aid cases



The indicators above cover Plastic Omnium employees and temporary workers.

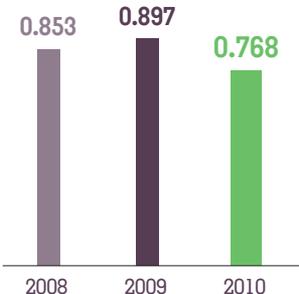
### Greenhouse gas emissions

In kg of CO<sub>2</sub> per kg of processed material



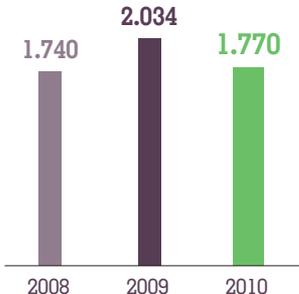
### Gas consumption

In kWh per kg of processed material



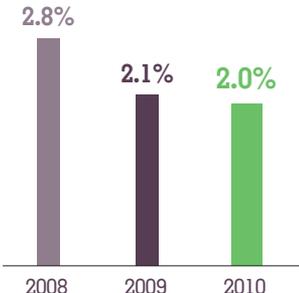
### Electricity consumption

In kWh per kg of processed material



### Final waste produced by industrial facilities

As a % of processed material



### Percentage of sites certified ISO 14001



### Percentage of sites certified OHSAS 18001



# Review of 2010 Actions

## Safety

## Management and industrial processes

Objectives	Actions	Results	Next steps
<b>Safety with regard to people</b>			
<b>Management assumes responsibility for the Health, Safety and Environment (HSE) program</b>	<ul style="list-style-type: none"> <li>Monthly Enablon reports reviewed by the Executive Committee with a focus on severe accidents.</li> <li>Man-machine interface (MMI) procedure deployed.</li> <li>"Unavoidables" defined.</li> <li>Company-wide policy on equipment compliance standards implemented.</li> <li>Integration of Plastic Omnium Auto Inergy.</li> </ul>	<ul style="list-style-type: none"> <li>26% reduction in accidents with lost time (incl. temporary workers) and 22% reduction in accidents with or without lost time (incl. temporary workers) year on year.</li> <li>Pareto analysis of business units with the highest rates of accidents with or without lost time.</li> <li>MMI procedures deployed.</li> <li>More than 98% of compliance audits carried out at Plastic Omnium Environment. Audits conducted at Plastic Omnium Auto Exterior. Program launched at Plastic Omnium Auto Inergy.</li> <li>Empowerment of supervisors of people involved in accidents.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the rate of accidents with lost time (incl. temporary workers) to 3.00 by year-end 2011, a 28% improvement over 2010.</li> <li>Reduce the rate of accidents with or without lost time (incl. temporary workers) to 8.50 by year-end 2011, a 20% improvement over 2010.</li> <li>Achieve a rate of around 15 in the business units with the highest rates of accidents with or without lost time.</li> <li>Implement the MMI procedure for all equipment in all plants in 2011.</li> <li>Conduct audits and ensure compliance of all Plastic Omnium Auto Inergy plants.</li> </ul>
<b>Deployment of a reconnaissance system</b>	<ul style="list-style-type: none"> <li>Safety objectives for all managers defined at their annual performance review.</li> <li>Four <i>Top Safety</i> training programs conducted at units with major safety challenges.</li> <li>Training provided in ergonomic corrective strategies.</li> <li>A library of training resources for the "unavoidables" posted online.</li> <li>Ongoing training provided in REACH and equipment compliance.</li> <li>Safety awards created.</li> </ul>	<ul style="list-style-type: none"> <li>Safety objectives defined for more than half of managers at annual performance reviews.</li> <li>48 managers trained in 2010, bringing to 457 the total number of participants in the <i>Top Safety</i> program since early 2005.</li> <li>Multimedia ergonomics training resource uploaded.</li> <li>19 employees trained in chemical hazard labeling systems.</li> <li>71 employees trained in machine compliance.</li> <li><i>Top Safety</i> Awards presented during the Top 100 meeting in March 2010.</li> </ul>	<ul style="list-style-type: none"> <li>Define Safety objectives for all managers at annual performance reviews.</li> <li>Organize nine <i>Top Safety</i> training sessions for 60 managers in 2011.</li> <li>Train all employees in ergonomic principles.</li> <li>Develop "unavoidables" training modules.</li> <li>Provide REACH training for all employees involved in chemicals management.</li> <li>Provide machine compliance training for all maintenance and design personnel.</li> <li>Present safety awards to qualifying plants at the Top 100 meeting in September 2011.</li> </ul>
<b>HSE criteria taken into account beginning in the design phase</b>	<ul style="list-style-type: none"> <li>HSE practices in milestone reviews standardized.</li> <li>Virtual reality technology used to validate workstation ergonomics in the design phase.</li> </ul>	<ul style="list-style-type: none"> <li>Pareto analyses conducted for product and process-related accidents.</li> <li>Best practices benchmarked in project reviews.</li> <li>HSE criteria integrated in product and process milestone reviews.</li> </ul>	<ul style="list-style-type: none"> <li>No projects to be approved unless milestones validated by HSE Division coordinators.</li> <li>Develop 3 workstations using virtual reality technology.</li> </ul>

<b>Deploying a policy of excellence</b>	<ul style="list-style-type: none"> <li>• HSE internal audit process (e-audit) developed.</li> <li>• OHSAS 18001 certification renewed for the centralized management of safety with regard to people and property.</li> <li>• Safety objective updates formalized during budget reviews.</li> </ul>	<ul style="list-style-type: none"> <li>• All internal audits integrate HSE questions in the reference base.</li> <li>• A risk map using a common standard developed at Division and Company level to ensure machine compliance.</li> <li>• 80% of facilities OHSAS 18001-certified as of 31 December 2010.</li> <li>• OHSAS 18001 certification renewed for the centralized management of safety with regard to people and property.</li> <li>• Guidelines drafted for the 2011 budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor HSE non-compliance via an online platform.</li> <li>• 89% of facilities OHSAS 18001-certified as of 31 December 2011.</li> <li>• Objective: zero incidents of non-compliance in the OHSAS 18001 certification audit for the centralized safety management system.</li> <li>• Validate HSE results and resources objectives alongside budget objectives.</li> <li>• Launch a project to actively promote HSE policies within Plastic Omnium's jointly owned companies.</li> <li>• Integrate Asian subsidiaries into the Company's safety process.</li> <li>• Create an online collaborative tool for people involved in HSE and human resources.</li> </ul>
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**Safety with regard to property**

<b>Loss prevention</b>	<ul style="list-style-type: none"> <li>• 37 facility audits by our insurance broker and agents scheduled for 2011.</li> <li>• Highly Protected Risk (HPR) initiative deployed throughout the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• 44 facility audits by our insurance broker and agents carried out in 2010.</li> <li>• Implementation of over two-thirds of people-related practices and procedures recommended by the audits.</li> <li>• Identification of HPR labeled sites as well as actions to be deployed to obtain the label.</li> <li>• 4 facilities awarded the HPR label.</li> </ul>	<ul style="list-style-type: none"> <li>• Zero tolerance regarding the implementation of these actions.</li> <li>• Internal auditors to verify the criteria used in calculating the Maximum Foreseeable Loss (MFL) during each inspection.</li> <li>• Internal auditors to ensure that a business continuity plan exists for supplier-related issues.</li> <li>• Capital employed protected by the HPR label: 4 facilities scheduled in 2011.</li> </ul>
<b>Loss protection</b>	<ul style="list-style-type: none"> <li>• 37 facility audits by our insurance broker and agents scheduled for 2011.</li> <li>• Insurer recommendations integrated into specifications for the construction of new Plastic Omnium plants.</li> </ul>	<ul style="list-style-type: none"> <li>• €3.9 million invested between 2006 and 2010 to reduce "Maximum Foreseeable Losses" (MFL).</li> <li>• Building specifications defined for new plants in low-cost countries.</li> </ul>	<ul style="list-style-type: none"> <li>• No new Plastic Omnium plant to be built without a sprinkler system.</li> <li>• Sites with the best loss protection performance rewarded with a change in their insurance premium (HPR program).</li> </ul>

**Environment**

Objectives	Actions	Results	Next steps
<b>Reducing emissions</b>	<ul style="list-style-type: none"> <li>• Ongoing deployment of solvent-free paint technologies.</li> <li>• Groundwater monitored on former sites classified at-risk.</li> </ul>	<ul style="list-style-type: none"> <li>• 5 water-soluble paint lines operational at year-end 2010 and 19 lines equipped with VOC thermal destruction systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify operations and processes that emit the greatest amounts of carbon.</li> <li>• Increase recycled material content.</li> <li>• Continue to reduce the amount of solvents used on paint lines.</li> </ul>
<b>Managing energy consumption</b>	<ul style="list-style-type: none"> <li>• Monitoring of carbon tax regulations.</li> <li>• Ongoing deployment of the <i>Top Planet</i> program to reduce electricity consumption.</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Saving Certificates earned and sold in France (<i>Top Planet</i> program).</li> </ul>	<ul style="list-style-type: none"> <li>• Deploy the <i>Top Planet</i> program in other European countries.</li> </ul>
<b>Completing deployment of the Environment Management System</b>	<ul style="list-style-type: none"> <li>• Acquired companies integrated into the scope of reporting for ISO 14001 certification.</li> </ul>	<ul style="list-style-type: none"> <li>• 93% of Plastic Omnium plants ISO 14001-certified as of year-end 2010.</li> <li>• Environmental/Ground pollution studies carried out for site disposal projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain ISO 14001 certification level in 2011.</li> <li>• Ground pollution issues to be examined for all plant disposals and acquisitions.</li> </ul>

## Review of 2010 Actions

### Health

Objectives	Actions	Results	Next steps
<b>Management of chemical risks</b>	<ul style="list-style-type: none"> <li>Management Safety Data Sheets on the X-Mat database updated.</li> <li>Deployment of Management Safety Data Sheet printing software linked to the X-Mat database.</li> </ul>	<ul style="list-style-type: none"> <li>Training in the X-labeling module provided at Σ-Sigmatech.</li> <li>REACH audit conducted at Sulo.</li> </ul>	<ul style="list-style-type: none"> <li>Prohibit the use of CMR substances or others subject to authorization or restrictions under the REACH regulation.</li> <li>Integrate Plastic Omnium Auto Inergy into the X-Mat database.</li> <li>All suppliers to provide up-to-date Management Safety Data Sheets.</li> <li>X-labeling module to be used for all datasheets on site.</li> <li>One-off targeted facility audits to ensure compliance with REACH regulation.</li> </ul>
<b>Ergonomics</b>	<ul style="list-style-type: none"> <li>RREM method for preventing work-related physical disorders deployed at Plastic Omnium Auto Exterior plants, in partnership with physical therapists.</li> <li>Virtual reality tool used to validate workstation ergonomics.</li> <li>Multimedia tool used for training in corrective ergonomics.</li> </ul>	<ul style="list-style-type: none"> <li>595 people had received RREM training in all Plastic Omnium Auto Exterior plants at year-end 2010.</li> </ul>	<ul style="list-style-type: none"> <li>Continue deploying RREM training on all Plastic Omnium Auto Exterior sites.</li> <li>Make maximum use of tools and feedback in project progress reports.</li> <li>Monitor occupational diseases as closely as workplace accidents.</li> <li>Broaden the use of virtual reality tools.</li> <li>Raise employee awareness of the principles of corrective ergonomics.</li> </ul>

### User Safety

Objectives	Actions	Results	Next steps
<b>Enhancing protection of pedestrians in the event of vehicle impact by reducing injuries to the leg, hip and head</b>	<ul style="list-style-type: none"> <li>Vehicle architecture solutions combining thermoplastics and thermosetting resins.</li> <li>Research conducted on more efficient energy absorption solutions.</li> <li>Development and production of the bumper absorption beam to protect the leg.</li> <li>Optimization of the space between the hood and the engine to protect the head.</li> </ul>	<ul style="list-style-type: none"> <li>Wider use of bumper absorption beams to protect the leg. In the European market, all bumpers designed and produced by Plastic Omnium Auto Exterior comply with European regulations.</li> <li>Hybrid metal/thermoset hood concept developed to increase protection of the head.</li> </ul>	<ul style="list-style-type: none"> <li>Pursue advances in the area of pedestrian protection with solutions that also help to make vehicles lighter.</li> <li>Develop a comprehensive offering of pedestrian protection solutions.</li> </ul>

### Products and services

### Environment

Objectives	Actions	Results	Next steps
<b>Reducing carbon emissions by making vehicles lighter and more aerodynamic</b>	<ul style="list-style-type: none"> <li>Ongoing development of lightweight solutions combining thermoplastics and thermosetting resins that deliver superior quality, functionality and cost-effectiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Series production of two "Higate" hybrid tailgates for the Peugeot 508 SW and the Range Rover Evoque.</li> <li>Order received for other "Higate" tailgates and for an all-thermoplastic tailgate for small city cars.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to increase the percentage of plastics and composites in automotive exterior and structural components, with the goal of reducing vehicle weight by 50 kg and per-vehicle carbon emissions by 6 g per km.</li> </ul>

<p><b>Increasing the recycling rate with the goal of reducing residual waste volumes</b></p>	<ul style="list-style-type: none"> <li>• Deployment of an integrated product and service offering for local authorities and their constituents.</li> <li>• Development of the voluntary waste disposal product line-up with underground semi-underground and above-ground containers.</li> </ul>	<ul style="list-style-type: none"> <li>• Deployment of a data management offering enabling a wide range of applications: electronic-chip wheeled-bin identification systems, container fleet management services, onboard weighing systems, geolocation of collection trucks and deployment of incentive-based invoicing schemes.</li> <li>• Launch of the Your City, Your Design concept that allows communities to strengthen their visual identity.</li> </ul>	<ul style="list-style-type: none"> <li>• Support community efforts to optimize waste sorting and reduce waste production.</li> <li>• Help communities to optimize their budgets.</li> <li>• Develop integrated urban equipment solutions.</li> </ul>
<p><b>Minimizing the impact of products throughout their entire lifecycle</b></p>	<ul style="list-style-type: none"> <li>• Comprehensive ecodesign approach for new product development implemented.</li> <li>• Efforts to reduce the amount of material consumed.</li> <li>• Use of materials that have the least environmental impact.</li> <li>• Priority given to recycled material.</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in research projects carried out by Club CREER (Cluster Research: Excellence in Ecodesign &amp; Recycling).</li> <li>• Product lifecycle analyses conducted.</li> </ul>	<ul style="list-style-type: none"> <li>• Pursue initiatives to reduce the carbon footprint of vehicles and equipment for storing waste prior to collection.</li> </ul>
<p><b>Developing applications for recycled plastics and optimizing the amount and quality of end-of-life plastics</b></p>	<ul style="list-style-type: none"> <li>• Maximum use of recycled materials in automotive applications and household waste collection containers.</li> <li>• Participation in two projects intended to improve recovery of polypropylene from electrical and electronic equipment waste and food packaging.</li> <li>• Participation in a project to tag polypropylene, polyethylene, ABS and other polymers during formulation to facilitate their separation when waste and ground material are sorted.</li> </ul>	<ul style="list-style-type: none"> <li>• Solution developed to recover and regenerated propylene from crushed automotive parts and production launched of bumpers for the Peugeot 207 containing Greenlene®.</li> <li>• 100% recycled polypropylene structural parts and impact absorption components produced in the Company's plants.</li> <li>• 30,635 tonnes of recycled material processed in the Company's plants.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the percentage of Greenlene® recycled plastic used in painted exterior parts.</li> <li>• Develop Plastic Recycling, the Company's dedicated recycling unit.</li> <li>• Support the development of recycling channels for end-of-life auto parts and vehicles in order to meet recovery and recycling goals for 2015.</li> </ul>
<p><b>Deploying "green" materials</b></p>	<ul style="list-style-type: none"> <li>• Research and development of a 100% crop-based polyethylene made from sugarcane with an exclusive partner in Brazil.</li> <li>• Participation in MATORIA, a multi-partner project led by PSA Peugeot Citroën to develop starch-based polymers.</li> </ul>	<ul style="list-style-type: none"> <li>• Green Made container, made entirely with sugarcane-based polyethylene, premiered at the Pollutec trade show in Lyon, France.</li> <li>• 100% biosourced and 100% recyclable, Green Made is the first crop-based container that meets European regulatory standards.</li> </ul>	<ul style="list-style-type: none"> <li>• Pursue research projects to increase the percentage of biosourced materials, thereby reducing dependence on petroleum products.</li> </ul>

**Health**

Objectives	Actions	Results	Next steps
<p><b>Reducing polluting diesel engine emissions</b></p>	<ul style="list-style-type: none"> <li>• Development of integrated systems to reduce nitrous oxide and carbon dioxide emissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Already chosen by Audi for five programs, of which three in production, Inergy's DINOx solution that integrates SCR technology was also chosen by General Motors for two programs and by Chrysler for one.</li> </ul>	<ul style="list-style-type: none"> <li>• Pursue research to optimize size and cost so that solutions can be tailored to large-series and smaller-engine cars.</li> </ul>
<p><b>Reducing hydrocarbon emissions</b></p>	<ul style="list-style-type: none"> <li>• Development of a blow-molding technique that considerably reduces fuel tank hydrocarbon emissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Series production of a Twin Sheet Blow Molding (TSBM™) fuel tank for the BMW 7 Series and the Audi A8, with orders received from Daimler in Europe and General Motors in the US.</li> </ul>	<ul style="list-style-type: none"> <li>• Deploy this technology for hybrid vehicles.</li> <li>• Adapt the TSBM™ process to design and cost constraints.</li> </ul>

We would like to thank everyone who helped in preparing this Business Review, as well as the Company employees who took part in the photo features.

This document is also available in French.

This report, which is available at [www.plasticomnium.com](http://www.plasticomnium.com), is also accessible to the vision-impaired.



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COMPAGNIE PLASTIC OMNIUM

Incorporated in France with limited liability and issued capital of €8,822,299.50  
Registered office: 19, avenue Jules Carteret - 69007 Lyon - France  
Registered in Lyon, no. 955 512 611 - APE business identification code: 6420Z